

- (1) பக்கங்களின் எண்ணிக்கை 10
 (2) புதுக்கித் திருப்பிய நாள் 9.9.1988
 (3) ஆதாரங்குறிப்பவர் சுருக்கொப்பம் 100

தமிழ்நாடு ஆவணக் காப்பகம்.

தமிழ்நாடு அரசு

Finance

13.8.88 துறை

அரசாணை எண். 944
 மு. கோப்புத் தாள் எண்.

அச்சகம்
 பலவகை

நாள் :

15.8.1882

மடிக்கவோ கண்டபடி கையாளவோ கூடாது

ஆவண. கா-1-18,006-15-6-87.

அ. ச. ஆதாரம்.

15TH AUGUST 1882, No. 94, FINANCIAL.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

Read—the following paper:—

Proceedings of the Government of India, Department of Finance and Commerce (Accounts and Finance—Stores), dated Simla, 4th August 1882, No. 2839.

Read—

Note by Mr. T. C. Hope, Secretary to the Government of India in the Department of Finance and Commerce, on the Iron Industry in India.

Despatch to Her Majesty's Secretary of State for India, No. 175, dated 1st July 1881, recommending the purchase of the Bengal Iron Works.

Despatch from Her Majesty's Secretary of State for India, No. 46, dated 30th August 1881, sanctioning the purchase.

Report on the Bengal Iron Works, by Ritter C. von Schwarz, dated 29th October 1881.

Telegram from the Government of Bengal in the Public Works Department, dated 5th April 1882, reporting conclusion of negotiations for purchase.

Letter to the Government of Bengal, Public Works Department, No. 494, dated 19th April, regarding temporary charge of the works, and calling for report on condition and utilisation of works.

Letter from the Government of Bengal, No. 234 E., dated 14th July 1882, furnishing reports by Ritter C. von Schwarz, with memorandum by the Chief Engineer.

Resolution—

The Government of India have, for some time past, had under special consideration the importance of developing the iron industry in India. The advantages which such development would afford to both the State and the public,—by cheapening the cost of railway construction and maintenance, and of works for improving the water-supply; by substituting metal for more perishable materials in buildings; by reducing the home charges and their concomitant loss by exchange; by creating for the population non-agricultural employment; and by increasing the means for profitable investment of capital,—are too well known to require lengthened exposition.

2. Regarding the capabilities of the Indian iron measures to fulfil all that is required of them, no doubt can reasonably be entertained. Moreover, they lie, for the most part, in convenient proximity to either ample supplies of coal or forests available for use in the preparation of the ore. In Assam, Kuch Behar, Burma, and the Kumaon ranges the prospects are promising to a greater or less extent. In Lower Bengal the Raniganj District, Sonthalia, and Chittia Nagpur; in the Central Provinces, Sambalpur and Chanda; in Central India, the ranges near Gwalior; and in the Punjab, numerous localities, are found to be specially endowed with all the requisites for successful production. In quality the ores are mostly found to be extremely pure, and where the proportion of phosphorous and other impurities is large, recently invented processes have removed all obstacle to their successful elimination.

3. Under the circumstances above described, it may be accepted as proved that India possesses the means of supplying all her wants in respect of cast iron, wrought iron and steel, and that such supply could be produced remuneratively on a strictly commercial basis. The establishment of iron works to be owned and worked by the State is open to grave objections, both economic and practical, and being likewise unnecessary, need not be discussed at length. Nothing appears to be necessary in

order to attract private enterprise is so eligible an opening except the collection and diffusion of sufficient information, and the grant of such facilities as the State may legitimately and reasonably afford to a young and growing industry.

4. Private enterprise in this matter, however, must evidently be on a large scale, and not confined to one locality alone. The distances in India are so great, and the railway system now so extended, that the cost of conveying material to the spot where it is needed is an important factor in every calculation. It has been proved that, unless mills were established at four different localities, the cost of sending old rails and tyres to be worked up again would exceed that of obtaining new ones from England. A similar conclusion has been formed as to the gain by substituting iron sleepers for wooden ones. Raniganj, the Punjab, and the Central Provinces appear to be the localities in all of which extensive operations would be necessary in order to meet early necessities of the case. Whether these localities should be occupied by different Companies or by one is a matter of detail, but the aggregate capital required would obviously be large. The amount required might perhaps be beyond the local resources of the Calcutta or Bombay money market, and the investment uncongenial to those in Europe with whom those markets are connected in their ordinary mercantile transactions. England must likewise be looked to, and those capitalists in England whose knowledge and resources are specially directed to the iron industry.

5. Towards the development of the industry in the Raniganj District, the attention of the Government has in the first instance been directed, in consequence of the fact that a private Company was established a few years ago near Barmakur, but after a short time fell into difficulties from causes which need not be related, and was obliged to suspend operations. After carefully investigating the causes of failure, the Government of India came to the conclusion that the only way in which the works could be, at any early date, placed in the hands of experienced persons having an adequate command of capital, was by an intermediate purchase on the part of the State.

6. The "Bengal Iron Works" have consequently been purchased for the sum of Rs. 4,30,761. His Excellency the Governor-General in Council is now pleased to announce that they will be retransferred for that sum, together with any further indispensable outlay, to any parties who may establish satisfactorily that they are in the possession of sufficient skill and resources, and *bona fide* prepared to carry on the manufacture of iron and steel upon a scale commensurate to the probable needs of that portion of British India which is within reasonable distance of the works. His Excellency in Council will further be prepared to enter into an engagement, if so desired, to take annually for ten years, at fixed prices to be previously agreed upon, not less than a certain weight of the Company's manufactures. This weight will be determined with reference to the average requirements of the Government for railways and other public works in the territory to the north and east of the East Indian Railway from Calcutta to Moga Seral. With a view to facilitate the formation of a judgment on the prospects of the enterprise, the reports by Ritter C. von Schwarz, which are specified in the heading to this Resolution, will be made public, and further explanations or information will, as far as practicable, be afforded; but it must be distinctly understood that the Government decline to be responsible for the accuracy of any calculations or estimates so put forward.

7. In order to ascertain more fully the capabilities of the Chanda District of the Central Provinces, Ritter C. von Schwarz was some months ago deputed to the locality, and has submitted a very full and able report, which is also now made public, under a similar reservation. The Government of India are now engaged in ascertaining the probable demand for iron and steel within a suitable radius of Chanda, and in comparing the merits of that locality with those of others in the Central Provinces. Any information which may become available will be published in due course. Similar investigations will be pursued in the Punjab and other parts of India, as circumstances may permit.

8. In view of the importance of fully developing at the earliest possible date the resources of India in coal and iron, and of the necessity of unity and vigour of

action to this end, His Excellency the Governor-General in Council is pleased to direct that the Department of Public Works of the Government of India shall be the initiating Department in relation to the utilization of these minerals, subject to the customary general control of the Department of Finance and Commerce in matters of contract and expenditure, and to the usual consultation of the Revenue or Political Department in any matters in which they may be respectively concerned. Those Departments, on the other hand, as also the Local Governments and Administrations, should, by the collection of information or otherwise, co-operate with the Department of Public Works towards the attainment of the end in view.

Order—

Ordered, that this Resolution be communicated to all Local Governments and Administrations, and to the Public Works, Revenue and Agricultural, and the Political Departments of the Government of India, and that it be published, together with the reports of Ritter C. von Schwarz, in the *Gazette of India*.

(Signed) D. BARBOUR,
Secy. to the Govt. of India.

ORDER—dated 15th August 1882, No. 94, Financial.

Communicated to the Public Works and Revenue Departments.

2. The Resolution will be published in three issues of the *Fort St. George Gazette* for general information, and laid on the Editors' table.

(True Extract.)

Chief Secretary.

To the Public Works Department.
" Revenue Department.
" Board of Revenue.

Edw. T. O'Connor.

Gobt. of (1882) Madras.
FINANCIAL.

Issued

Recd.

Encl.

G.O., 15th August 1882, No. 944.

AUGUST.

Industries.

Communicating to the Public Works and Revenue Departments Resolution of the Government of India on the development of the iron industry in India.

3/44
1P
3/944
No. 2899.

GOVERNMENT OF INDIA.
DEPARTMENT OF FINANCE AND COMMERCE.

ACCOUNTS AND FINANCE.
Stores.

Simla, the 4th August 1882.

READ—

- Note by Mr. T. C. Hope, Secretary to the Government of India in the Department of Finance and Commerce, on the Iron Industry in India.
Despatch to Her Majesty's Secretary of State for India, No. 175, dated 1st July 1881, recommending the purchase of the Bengal Iron Works.
Despatch from Her Majesty's Secretary of State for India, No. 40, dated 25th August 1881, sanctioning the purchase.
Report on the Bengal Iron Works, by Ritter C. von Schwarz, dated 28th October 1881.
Telegram from the Government of Bengal in the Public Works Department, dated 5th April 1882, reporting conclusion of negotiations for purchase.
Letter to the Government of Bengal, Public Works Department, No. 404, dated 19th April, regarding temporary charge of the works, and calling for report on condition and utilisation of works.
Letter from the Government of Bengal, No. 2343E., dated 14th July 1882, furnishing reports by Ritter C. von Schwarz, with memorandum by the Chief Engineer.

RESOLUTION.—The Government of India have, for some time past, had under special consideration the importance of developing the iron industry in India. The advantages which such development would afford to both the State and the public,—by cheapening the cost of railway construction and maintenance, and of works for improving the water-supply; by substituting metal for more perishable materials in buildings; by reducing the home charges and their concomitant loss by exchange; by creating for the population non-agricultural employment; and by increasing the means for profitable investment of capital,—are too well known to require lengthened exposition.

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3. Under the circumstances above described, it may be accepted as proved that India possesses the means of supplying all her wants in respect of cast iron, wrought iron and steel, and that such supply could be produced remuneratively on a strictly commercial basis. The establishment of iron works to be owned and worked by the State is open to grave objections, both economic and

practical, and being likewise unnecessary, need not be discussed at length. Nothing appears to be necessary in order to attract private enterprise to so eligible an opening except the collection and diffusion of sufficient information, and the grant of such facilities as the State may legitimately and reasonably afford to a young and growing industry.

4. Private enterprise in this matter, however, must evidently be on a large scale, and not confined to one locality alone. The distances in India are so great, and the railway system now so extended, that the cost of conveying material to the spot where it is needed is an important factor in every calculation. It has been proved that, unless mills were established in four different localities, the cost of sending old rails and tyres to be worked up afresh would exceed that of obtaining new ones from England. A similar conclusion has been formed as to the gain by substituting iron sleepers for wooden ones. Raniganj, the Punjab, and the Central Provinces appear to be the localities in all of which extensive operations would be necessary in order to meet early necessities of the case. Whether these localities should be occupied by different Companies or by one is a matter of detail, but the aggregate capital required would obviously be large. The amount required might perhaps be beyond the local resources of the Calcutta or Bombay money market, and the investment uncongenial to those in Europe with whom those markets are connected in their ordinary mercantile transactions. England must likewise be looked to, and those capitalists in England whose knowledge and resources are specially directed to the iron industry.

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6. The "Bengal Iron Works" have consequently been purchased for the sum of Rs. 4,30,761. His Excellency the Governor General in Council is now pleased to announce that they will be retransferred for that sum, together with any further indispensable outlay, to any parties who may establish satisfactorily that they are in the possession of sufficient skill and resources, and *bona fide* prepared to carry on the manufacture of iron and steel upon a scale commensurate to the probable needs of that portion of British India which is within reasonable distance of the works. His Excellency in Council will further be prepared to enter into an engagement, if so desired, to take annually for ten years, at fixed prices to be previously agreed upon, not less than a certain weight of the Company's manufactures. This weight will be determined with reference to the average requirements of the Government for railways and other public works in the territory to the north and east of the East Indian Railway from Calcutta to Mogul Serai. With a view to facilitate the formation of a judgment on the prospects of the enterprise, the reports by Ritter C. von Schwarz, which are specified in the heading to this Resolution, will be made public, and further explanations or information will, as far as practicable, be afforded; but it must be distinctly understood that the Government decline to be responsible for the accuracy of any calculations or estimates so put forward.

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8. In view of the importance of fully developing at the earliest possible date the resources of India in coal and iron, and of the necessity of unity and vigour of action to this end, His Excellency the Governor General in

Council is pleased to direct that the Department of Public Works of the Government of India shall be the initiating Department in relation to the utilisation of these minerals, subject to the customary general control of the Department of Finance and Commerce in matters of contract and expenditure, and to the usual consultation of the Revenue or Political Department on any matters in which they may be respectively concerned. Those Departments, on the other hand, as also all Local Governments and Administrations, should, by the collection of information or otherwise, co-operate with the Department of Public Works towards the attainment of the end in view.

ORDERED, that this Resolution be communicated to all Local Governments and Administrations, and to the Public Works, Revenue and Agricultural, and the Political Departments of the Government of India; and that it be published, together with the reports of Ritter C. von Schwarz, in the *Gazette of India*.

Secretary to the Government of India.

Patna / 82 /
 (Industries)
 GOVERNMENT OF INDIA.
 DEPARTMENT OF FINANCE AND
 COMMERCE.
 ACCOUNTS AND FINANCE
 Stores.
 RESOLUTION.

38
 15th Aug / 82 No 966.

Case 2 of the
 P. M. and Gen. Dept.

To

The Resolution will
 be published in
 three issues of
 the Port St. George
 Gazette, for
 general information.

No. 2899.

Dated Simla, the 4th August 1882.

2/11 Aug 82

CURRENT NO. 2312

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To the P. M. Dept.
 a - Gen a b
 a - Gen. Secy
 a - Secy to the Govt

Cert. Central B. Press, Simla. - No. 521 C. P. - 3-8-32. - 00.

ENCLOSURES

CURRENT No.

2312 A

STATEMENT WITH DITTO.

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A = Print in full.
 B = Not to be printed.
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 Q = Print heading only.
 R = Print, but not for monthly vols.

13:1 Personnel
PRESS.

Final DEPARTMENT
G.O. DATED *15 August 1942*
No. *944*

Final to Govt

First copy sent to Press.

Returned for signature. *26/8/42*

Despatched in print. *25/8*

[Despatch Abstract.]

*Industries Comg. to the
P.W. And Rev. Depts. Resolu-
tion of the Govt. of India
on the development of
the iron industry
in India*