21-3-35-I
11-8-39-I
9 (Loose)
4-(-47-I

M.R.O. 1—39,000—16-10-29.

MADRAS RECORD OFFICE.

Government of Madras.

Political DEPARTMENT.

G.O. No. 331 Press ~~Mis.~~

Dated 27-5-1859

Not to be folded or roughly handled

Proceedings of the Madras Government, Political Department, from 18th to 27th May 1859.

No. 42. Read the following letter from CLEMENT DALE, Esq., Receiver of the Carnatic Property; to THOMAS PYCROFT, Esq., Chief Secretary to Government, Fort Saint George, dated 26th May 1859, No. 142.

Although I have not received any official intimation, that it is the wish of Government to purchase the area forming the compound to the Chepauk Palace with the buildings upon it, yet having reason to believe that such is the case, I deem it right to forward to you, for the information of the Honorable the Governor in Council, the enclosed copy of a letter received by me from Messrs. Franck and Co., whom I consulted as to the mode of disposing of that property which would prove most conducive to the benefit of the Estate of the late Nabob of the Carnatic.

2. In consulting Messrs. Franck and Co., I considered it right to inform them of my impression regarding the wishes of Government, as a guide to them in forming their opinion.

3. His Excellency in Council will observe, that in their report Messrs. Franck and Co., have not lost sight of that circumstance. He will likewise perceive the difficulty which Messrs. Franck and Co., have experienced in arriving at a satisfactory conclusion, as to the best method of selling this property, owing to the extent, and value of it, and the consequent probability of a lack of competition, if put up in one lot. In para. 4, Messrs. Franck and Co., suggest 2 modes of getting over that difficulty. One is that an upset price should be fixed upon by me; the other cutting up the land into lots of suitable size for building houses for private residences. It is true, Messrs. Franck and Co., appear to anticipate some difficulty in carrying out the first course, and on the whole, conclude that the parcelling out the land, may prove the most beneficial to the Estate.

4. I own, I do not participate to the full extent, in Messrs. Franck and Co.'s fears of the difficulty in settling an upset price. It is known the sum per ground which land in the neighbourhood of the Mount Road, but in much less advantageous situations, has lately realised. Much of the land at Chepauk, from the eligibility of the situation, would doubtless sell for very much larger sums; while the remainder of the land, would in all probability sell for much about the prices realised by other sales; I am fully alive to the probability that the lots facing the sea, and very possibly those facing the Government House compound, would realise fancy prices, but to set off against that, is the chance, that some of the less eligible lots, might not immediately find ready Purchasers, I therefore feel, that if I were assured there would be one Bidder at the upset price, I should be perfectly justified in soliciting the Court's permission to put the property up in one lot, at such upset price as I might consider a fair and reasonable value.

5. The Government doubtless are desirous that its full value should be obtained for the property, although they may not be disposed to pay more than such value. I apprehend the Government could readily ascertain from the Collector of Madras, the amount which that land would be likely to realize per ground, if put up in suitable lots, and the consequent value of the whole area. The value of the Buildings could also be readily appraised by the Engineers Department. If Government are satisfied, that such is an equitable mode of dealing with the question, and would favour me with a valuation on that basis, and intimate to me their willingness to bid that amount at a sale, I would forthwith consult with Messrs. Franck and Company, and on their acquiescing in the propriety of the value named by the Collector and Engineer, I would at once Petition the Court for leave to put up the property in one lot, and at an upset price. The reason for my saying I would consult Messrs. Franck and Co. is, that I may satisfy the Court, that I am acting under the advice of experienced Auctioneers, employed by me to assist in watching the interests of the Estate.

6. If His Excellency in Council should approve of the foregoing suggestion, I entertain no doubt the Court would concur in the propriety of that course being pursued, and sanction its adoption.

No. 43. ORDER THEREON, 27th May 1859, No. 331.

Resolved that a copy of the above letter, with the enclosure in original, be forwarded to the Chief Engineer, Department of Public Works, and that he be directed in communication with the Collector of Madras to report at an early date upon the value of the land and buildings forming the Chepauk Palace Premises.

Exd. A. P. W. Begbie.

(Signed) T. PYCROFT,
Chief Secretary.

To
Clement Dale Esqre
Revenue of the Carnatic Property

Sir,

1. We have now the pleasure to hand you a plan of the Chepauk Palace, buildings and ground which has just been completed for us, acting on your behalf by Mr. M. Ross employed in the Engineers Department of the Madras Railway, whose services were very kindly placed at our disposal by the Head of that Department for this purpose.

2. In preparing this plan, Mr. Ross has followed strictly the line of wall which surrounds the ground attached to the Palace; and his measurement shows a deficiency of about 3½ Cawnies between the present area within this wall, and that which is represented by Mr. Gantz's plan taken in 1839. This difference, as far as we can learn, is accounted for by the extent of land which was taken from the grounds of the Palace towards the North and

North

North East, and thrown into the new road leading from the Beach to Triplicane between the Palace and the Government Gardens, as well as other portions of land taken for the purpose of widening the South Beach road. In other respects the present line of wall appears to be exactly the same as it was in 1839, and all the information we can obtain tends to confirm this supposition. —

3. — There appear to be some small patches of land, lying between the East line of Wall and the South Beach Road which belong to His Highness the late Nabob of the Carnatic, as explained to yourself and our Mr. Fraser Junior a few mornings ago by the Dewan. These pieces of ground do not appear ever to have formed part of the Chepauk Palace Grounds proper, but to have been purchased by the late Nabob probably for the use of some of his retainers or dependants. They have all been surveyed by Mr. Ross and are marked out in the accompanying plan. —

4. — As regards the best method of

of putting up this property for sale, we must own that we feel much difficulty in offering a very decided opinion. We have heard from various quarters that the Government are desirous of purchasing, and should have thought that they would have been glad to take it at a valuation; but as you have informed us that this course has been suggested by you to them and the suggestion negatived, we do not allude to it any further. We leave them to consider the best way of putting up the property for Public Sale. If it were to be offered in one lot, the chances of our petition must of necessity, from the extent and value of the property, be very much reduced if indeed the ability to purchase be not altogether confined to one party, viz. the Govt. It is true that we have heard it rumoured that some of the wealthy Natives of Madras are disposed to combine together for the purpose of bidding against the Govt, and buying to secure the property for themselves either as a speculation, or

for

for some other purpose, but it would not be prudent to calculate much on such a possibility, and in the event of no such proceeding on their part being contemplated, it is tolerably certain that if the Property be put up in one lot, only one bidder (the Govt.) would offer, and thus an unexpected and rather serious difficulty present itself in the way of effecting the sale. This difficulty might perhaps be met, by your determining before hand upon an upset price for the lot, at which, in the absence of any competition, it might be knocked down to anyone who was willing to offer that price; but this might be an unsatisfactory and difficult course to arrange, and it is just possible that the knowledge of any such intention might stop competition if any be contemplated, and prejudice the sale.

5. — A much more certain means of securing a fair competition for the Property, and probably too of realizing it

it to better advantage, would be to parcel it out into convenient lots of moderate extent and value, such as would be within the means of many to compete for, and this we are of opinion might be done very advantageously. But to do this would necessarily involve some delay in disposing of the Property, first in consulting and deciding upon the most desirable arrangement for parcelling it out, then in having the several lots carefully measured and their boundaries marked on the ground, and lastly in the time which would be required to get thro' the sale of a number of lots of land, except in this respect viz: delay, we see no advantage in your disposing of the Property by piecemeal, nor do we think you would incur any risk whatever of realizing it less favorably than by putting it up in one lot, even were you certain of competition in the latter case. But

even

even this delay may possibly prove be-
-neficial to the sale of the Property, since
it may post pone it to a time when our
money market which has been of late
exceedingly tight and is still feeling a
great pressure may be much easier.
There are indications of an improvement
in this respect already, and we believe
it is generally expected that this im-
provement will continue. Of course these
anticipations of a favorable change may
be disappointed.

6.— Some little delay is in our opinion
necessary even if the Property be ad-
-vertised for sale in one lot, say about
20 or 25 days from the first publication
of the advertisement fixing the date
of sale in order to give reasonable notice
to Capitalists in the interior as well as
at the Presidency.—

7.— It only remains for us to allude
to the commission to be allowed to us
should you obtain the sanction of the
Court to employ us in the sale of this
Property - Our fixed charge of Commission
on

on the sale of Houses and Lands is
2½ per cent on the amount realized if
above 3,500 Rupees, or 5 per cent if under
that sum, of course we should not ex-
-pect any such remuneration in the
case of the property now under consi-
-deration, which from its extent and
value is quite an exceptional, one +
without attempting to conjecture what
this property will realize, we have
to propose the following terms which
we trust will be considered reason
-able and be sanctioned if we are
employed in the sale.—

If the property be sold in one lot, our
Commission on the amount realis-
-zed shall be at the rate of one (1)
per cent on the first Lac of Rupees,
and one half (½) per cent on any
amount in excess of that sum.—

If the Property be parcelled out and
sold in several lots, thus requiring
much time and labour to complete
the work, our Commission shall
be doubled that is to say two (2)
per

per cent on the first lac of the gross aggregate amount of sale, and one (1) per cent in any thing in excess of that sum; exclusive in either case of advertising charges, printing hand bills or any other expenses.—

Madras 26th May 1859.

We have &c.
(Sigd) Franck & Co.

A true Copy
(Sd) Clemt Dale
Receiver of the C.D.

No. 331.

Resolved that a copy of the above letter, with the enclosure in original, be forwarded to the Chief Engineer D.P.W. and that he be directed in communication with the Collector of Madras to report upon the value of the Land & buildings forming the Chepauk Palace Premises

Chief Engr D.P.W.
Rec'd 28th Inst.
To the Coll.r of Madras - Dest.d 10/6.

Dispd. 27th ins.
Fort St George
27th May 1859.

Rec.d &c.
27th May 1859.

Coll.r to report 12th Oct.r
Rec.d 23 of 1859