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Recd
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19-4-17 ✓
14-10-08 ✓
19-3-14 ✓

ORDINARY, MS.

<i>Public</i> DEPARTMENT.	
G.O., DATED	12-5-93
No.	379

INDEXED.

When given for copying.

[Despatch Abstract.]

Informing the President of the Combustion Sugar Manufacturing Company that under the rule quoted some of the Govt servants might be able to share in the Company—

companies for profit

F 50.372-186-206

READ AGAIN ORDER OF GOVERNMENT, DATED
18, No. , MISCELLANEOUS.

ENCLOSURES.

CURRENT No.

STATEMENT WITH DITTO.

ORDER OF GOVERNMENT.

LETTER OF GOVERNMENT.

STATEMENT WITH DITTO.

PAPERS NOT FILED UP, BEING MEANT FOR DESPATCH
IN ORIGINAL (not paged).

N.B.—

A = Copy in full.
B = Not to be copied.
P = Copy abstract only.
Q = Copy heading only.

COIMBATORE SUGAR MANUFACTURING COMPANY

(LIMITED).

(Incorporated under the Indian Companies' Act 6 of 1882.)

The liability of each Shareholder is strictly limited to the amount of
his Shares.

CAPITAL Rupees 150,000,

in 6,000 Shares of Rs. 25 each with power to increase.

Payment :—Rs. 5 per share with the application. Balance to be paid in two
instalments of Rs. 10 each, with 30 days' notice.

President :

M. R. Ry. C. SADASIVA MUDALIAR (Secretary to the Coimbatore
Janopakara Nidhi (Ld.))

Provisional Directors :

M. R. Ry. S. P. NARASIMMULU NAIDU GAROO (Proprietor "Crescent"
Press).

" MAHOMED YUSUF MURIKAYAR (Tannery Merchant).
" VIJIAYARUNGA MUDALIAR (Secretary to Coimbatore
Co-operative Stores (Ld.)).
" MUTHUKRISHNAMA NAIDU Garu (Landholder and Contractor).
" LALJEE SAIT, General Merchant and Landholder.
" BALLAM SUBBARUTHNA CHETTIAR, Merchant.
" O. M. SUBBIAH CHETTIAR, Merchant.
" KUTTIA GOUNDER, Landholder.

Secretary :

M. R. RY. V. T. SESHACHELLA MUDALIAR.

Bankers :

COIMBATORE JANOPAKARA NIDHI (LIMITED).
COIMBATORE VARTHAKA VRIDHI DANARJAKA SUNGAM (LIMITED).

Legal Advisers :

G. W. WILKINS, ESQ., ATTORNEY-AT-LAW.
M. R. RY. T. S. BALAKRISTNA AIYAR, B. A., B. L.

Registered Office :

NO. 8, VYSIAL STREET, COIMBATORE.

PROSPECTUS.

I. The successful cultivation of the Sugar-cane and the production of Palmirah and Coconut Jaggery in the District of Coimbatore present a very favourable inducement for the establishment of a factory for working these products into marketable commodities.

II. It is therefore proposed to establish a factory in the neighbourhood of Coimbatore for the purpose above-named, having the command of water convenience.

III. It is estimated the cost of the building and the machinery with all accessories will not exceed 100,000 leaving a balance of Rs. 50,000 for working capital and that a dividend of 28 per cent. per annum may be expected to be earned. The building, and engine power estimated for, will be sufficient, for the accommodation of more machinery. It is now proposed to turn 5 tons of refined Sugar per day of 12 hours.

IV. The machinery will be selected and ordered from the best makers. The Directors are confident that if the shares are taken up as freely as they may reasonably anticipate, the mill will be in full operation in the course of 12 months as plants and estimates are ready.

V. From the appended Schedule it will be seen the shares of the Company offers exceptional inducement for the investment of local capital, and it is hoped that the required capital will be subscribed locally.

VI. Application for shares on the accompanying form should be sent not later than the 30th April, 1893, to the President or the Secretary of the Company.

VII. Further information and forms of application may be obtained from the President or the Secretary and at the Registered Office. About 1,000 shares have already been taken up.

SCHEDULE.

Estimate of returns for one year.

By sale of Sugar, 6,480 candies, at Rs. 53 per candy	3,43,440	0	0		
By sale of Molasses, 4,860 candies, at Rs. 9 per candy	43,740	0	0	3,87,180	0 0
Less.					
Cost of 12,960 candies, at Rs. 20 per candy	2,59,200	0	0		
Wages, stores, fuel, establishment, interest, Secretary's salary, sitting fees, &c.	71,765	0	0		
Depreciation of Machinery, 15 p. c.					
Depreciation of Building, 5 p. c.	13,300	0	0	3,44,265	0 0
Profits say 28 o/o Rs.				42,915	0 0

THE

Coimbatore Sugar Manufacturing Company, (LIMITED).

FORM OF APPLICATION FOR SHARES.

No. _____

To the Directors of the

COIMBATORE SUGAR MANUFACTURING COMPANY, LIMITED.

GENTLEMEN,

Having paid to your President or Secretary the sum of Rs. _____ being a deposit of Rs. 5 per share on _____ shares of the above Company, I request you will allot me the number, and I hereby agree to accept the same or any smaller number that may be allotted to me, and to pay the further sums of Rs. 10 per Share on two instalments according to the terms of your Prospectus, 20th February 1893 and the Memorandum and the Articles of Association of the Company; and I hereby authorize you to place my name upon the Register of Members for the Shares so allotted.

Name in full _____

Address _____

Occupation _____

Date _____

Usual Signature _____

This sheet should be forwarded entire to the President, or the Secretary of the Company at Coimbatore, accompanied by the amount of the deposit on the Shares applied for.

FORM OF RECEIPT.

(To be retained by Applicant until exchanged for Share Certificate.)

No. _____

Received this _____ day of _____ 189 ,
of _____
the sum of _____ being a deposit of Rs. 5 per Share on
_____ Shares in the COIMBATORE SUGAR MANUFACTURING
COMPANY, LIMITED.

Rs. _____

Date _____

President or Secretary.

N.B.—This Receipt, and those in respect of payments, should be carefully retained to be subsequently exchanged for Share Certificates.

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FROM

THE PRESIDENT OF

THE COIMBATORE SUGAR MANUFACTURING

COMPANY (LIMITED).

TO

The Chief Secretary

To the Government of Madras,

MADRAS.

SIR,

Under the instructions of the Directors of the Coimbatore Sugar Manufacturing Company (Limited) I respectfully beg to request you will be pleased to bring to notice of His Excellency the Governor in Council that certain enterprising native gentlemen of the Town of Coimbatore have after mature deliberation deemed expedient to start the above Company in this Town, the main object among others being to develop the resources of this part of the country including this and other districts which are known to produce Sugar-cane and Jaggery pretty abundantly.

2. The few Sowcars, Merchants and independant private gentlemen who have combined their exertions in bringing this Company into existence have so far succeeded that the Directors and other office holders have been duly appointed and the Company registered under the existing Regulations and that as may be seen from the accompanying prospectus and other papers connected therewith, nearly one-half out of the 6000 shares have already been taken out by people of different grades and rank of all classes in and about the town of Coimbatore.

3. The object of this communication to the Government is with reference to para. 20, quoted in the margin,

"With regard to investments other than those in land for the profits of cultivation, officers of every rank and class in the public service are expected to abstain from any investment (though of itself unobjectionable) which interests them privately in affairs on an undertaking of the kind with which their public duty is connected. Subject to this general proviso, there is no objection to Government servants holding shares in mining or other companies (including agricultural Companies having for their object the development of the resources of the country, provided that they must not take part in the management of any such Company and that they must not be employed in the Districts where the operations of the Company with which they may be connected are carried on."

of Part II "Speculations and investments" of the rules regulating the conduct of the public servants, in borrowing or investing their monies. This prohibits persons employed in the Government service from holding shares in a

Company like this, should they be employed in the District where the operations of the Company are carried on.

4. Clear as this prohibition is, and unambiguous as its interpretation is, the Government servants employed in the district of Coimbatore, though most of them are willing to join this undertaking profitable not only to their ill paid selves

but also to the cultivating, the trading and the labouring classes, are doubtful as to the propriety of their taking shares in the face of the above quoted order. Their doubts and fears apparently originate from the simple reason that this association is styled the *Coimbatore Sugar Manufacturing Company*.

5. The insertion of the prefix *Coimbatore* is due to the fact that the founders of the Company are residents of *Coimbatore*, and not because the Company's operations are intended to be confined to and carried on in the district of *Coimbatore* only.

6. The factory, in fact, is to be located at *Pothanore* which being a Railway junction will serve as a very useful centre for the importation of Sugar-cane or Jaggery or exportation of Sugar or Molasses from and to various stations, within or without the District of *Coimbatore*.

7. In fact as the Government can easily satisfy itself from the statistics furnished to it annually, the Sugar-cane and the Jaggery produced in the District of *Coimbatore* alone will hardly meet the demand in our manufactory though it is as yet in a state of infancy. The operations of this Company will therefore extend to various parts in the Presidency of *Madras* within easy and the least possible expensive reach from the mill at *Pothanore*. The several markets where either our purchases of Sugar-cane or Jaggery, or sales of sugar manufactured in our mill shall take place, will necessarily be in several parts of the different Jaggery producing and sugar selling districts. With no show of reason can it therefore be argued that the operations of our Company are carried on in any particular district or districts to which the favourable season and good outturn of crops may encourage us to send our agents to transact the business of the Company for the time being.

8. It is, for the reasons stated above, respectfully submitted that the extract of the Government Order under discussion cannot be held to apply to the Government officials employed either in this or any other district to which our business may extend temporarily or otherwise.

9. It may also be observed that the Company consisting of rich gentlemen of private and independent means and counting among them gentlemen like *Rajah Sir Savalai Ramasamy Mudaliar Avergal, Kt. C.I.E.*, and *Rai Bahadur Sabapathy Mudaliar Avergal*, and starting the business with an initial capital of *Rs. 150,000* do not in any way require any official aid or rather any undue official influence to further the interests of the Company, and thus to defeat the intention of the above quoted order.

10. The Directors have also instructed me to urge upon the kind consideration of the Government that thoroughly able as the Company is to stand by its own feet, and possessed as it is with the necessary funds and the professional skill required for the transaction of its business, the Company is desirous to secure some members from the class of Government officials simply because it is anxious that the attitude assumed by them in this District and which will in all likelihood be copied by their brethren in other Districts, may cause an erroneous belief to gain ground among the ignorant masses and the general public, as to the intention of the Company, the object of the movement, and its probable finale, and thus prejudice the Company's interests to however small a degree and in however indirect a manner.

11. In consideration of the above reasons, the useful purpose this

institution will certainly serve by enabling the poorly paid public servant to make a profitable investment of his hard earned savings, the permanent livelihood it will afford to a large number of the working classes, the sure profits the Sugar-cane farmers will realise, the healthy supply, to the general public, of sugar manufactured by means of scientific processes, the interests of commerce which will necessarily receive an impetus, and above all the oft expressed intention of the Government to encourage private enterprise like the above in view to develop the resources of the country, the Directors of the Company respectfully beg that His Excellency the Governor in Council will be pleased to declare an authoritative interpretation of the above quoted extract of the Government order and thus remove the disability which the *Coimbatore* public servant doubts that he is labouring under, for which act of grace and justice the Company will feel exceedingly obliged.

Coimbatore,

26th April 1893.

I beg to remain,

Sir,

Your most obedient servant,

S. Sadasivam

President

to the *Coimbatore Sugar Manufacturing Company (Limited)*,
and

Secretary

to the *Coimbatore Jonopakara Nidhi (Limited.)*

Publ. 1380 25/6-6-85 &c.

1380

From

The President,
Sugar Manufacturing
Company
Cumbabne

12th May 1893.
N^o 379
order. 5th May 1893.
Hes
18 May.

Under the rule quoted in para. 3 of the
petition, none of the Govt. servants employed
in the Coimbatore District ~~in the~~ ^{can} ~~take~~ share in the Sugar Manufacturing
Company referred to.

1875743

No 57.

Dated 26th April
Received 29th April } 1893
Regd - 1st appal

Enclosure. 1

Subject.

Praying that the disability
of the Coimbatore Public
servants not to take shares
in the Sugar Manufacturing
Company may be removed

P83
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DESPATCHED

10 MAY 93

M.S.

copy to the Petitioner

copy

R12/5

Mr. Shergan

1 with an order