M.R.O. 14—10,000—21-4-22.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 536. 587 — Press / ~~Mis.~~

170-172

Dated 11. 3. 1862.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 11th March 1862.

No. 170. Read the following letter from E. C. G. THOMAS, Esq., Deputy Director of Revenue Settlement, to the Honorble T. PYCROFT, Chief Secretary to Government, Fort Saint George, dated Ossoor, 1st March 1862 :—

SIR,

I have the honor to request the favor of your informing me whether as a Covenanted servant of Government I am debarred from holding land in Mysore, Coorg, Cochin and Travancore, and from entering into partnership with one or more persons for the purpose of holding and cultivating land within the districts of the Madras Presidency, provided that in each instance my doing so does not interfere with my official duties.

No. 171. ORDER THEREON, 11th March 1862, No. 536.

The question raised by Mr. Thomas will be referred for the decision of the Supreme Government.

(Signed) C. G. MASTER,
Deputy Secretary to Government.

Ordered that the following letter be despatched :—

No. 172. From T. PYCROFT, Esq., Chief Secretary to the Government of Fort Saint George, to the Secretary to the Government of India, Home Department, dated 11th March 1862, No. 537.

SIR,

1. In the Notification of the Governor General in Council, dated 28th May 1852, No. 462, it was declared that Covenanted Civil Servants might become shareholders in "Trading Companies" provided they did not participate in their management or direction.

Home Department.

2. By the recent orders, dated 14th January 1862, No. 256, Covenanted Officers "are "absolutely precluded from holding lands within their own Presidency."

3. I am directed to enquire whether a Covenanted Civilian may under the first of the orders above quoted, hold shares in a Joint Stock Company formed for agricultural purposes, such as Tea or Coffee cultivation, in his own Presidency.

4. This Government last year decided this question in the negative "considering that the "check intended to be imposed by the order of the Secretary of State would be virtually annulled "if a Covenanted Civil Officer could engage or become interested in agricultural operations under "the plea of merely holding shares in a Company." The subject, however, is one on which it now seems desirable to them that an authoritative decision, applicable to all the Presidencies, should emanate from the Supreme Government.

5. I am also instructed to enquire whether a Covenanted Madras Civilian may hold land in Mysore, Coorg, Cochin and Travancore, or become a Shareholder in a Company formed for building or cultivating land in those territories.

Mr. S. Evans Agrees
in principle whether
"Servants of Govt
in the Civil &
Military Services
of this Presidency
may hold Shares
in the Carnatic
Coffee Co."

See a Steps-
-cates of 28 May
1852. Home Dept
No. 462, the Sub Secy
Govt under instruc-
-tions from the Home
Govt declared that
"all Servants of the
E. I. Co. whether Civil
or Military, Covenanted
or Uncovenanted
are strictly prohibited

The rule seems to me clear & the reference is made I think it should be distinctly stated that the Govt is not favorable to Mr Evans's application. The Sheriff intended by the order of the Secy of State would be certainly considered if [illegible] agricultural speculation under the plea of [illegible]

Rec'd 18 March 1862 No. 168-169.

29-2-1862
3-4-1862
29-2-1862
5-6-1862
19-3-1862

Rec'd 18 March 1862 No. 168-169.

Secy to Govt
Pol. Dept.

From the Offg.
Director of Revs
Settlement &
Statistics &c. &c. &c.
Dated 12th March 1862
Received 20th March 1862.

Forwarded for Orders
Dy Supt Ootacamund
15th March 1862.

Requesting the favor
of being informed whether
Civil Servants of the Govt
are allowed to hold Shares
in the Carnatic Coffee Co.
Established at Kotagherry
in the Nilgiris.

Rec'd 20th March 1862.
Read
Recorded
Sent to Mr Evans
for the information
of the Co.
[illegible]
Secy

Mr Evans
Kotagherry
Nilgiris

Sir

I am directed by the Govt to inform you that Civil Servants are not allowed to hold Shares in the Carnatic Coffee Co.

I am &c.
[illegible]
Secy

Mr Evans
Kotagherry
Nilgiris

Sir

I am directed by the Govt to inform you that Civil Servants are not allowed to hold Shares in the Carnatic Coffee Co.

I am &c.
[illegible]
Secy

from taking any part in the Management of Banks in India, or from being connected with Banks or any other trading Companies except as simple Shareholders."

A previous order in 1846 prohibited "Company's Servants from holding lands for farming purposes under any circumstances whatever, whether or not the parties are personally engaged in their management."

In 1850 the Court of Directors enquired whether a Covenanted

Civil Servant could hold shares or participate in the direction of any Joint Stock Co. which dealt in cloths &c. or in Indigo Dis. and whether such and other Servants could purchase occupy or purchase lands on the same conditions as Uncovenanted Servants.

The Govt. replied that under the first order above quoted a Civilian might hold shares but not participate in the direction of a Joint Stock Co. and that under the second order above quoted he could not take up or

purchase lands
for agricultural
enterprises or
speculations -

In 1871 Mr
Rechtenberg enquired
whether Civilians
could purchase
shares in a joint
Stock Coffee Co.
which he thought
of forming - & he
was told that the
Question had already been settled
in the negative in
the preceding order
on Mr Hodgson's
application -

In this last
occasion the question
has been discussed
in Council & it
was held that

holding shares
in a Land Co.
was being a land-
holder & that
allowing such a
thing would fa-
cilitate the evasion
of the Order prohi-
biting the holding
of Lands.

In January last
the final orders
of the Home Govt
were issued & are
as as follows.

A. Covenanted Civ-
ilians may hold
lands anywhere
out of their Presidency
but" are absolutely
precluded from
holding lands
within their Presi-

B. Regimental
Military Officers
may hold lands
in any part of
Sierra Leone, but can
not hold civil
employ in the
same District.

C. The covenanted
Officers may hold
lands under
the Existing Rules.

Mr. Agnew's
position as regards
Military Officers
and the covenanted
Civilians is thus
clearly settled.
But as regards
Covenanted Civi-
lians it may
be a question still

for Letter the order of
1852 - first part in
this note - allows
them to hold shares
in that participa-
ting in the manage-
ment of the Carna-
tic Coffee Co. or
in the Sierra Leone Agri<u>cultural</u> Joint
Stock Co. is a
"trading" Company
in them the meaning
of that order.

I do not myself think it
can - but the
rule should be
universal and
it would be
well I think to
ask the Govt. of
India for an
authoritative de-

cision - It is
fair to presume
that in the Pro-
Presidencies the
Rule may be
otherwise and the
Question is one to
be constantly
raised.

L D S

Sept No 535/62

Memo

No 537.

From

To Supreme Govt.

Sir

In the Notification
of the Govt in C. G
28 May 1862 No
462 it was de-
clared that
Covenanted Civil
Servants might
become Shareholders
in "Trading Companies"
provided they did
not participate
in their Management
or Direction.

By the accom
ordered by H. Jones No 258
Covenanted Officers
"are absolutely pre-
cluded from

Home Dept

Vide
Govt of C.G.
Genl Cir Recalled
Sept 14

5 10

holding lands
in their Own
Presidency"

I am directed
to enquire whether
a Covenanted
Civilian may
under the first
of the Orders above
quoted, become
Shareholder in a Joint
Stock Company
formed for Agricul
tural purposes -
such as Tea or
Coffee cultivation -
in his own Presi.
dency.

This first
last year decides
the question in the
negative - however
yet is one on which
it now seems desi-
rable to have an
authoritative
decision - application
to the Presi-
dencies - should
be made from
the Supreme Govt.
and I am therefore
instructed
to request that
you will submit
the matter for
the Early orders
of the G. of I.

I have also in-
structed to enquire
whether a Covenanted

Proposed addition
with reference to
Mr. Maltby's note.
"Considering that
the check intended
to be imposed by
the order of the
Secy of State is?
be virtually an.
nulled if a Covt.
Servant Civil Officer could
engage or become
interested in agri.
cultural operations
under the plea of
merely holding shares
in a Company."

J.

V. Mr. Thomas'
letter Secret
Dec 4

Civilian may
hold land as in
My sort, Coorg, Cochin
& Travancore - or
become a share-
holder in a Com
pany formed for
tilling or cultiva
ting land in N.
territories.

185

Fort St. Geo.
11 March 1862.

Letter to Supreme Govt
about covenanted
servants becoming
shareholders in a Joint
Stock Company formed
for agricultural pur-
poses. —

3/Apl 1862

29-2-64 A

Revenue 1862 Deptt.
Pro: of Govt. for March

No. 537.

To the Secretary to the
Govt. of India
Home Departt.
Dated 17th March 1862
From Do 30 May to 2 Cr 1399.

Beginning or letter
Covenanted Servants may
hold Land in Mysore, Coorg
Cochin & Travancore, or
become a shareholder in
a Company formed for
holding or cultivating Land
in those territories. —

No. 172.