M.R.O. 14—13,000—27-9-24

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 2728-2729 Press ~~Mis.~~
117-119

Dated 10 — 11 — 1865.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
10th November 1865.

No. 117. Read the following letter from the Secretary to the Government of India, Home Department, to the Acting Secretary to the Government of Madras, dated Simla, the 11th October 1865, No. 2,691:—

1. I am directed to acknowledge your letter No. 2,015, dated the 28th August, referring, for the orders of the Government of India, an application by a Mr. Sterne for such a limited monopoly as may enable him, in the event of his discovering a remunerative gold field, to exclude others from its immediate neighbourhood for a term of years; and requesting to be favored with an expression of the views of the Government of India, on the general question of encouraging efforts to find gold in India in remunerative quantity.

2. In reply, I am desired to say that the Governor General in Council sees no objection, in the present instance, to a compliance with Mr. Sterne's request, dealing with the case as a special one. His Excellency in Council would suggest, however, for the consideration of the Madras Government, whether it will not be sufficient to limit Mr. Sterne's monopoly to, say, seven or at most ten years, and whether he may not fairly be required to pay a royalty of not *less* than 10 per cent. on the gold which he may realize. Two thousand acres seems to the Governor General in Council a large area; but on this, as well as on the other points above-mentioned, he would wish to leave the decision entirely to the judgment of the Madras Government.

3. The Governor General in Council assumes that the land on which it is supposed that gold may be discovered is the property of Government. The Order of the Madras Government, dated the 17th of August, refers, it is observed, only to such land.

4. With regard to the larger question suggested by your letter, I am to state that the Governor General in Council does not think it necessary at present to lay down general rules for dealing with this matter. If gold should be discovered in India in any large quantities, so as to attract a numerous body of foreign gold diggers, rules and restrictions, and Police arrangements will doubtless become necessary, which it seems now premature to consider. And if the Government of Madras should hereafter see any probability of such a successful result attending Mr. Sterne's researches, as may be likely to bring others to the same field of discovery, the Governor General in Council would beg His Excellency in Council at once to consider what arrangements will be most suitable to the circumstances of the Madras Presidency, and to the position of the Government as owners of the soil, whenever the property is not vested in private individuals. The latter circumstance would seem to give the Government in this country a complete right either to reserve the right of working gold fields to the State, or to permit their working by private parties under such rules as shall give to the State a reasonable share of the produce, making full allowance for the uncertainty and the expense of the operations undertaken.

No. 118. ORDER THEREON, 10th November 1865, No. 2,728.

Miscellaneous.

1. Ordered that Mr. Sterne be informed by letter that the Government are willing to grant him a monopoly for ten years of the gold and other metals in such area of Government waste land not exceeding 2,000 acres, in one or more blocks of not less size than 500 Acres each or thereabouts, as he may select and point out, on the condition of his paying to Government a royalty of 5 per cent. on the gold or other metals he may realize.

2. Mr. Sterne will inform Government whether he is now in a position to point out any block, so as to allow of its being demarcated.

(True Extract.)

Acting Secretary to Governm

To the Board of Revenue.

Exd. S. T. Augustin.

REVENUE DEPARTMENT,
FORT SAINT GEORGE,
10*th November* 1865.

No. 119. No. 2,729.

To

MR. H. L. STERNE,

SIR,

Miscellaneous.

1. With reference to your letter, dated 21st August 1865, I am directed to intimate to you that the Government are willing to grant you a monopoly for ten years of the gold and other metals in such area of Government waste land not exceeding 2,000 acres, in one or more blocks of not less size than 500 acres each or thereabouts, as you may select and point out, on the condition of your paying to Government a royalty of 5 per cent. on the gold or other metals you may realize.

2. The Government wish to be informed whether you are now in a position to point out any block, so as to allow of its being demarcated.

I have the honor to be,
Sir,
Your most obedient servant,

(Signed) W. HUDLESTON,
Acting Secretary to Government.

Exd. S. T. Augustin.

No. 2691.

From

E. C. Bayley Esqre.
Secy to the Govt. of India.

To

The Acting Secy to the Govt. of Madras.
Dated Simla the 11th October 1865.

Sir,

I am directed to acknowledge your letter No. 2015 of the 28th August referring for the orders of the Govt. of India an application by a Mr. Sterne for such a limited monopoly as may enable him in the event of his discovering a remunerative gold field to exclude others from its immediate neighbourhood for a term of years, and requesting to be favoured with an expression of the views of the Govt. of India on the ~~grant by you of a lease of [illegible] acres for [illegible] years~~ in remunerative quantity.

2. In reply I am desired to say that the Govt. General in Council sees no objection now in the present instance to a compliance with Mr. Sterne's request, dealing with the case as a special one. His Excellency in Council would suggest however for the consideration of the Madras Government whether it will not be sufficient to limit Mr. Sterne's monopoly to most 10 years, and whether he may not be required to pay a royalty of not less than 10 per cent on which he may realize. 2000 acres seem a large area, 1000 acres a very large area, and 500 acres an area on the other points above mentioned.

I am &c.

leave the decision entirely to the judgment of the Madras Government.—

2. The Govr. General in Council assumes that the land on which it is supposed that gold may be discovered is the property of Government. The order of the Madras Govt. dated the 17th of August refers, it is observed, only to such land.—

3. With regard to the larger question suggested by your letter, I am to state that the Govr. General in Council does not think it necessary at present to lay down general rules for dealing with this matter. If gold should be discovered in India in any large quantities, so as to attract a number ready of foreign gold diggers, rules and restrictions, police arrangements will doubtless become necessary which it seems now premature to consider. And if the Government of Madras should hereafter see any probability of a successful result attending Mr. Sterne's researches may be likely to bring others to the same field of discovery, Governor General in Council would beg His Excellency in Council at once to consider what arrangements will be most suitable to the circumstances of the Madras position of the Government as whenever the property is not vested in the Crown.— The latter circumstance would prevent in this Country a complete exercise the right of working gold fields permit their working by private parties under such rules as shall give to the State a reasonable share of the produce, making full allowance for the uncertainty and the expense of the operations undertaken.—

I have the honor to be,
Sir
Your most obedt. Servant.

C. C. Bayley
Secy to the Govt. of India

The Government of India suggest the grant of a monopoly for seven years and appear to think that a royalty of 10% should be demanded. Mr Sterne might receive two concessions, a penny that he will consent to the latter & that I am authorized to make it will be impossible to allow the proposal that he be allowed a block of 2000, & then 500 acres, until the Govt are informed what success has been experienced. With that information before them, this part of his proposal may be disposed of without it; I am unable to see how we can come to an answer, it might happen that this payable field will be within the limits of a permanently settled estate, where Mr Sterne would in a Zemindary, where he is allowed a block round; as proposed by without the permission consent, he would be liable to a criminal charge of trespass.

WR

I would give Mr Sterne a monopoly for 2 blocks of 2000 acres each for ten years on payment of a royalty of 5 or 10% and on 2000 acres—& any 4 in blocks of 500 acres each of public land.

WR

Revenue Department -

No. 2728.

Proceedings of the Madras Government
Under date the 10th December 1865.

"Read the following letter from the Secretary to the Government of India -

Directing the compliance, as a special case and on conditions stated, with the request of Mr. Sterne to search for Gold in any Govt. land in this Presidency/ and stating that the larger question suggested by this Govt. may be considered hereafter -

(Here enter 11th Oct. /65 No. 2691.)

Ordered that Mr. Sterne be informed by letter that the Govt. are willing to grant him a Monopoly for 10 years of the Gold and other Metals in such areas Govt. waste land not exceeding 2000 acres, in one or more blocks of not less size than 50 acres

From the Secty. to the Govt. of India
Dated 11th Oct. /65
Rec'd 24th Do.
No. 2691

directing the compliance, as a special case, and on conditions stated, with the request of Mr. Sterne to search for Gold in any Govt. land in this Presidency/ and stating that the larger question suggested by this Govt. may be considered hereafter -

Secy. to Govt. Madras
No. 1111 17th Oct. 1865 - 29
" " 28 - 29
" " 23/12/65 - 29

Mr. Sterne has selected his land & must notify as much & get that in my in which it is easily got at and on which alone in town form -
His choice of land around is part L. Kistna first class for him & take.
I would not give him a lease right to search for gold. JP

Rec'd 18th Oct. 1865. Orders of Govt. Madras

Mr. Sterne has a right to search for Gold under the orders of the Govt. I believe, he has however, I presume from the character of his application, found the Gold, and wishes to secure to himself the privilege of working it for a period of years. I think under the instructions here given he might be assured in the power of working upon a given area of land not exceeding 2000 acres - paying to the Govt a royalty I should say 2½ per cent - I never heard of such an exceptional demand as 10 per cent - I see no reason why any limit should be placed upon the amount of royalty or Rent - The question of Zemindary rights is a difficult one - if the Govt considers Gold & precious metals as belonging to itself, then the part to the Zemindar will not give him a right to these metals, and the Govt may grant to A the power of working a mine on the property of B. subject of course to payment for damage done &c - however these are questions which may be reserved for the present - Mr Sterne may, I think, be told that he may have his concession, which will be surveyed and marked out for him as soon as he has selected his ground, upon the terms stated

WD

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e may select and
t out – on the
dition of his pay.
to Govt a royalty
per cent on the
l or other Metals
may realise –
Mr Sterne will
ew Govt whether
is now in a position
point any blocks,
s to allow of its
ng demarcated –

Lds Board of Rev on 11 Nov

Revenue 1865 Dept.
Pro: of Govt for toor
No 2728
Pro: of the Madras Govt.
D/10 Nov 7/65.

Offering to Mr Sterne the Monopoly of Gold digging rights in Southern India for 10 years on the condition of his paying 5 per Cent on the metals realized.

23/7/28

No 117 & 118

Revenue 1865 Dept.
No 2729.

Wills Representation &c
Your letters dated 21st
August 1865, I am directed to intimate to
you that the Government
willing to grant you a
Monopoly for 10 years
of the Gold and other
Metals minerals and
of Govt waste lands
Reserving 2000 acres
in one or more blocks
of not less than
500 acres each on
Hirundahs, as you may
select and pointed out,
the conditions of your
paying to Govt 5 per
of the nett produce in the
Gold or other metals
you may realize.

I &c
to the Governor

to be performed whether
we are now in a posi-
tion to point out any
block, so as to allow
it to be demarcated.

Revenue 1865 Sept.
Pro: of Govt for a toor.

No. 729.

To
Mr. H. L. Steene.
Dd 10th November 65

Intimating that the Govt. are willing to grant you a monopoly for ten years of the Gold and other Metals in such area of Govt. waste land not exceeding 2000 acres under certain conditions.

No. 119.