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MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 1116-17 Press / ~~Mis.~~

Dated 2-11- 1892.

Not to be folded or roughly handled

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

READ—again the following G.O., dated 9th March 1892, Mis. No. 1325, Revenue :—

Read—letter from Messrs. BINNY AND CO., Madras, dated 10th February 1892.

ABSTRACT.—Enquiring whether there is any means for obtaining the surface rights of certain land, claimed by one A. Ramanuja Mudaliar, in the village of Tirupurapentavadu, Bhadráchalam taluk, Godávari district, given by Government to the Godávari Coal Company for coal mining purposes.

Read—letter from Messrs. BINNY AND CO., Madras, dated 12th February 1892.

ABSTRACT.—Requesting for a copy of the grant of land in the village of Tirupurapentavadu, in the Bhadráchalam taluk, Godávari district, claimed by A. Ramanuja Mudaliar, and to inquire whether the middle or the left bank of the Godávari river formed the boundary between the British and Hyderabad territories claimed by the Nizam's Government.

Order—dated 9th March 1892, Mis. No. 1325, Revenue.

Referred to the Board of Revenue for very early remarks.

(True Extract.)

(Signed) C. A. GALTON,
Secretary to Government.

To the Commissioners of Land Revenue.

READ—again the following G.O., dated 11th October 1892, Mis. No. 4427, Revenue :—

Read—the following Proceedings of the Board of Revenue (Land Revenue), dated 2nd August 1892, No. 395 :—

THE HON. MR. H. W. BLISS.
MR. E. GIBSON.

Read—G.O., dated 9th March 1892, Mis. No. 1325, Revenue.

3.

Resolution—dated 2nd August 1892, No. 395.

In the above order, Government refers, for the Board's remarks, two letters from Messrs. Binny and Co., wherein they raise the following questions in connection with the coal-mining lease to the Godávari Coal Company:—

(1) Whether the right to minerals under the village of Tirupurapentavidu (included in the plot demised to the Company) which is set up by one Arcot Ramanuja Mudaliar under certain grants alleged to have been recognized by Government is well founded;

(2) Whether there is any means of obtaining the surface rights over the lands included in the Company's concession, as the occupiers seem to be bent upon demanding exorbitant rates of compensation, and whether Government would as a last resource apply the Land Acquisition Act for the purpose;

(3) Whether the boundary between the British and Hyderabad territories is the middle of the Godávari river or its left bank in such parts of the demised plot as have the river for their boundary.

Messrs. Binny and Co. also ask for a copy of the grant under which Arcot Ramanuja Mudaliar holds the Tirupurapentavidu village.

2. The answer to the first question is in the negative. Arcot Ramanuja Mudaliar, who is generally called the Tirupurapentavidu muttadar, holds seven villages in the Bhadráchalam taluk. In the correspondence ending with Government Order, Mis. No. 5899, dated 16th November 1891, it has been decided that the muttadar's claims to hold the seven villages on a quit-rent of Rs. 100 under a permanent bilmukta sanad granted by a former proprietor of the Palavanchi estate and under a subsequently executed deed of ratification of the same are invalid and are further barred by limitation. Moreover, even if this were not so, the muttadar has acquiesced in the express reservation of the State's right to minerals provided in the sanads granted at the original settlement of 1867—*vide* paragraph 1 of Government Order, dated 25th June 1890, No. 490.

3. Copies of the grants asked for by Messrs. Binny and Co. are not now available, those produced by Ramanuja Mudaliar having been returned to him through the Collector of Godávari.

4. In regard to the third point, the Board begs to invite attention to Government Order, dated 7th October 1891, No. 5227, Revenue, in which it was held (at any rate in the Revenue Department), on a reference from the Resident in Hyderabad, that according to the principle enunciated in the Government Orders quoted on the margin, the boundary line between the Nizam's dominions and British territory should, in the parts separated by the Godávari river, be taken to be the deep stream of the river. The Board is not aware, however, whether any decision applicable to all future cases was come to with the Hyderabad State on that occasion. Pending the settlement of that question, the Board ordered the Government Solicitor to describe the plot demised in the present case as extending "up to the British boundary" in the parts where the river itself formed the boundary—*vide* Board's Proceedings, dated 16th September 1891, No. 563, approved in Government Order, dated 26th September 1891, No. 5099.

Government of India letter in Government Order, No. 843, dated 29th May 1872, Revenue Department, and Government Order, No. 771, dated 30th October 1883, Political.

5. In regard to the acquisition of surface rights in occupied lands involved in the second question referred to in paragraph 1 above, it will be recollected that Messrs. Binny and Co. once before raised the same point and were informed in reply that the Land Acquisition Act limited the interference of Government on behalf of Companies to cases of acquisition of lands required for works of public utility,* but that the Revenue officers would render them such assistance as was possible without the use of compulsion under the Act—*vide* para. 2

* *Vide* section 48, Act X of 1870.

of Government Order, No. 823, of 2nd September 1891. The question of compulsory acquisition of lands on behalf of mining lessees does not now arise for the first time, but has been under consideration since 1872, as will be seen from the papers quoted in the margin *. After a full consideration of the question, and as the only means of solving it without resort to legislation, Government ultimately decided on recognizing the preferential right of the holders of all occupied lands to obtain mining leases for their lands—*vide* para. 1 of Government Order, dated 5th October 1891, No. 1481. In some of the other Provinces † legislation has been resorted to for the purpose of securing to Government the right to compulsorily acquire the surface rights in occupied lands whose mines and minerals vest in Government, either under the provisions of the Land Acquisition Act or otherwise. The Board considers it desirable that Act X of 1870 should be amended so as to provide generally for the acquisition of surface rights in occupied lands for mining purposes, and will deal with this matter in reporting on the draft bill for the amendment of Act X of 1870 referred by Government for its remarks.

* Paragraph 5 of the Board's Proceedings in Government Order, No. 68, dated 11th January 1872; paragraph 12 of the Government of India Despatch in Government Order, No. 2029, dated 7th October 1879; Board's Proceedings, No. 977, dated 17th July 1880, para. 3; Government Order, No. 1263, dated 1st October 1880, paragraph 7; Board's Proceedings, No. 501, dated 25th March 1881, paragraph 3; and Board's Proceedings, No. 585, dated 5th April 1881.

† Central Provinces Act XVIII of 1881, section 151; Burmah Regulation III of 1889, section 31; Ajmere Regulation II of 1877, section 3; and Punjab Act XVII of 1887, sections 41 and 43.

6. In regard to the present case, as the sanads issued at the settlement contain conditions distinctly reserving to Government, on pain of attachment, the right of access to and other reasonable conveniences for working the mines and minerals on behalf of itself or its assignees, and as there is nothing in those clauses rendering the previous payment of compensation a condition precedent to the exercise of that right, there would apparently be nothing to prevent the Mining Company from entering on the lands in the event of non-acceptance of reasonable compensation by the occupants, but for the clause ordered to be inserted in the coal-mining lease with reference to paragraph 7 (*d*) of the Government of India order in Government Order, No. 64, dated 7th February 1891, which forbids the Mining Company from interfering with the rights of the occupants without previous settlement of terms and payment of compensation. The lines on which compensation was to be awarded were sketched out in paragraph 4 of Mr. Clegg's letter to the Collector of Godávari, recorded in Board's Proceedings, No. 112, dated 25th February 1890, and the services of a special officer would probably have to be placed at the disposal of the Company to settle the terms in cases where the Company itself is unable to do so. But as this mode of settlement may not be possible in all cases without exception in the absence of the legal powers mentioned in paragraph 5 *supra*, the only course open to Government is, the Board considers, to take upon itself the entire responsibility of acquiring the surface rights in occupied lands in view to the protection of the interests of the surface holders. In this case, the necessity for the retention of the condition ordered by the Government of India disappears, and if that condition be replaced by one requiring the deposit of satisfactory security by the Mining Company for meeting the claims of the occupants to compensation (as was originally proposed in paragraphs 4 and 3 (3) of Board's Proceedings, Nos. 4 and 499, of 7th January and 12th August 1890, respectively), Government might, under the powers reserved at the settlement, authorize the Company to enter on occupied lands after tendering reasonable compensation to the persons interested and leaving them to sue for damages in the event of non-acceptance of its offer. The Company must, of course, bear the cost of the special establishment and the expenses incidental to the defence of suits for damages.

7. It is, however, a point worthy of consideration that there must be plenty of waste land in these parts at the disposal of Government, upon which, on payment of the assessment, the Company would no doubt establish their engine houses and other surface works without unnecessary disturbance to their neighbours.

8. The Board would take this opportunity of suggesting to Government that the Public Works Department may be consulted as to whether the carrying on of mining operations up to the deep stream of the river would affect any existing interests, as was done in the case referred to in paragraph 2 of Government Order, No. 2195, dated 22nd November 1879.

(True Copies and Extract.)

(Signed) W. S. MEYER,
Acting Secretary.

To the Secretary to Government, Revenue Department.

Order—dated 11th October 1892, Mis. No. 4427, Revenue.

Paragraph 8 of the Board's Proceedings read above, will be referred to the Public Works Department for remarks.

2. Paras. 1—7 of the Proceedings will be disposed of along with the Board's Proceedings, Nos. 458 and 490, dated 23rd August and 3rd September 1892, respectively.

(True Extract.)

(Signed) C. A. GALTON,
Secretary to Government.

To the Public Works Department.
„ the Board of Revenue (Land Revenue).

READ—again the following G.O., dated 29th June 1892, Mis. No. 3033, Revenue:—

Read—the following Proceedings of the Board of Revenue (Land Revenue), dated 8th June 1892, No. 269:—

THE HON. MR. H. W. BLISS.
MR. E. GIBSON.

Read—again the following Proceedings of the Board of Revenue (Land Revenue), dated 4th January 1892, Mis. No. 94:—

Read—the following letter from Messrs. BARCLAY, MORGAN AND ORR, Solicitors, Madras, to the Secretary to the Board of Revenue (Land Revenue), Madras, dated 6th October 1891:—

With reference to the Board's Proceedings under date 28th August 1891, No. 517, 16th September 1891, No. 562, and 30th idem, No. 7020, Miscellaneous, we forward, herewith, for approval, a fresh fair draft of the lease to the Godávari Coal

Company (Limited), of coal-fields in the Godávari district. We trust that this draft lease contains all the terms and conditions required by the Board.

Read—letter from Messrs. BARCLAY AND MORGAN, dated 21st October 1891.

ABSTRACT.—Requesting to acknowledge the receipt of the rough mining lease of the Godávari Coal Company.

Read—the following G.O., dated 20th November 1891, No. 5985, Revenue:—

Read—the following telegram from the Government of India, Revenue and Agricultural Department, dated 17th November 1891:—

Cherla lease received. Some doubts about form. Conditions not altered. If Bhadráchalam lease not executed suspend till receipt further instructions.

Order—dated 20th November 1891, No. 5985, Revenue.

Ordered that the following telegram be despatched to the Government of India:—

Your telegram serventeenth regarding Bhardáchalam lease. Lease not executed. Further instructions will be awaited.

(True Extract.)

(Signed) R. C. C. CARR,
Ag. Under Secy. to Government.

To the Board of Revenue.

Resolution—dated 4th January 1892, Mis. No. 94.

Recorded, pending receipt of the further instructions promised by the Government of India.

(A true Copy and Extract.)

(Signed) W. S. MEYER,
Acting Secretary.

To Messrs. Barclay and Morgan.

Read—also the following G.O., dated 9th March 1892, No. 1324, Revenue:—

Read—the following letter from the Secretary to the Government of India, Revenue and Agricultural Department, dated 6th February 1892, No. 257/8:—

With reference to your telegram dated 18th November 1891, I am desired to forward, for the information of His Excellency the Governor in Council, a copy of the form of indenture which had been sanctioned by the Government of India for the lease of certain coal-mining areas in the Cherla taluk, Central Provinces, to the Godávari Coal Company (Limited). The Government of India believe that the provisions and form of this draft are likely to prove suitable, *mutatis mutandis*, for the

Bhadráchalam lease. I am to explain that the Government of Madras were asked to stay proceedings as regards the lease of lands within their territory because His Excellency the Governor-General in Council had ordered a standard form of lease to be settled by his legal advisers and it was thought that both the Cherla and Bhadráchalam leases should follow the standard form. Some delay has, however, occurred in the preparation of the standard lease, and in its absence, the Governor-General in Council does not consider it necessary to press the Government of Madras to follow exactly the form of lease now forwarded, which was originally drafted in the Central Provinces to meet the special requirements of the Cherla concession, and has only been added to by the Government Solicitor.

Order—dated 9th March 1892, No. 1324, Revenue.

Communicated to the Commissioners of Land Revenue, in continuation of G.O., dated 20th November 1891, No. 5985, with the request that they will report whether any of the provisions of the form of indenture forwarded by the Government of India may, with advantage, be adopted in the Bhadráchalam lease, now under preparation.

(True Extract.)

(Signed) R. H. CAMPBELL,
Acting Asst. Secy. to Govt.

To the Commissioners of Land Revenue, with draft lease.

Read—also memorandum from the Acting Under Secretary to Government, Revenue Department, dated 1st June 1892, No. 136-R.

ABSTRACT.—Requesting early reply to Order No. 1324 of 1892, requesting to report whether the provisions of the form of indenture forwarded by the Government of India may be adopted in the Bhadráchalam lease now under preparation.

Resolution—dated 8th June 1892, No. 269.

In reply to G.O., dated 9th March 1892, No. 1324, the Board begs to recommend that the provisions of the Government of India form not appearing in the draft lease already framed by the Government Solicitors and shown in the accompanying statement may now be usefully introduced into the latter lease and the other amendments noted in the same statement may also be carried out.

2. Messrs. Binny and Co. will be requested to state whether they have any objection to carrying out the amendments proposed in the statement appended.

(True Copies and Extract.)

(Signed) C. CLARK,
for Acting Secretary.

To the Secretary to Government, Revenue Department,
with four copies of Godávari mining lease.
„ Messrs. Binny and Co. with Government of India form of indenture and a copy of the Godávari mining lease (to be returned).
Copy to the Collector of Godávari.

ENCLOSURE No. 1.—Godávari mining lease.

ENCLOSURE No. 2.—Statement of amendments.

Order—dated 29th June 1892, Mis. No. 3033, Revenue.

Recorded, pending report as to whether Messrs. Binny and Co. accept the amendments proposed by the Board.

(True Extract.)

(Signed) C. A. GALTON,
Secretary to Government.

To the Board of Revenue (Land Revenue).

READ—again the following G.O., dated 1st August 1892, Mis. No. 3435, Revenue:—

Read—again the following G.O., dated 6th July 1892, No. 3150, Revenue:—

Read—the following telegram from the Government of India, Revenue and Agricultural Department, dated 2nd July 1892:—

My letter, 257, 6th February. Messrs. Binny apply for differential instead uniform rate royalty on coal and coal dust in Cherla lease. Please say what royalties arranged Bhadráchalam, and suspend final orders until Cherla case decided.

Order—dated 6th July 1892, No. 3150, Revenue.

Ordered that the following telegram be despatched to the Government of India:—

Your telegram, 2nd, regarding Bhadráchalam coal-mining lease. Lease not executed yet. Further instructions will be awaited. Royalties arranged are four annas per ton larger coal, one anna small coal. No charge for dust except when made into bricks, and then one anna. Dust is what passes through screen with quarter-inch mesh; small coal through one-inch mesh, and large coal all which will not pass through one-inch mesh.

Read—the following telegram from the Government of India, Revenue and Agricultural Department, to the Secretary to the Government of Madras, Revenue Department, dated Simla, the 22nd July 1892, No. 1539-8.

Your telegram 6th. Binny's coal concession, Bhadráchalam royalties approved. Lease may now be executed.

Order—dated 1st August 1892, Mis. No. 3435, Revenue.

Communicated to the Commissioners of Land Revenue.

2. In the event of Messrs. Binny and Company agreeing to the amendments proposed in Board's Proceedings, dated 8th June 1892, No. 269, the Board should take the necessary steps for the execution of the lease at an early date.

hereunder written together with the liberties powers and privileges to be exercised in connection with the said mines which are mentioned in the second part of the said schedule subject to the restrictions and conditions as to the exercise and enjoyment of the same liberties powers and privileges which are specified in the third part of the said schedule except and reserved out of this demise unto the lessor the liberties powers and privileges mentioned and specified in the fourth part of the said schedule.

To hold the houses and premises intended to be hereby demised unto the lessee from the day of for the term of years thence next ensuing yielding and paying to the lessor the several rents and sums of money mentioned and specified in the fifth part of the said schedule subject to the provisions relating to the said rents expressed in the sixth part of the said schedule and the lessee doth hereby covenant with the lessor as in the seventh part of the said schedule is expressed and the lessor doth hereby covenant with the lessee as in the eighth part of the said schedule is expressed and it is hereby mutually agreed and declared by and between the parties hereto as in the ninth part of the said schedule is expressed and it is declared that the schedule hereunder written shall be deemed part of these presents and be read and construed accordingly.

In witness, &c.

THE SCHEDULE ABOVE REFERRED TO.

Part I.—The Mines demised by this Lease.

The mines beds veins and seams of coal lying and being within and under the land situate lying and being in

Description of mines.

in

which are delineated in the plan hereunto annexed and therein colored [ ] and contain an area of or thereabouts.

Part II.—Rights and privileges to be exercised or enjoyed by the Lessee but subject to the restrictions and conditions in Part III.

1. Liberty and power for the lessee at all times during the term hereby granted to work the said mines and to win and get the said mines and premises and the produce thereof.

Grant of liberty to work the mines.

2. Liberty and power to dig sink drive make repair and use all such pits shafts drifts levels water gates water courses air gates and other works as may be necessary or proper for searching for mining working and getting the said mines and premises and for ventilating and draining the same.

To sink pits.

3. Liberty and power to appropriate and use for any purpose connected with the working of the said mines the water upon or within any of the said lands and to collect and impound the same in ponds reservoirs or otherwise for the purpose of working the said mines but so that in the exercise of this privilege the lessee shall not deprive any lands villages houses or watering places for cattle of a reasonable quantity of water as before accustomed and do not in any manner foul impregnate or otherwise deteriorate any springs or streams of water so as to render them useless or unprofitable.

To appropriate water.

4. Liberty and power to enter upon use and occupy a sufficient part of the said lands adjoining any pits for depositing and heaping thereon the produce of the said mines and all the earth soil and other substances dug up and brought to the surface in or about the working of the same and for otherwise carrying on the works of the said mines.

To appropriate land for stocking.

5. Liberty and powers in and upon the said lands to convert coal into coke whether for purposes of sale or otherwise.

To convert coal into coke.

6. Liberty and power to take lead and carry away over the said lands the coal to be gotten as aforesaid and the coke to be made and manufactured under the liberties and powers hereinbefore granted and to dispose of the same at his own will and pleasure.

To lead and carry away coal.

7. Liberty and power to erect set up and make in upon and over the said lands workmen's houses sheds engines machinery furnaces buildings erections rail roads train roads and other roads and works necessary or convenient for the effectual working of the said mines and the exercise of the several liberties and powers hereinbefore granted.

To erect houses.

8. Liberty and power to search for get and dig gravel sand and stone within the said lands for the purposes mentioned in this second part of this schedule but not for sale and also to dig for and get clay and to make and burn the same into bricks for the purposes aforesaid but not for sale.

Part III.—Restrictions and conditions as to the exercise of the above liberties powers and privileges.

1. No building or thing shall be erected or set up and no other surface operations carried on by the lessee by virtue of the liberties and privileges above granted in or upon any place of worship sacred grove burial-ground house village-site public road or other place in respect of which on public grounds it appears to the Local Government that objections exist to so doing nor in such a way as to injure or affect any buildings or other works property or rights of private individuals nor shall any land be taken or occupied for surface operations if the same is already in the occupation of and used by persons other than the lessor for other works or purposes not included in this present demise if any other lands not so occupied and used are suitable and convenient and equally available for such surface operations and the lessee shall pay to the owners tenants and occupiers full compensation and satisfaction for all damage or injury which may be done or occasioned in or about the carrying on of such surface operations and shall keep indemnified the lessor from and against all actions suits claims and demands in relation thereto.

No building, &c., upon sacred places.

2. Before taking any land for surface operations which has not already been used for such operations the lessee shall give to the lessor's agent (who for the purposes of this clause shall be taken to be the for the time being) two calendar months' previous notice in writing specifying by name or other sufficient designation and by quantity the land proposed to be taken and the purpose for which same is required. The lessor's agent may at any time within two calendar months from the receipt of such notice state his objections if any to the proposed site and the validity of such objections in case of dispute shall be determined by reference to the Local Government whose decision thereon shall be final.

Notice to be given before entering on lands and lessor to be at liberty to object to proposed site.

Part IV.—Rights reserved to Lessor.

1. Liberty and power for him the lessor and any lessee or other person authorized by him on that behalf to enter into and upon the said lands and to search for dig work and get any minerals or substances other than coal in upon or under the said lands and for the purposes aforesaid to sink make erect and use such pits shafts levels drains water courses reservoirs tunnels buildings engines or machinery canals railways wagon ways and other ways works and conveniences upon through or under the said land as shall be necessary or expedient PROVIDED ALWAYS that the said reserved rights and privileges to work for minerals other than coal shall be exercised and enjoyed in such manner as not to hinder or interfere with the rights and privileges of the lessee under these presents and PROVIDED ALSO that fair and proper compensation shall be paid by the lessor for all loss damages or injury which the lessee may sustain or be put to by reason or in consequence of the exercise of the said reserved rights and privileges to work for minerals other than coal the amount of such compensation to be settled in case of difference by reference to the said Local Government whose decision thereon shall be final.

Liberty for lessor to work mineral, &c.

2. Liberty and power for the lessor if the lessee shall not within months from the commencement of the said term hereby granted have started operations under this lease to some substantial extent or if at any time during the said term such operations shall not be in *bonâ fide* progress to the satisfaction of the said Local Government to re-enter upon the said premises and to hold the same and to lease the same to third parties or otherwise deal with the same as if this lease had not been made.

Part V.—Rents reserved by this Lease.

1. The certain half-yearly rent of Rs. shall be paid by the lessee to the lessor at for and in respect of the said mines and premises from the day of by equal payments on the day of and the day of in each year for the half-year immediately preceding the first of such half-yearly payments to be made on the day of For and in respect of such certain half-yearly rent of Rs. the lessee may in every half-year during the currency of this demise work and get from or out of the said mines and sell or export such a quantity of coal and coke manufactured therefrom as at the rate hereinafter mentioned would yield or pay for that half-year a royalty equal in amount to the said certain half-yearly rent of Rs. But the said certain rent as from the said day of shall always be paid whether such quantity shall in fact be gotten or not.

Certain half-yearly rent.

2. The lessee shall during the months of the said term from the day of to the day of pay to the lessor the royalty of annas for every ton or part of a ton of coal which shall be sold at the said mines or exported therefrom

8

for sale or otherwise or which shall be manufactured into coke and shall during the remainder of the said term pay the said royalty for every ton or part of a ton of coal which shall be sold at the said mines or exported therefrom for sale or otherwise or which shall be manufactured into coke in any half-year of the said term over and above the quantity of which the lessee is by clause 1 of this part authorised to work or get in respect of the said certain rent.

3. The further yearly rent of Rs. a of land the surface whereof shall be occupied or used by the lessee for any of the purposes of this demise and so in proportion for any less quantity than a the said surface rent to be paid by equal half-yearly payments on the same days as the said certain rent of Rs. is hereinbefore made payable the first of such payment to be made on such of the said days as shall happen next after such occupation or use shall commence and the last half-yearly payment thereof to be made on such of the said days as shall happen next after such occupation or use shall have ceased and the land shall have been restored and rendered fit for cultivation again PROVIDED ALWAYS that no such rent shall be paid or demanded in respect of any roads or ways now in existence.

Part VI.—Provisions relating to the rents.

1. All the aforesaid rents shall be paid free from any deductions.

2. If in any one half-year after the first 18 months of the said term the lessee shall not raise from or out of the said mines such a quantity of coal as at the abovementioned rate would produce for that half-year the amount of the certain rent hereby reserved then and in every such case the lessee may in the next succeeding half-year of the said term raise and get from or out of the said mines such a quantity of coal as shall be required to make up the deficiency without paying any royalty for the same other than the said certain rent. But the over-workings of any preceding half-year or half-years shall not come in aid of or be applied to make good the deficiency of short workings in any subsequent half-year or half-years. The said rent and royalty shall be calculated upon the weight of the said coal as and when the same shall be sold or exported from the said mines or previous to its manufacture into coke and such rent and royalty shall be paid on the half-yearly days hereinbefore provided for the payment of the said rent at for and in respect of the coal sold or exported or manufactured into coke during the preceding half-year and in respect of which the same shall be payable.

Provision for making up under-workings.

3. All coal used by the lessee for the usual and customary purposes of the mines and for domestic consumption in the houses and officers of agents and workmen for the time being employed in and about the said mines and premises shall be free from rent and royalty.

Coal used in the mines to be free from rent and royalty.

Part VII.—The Lessee's Covenants.

1. The lessee shall pay the rent and royalty reserved by this lease at the times and in the manner above appointed in that behalf and shall also pay and discharge all taxes rates assessments and impositions whatsoever being in the nature of public demands which shall from time to time be charged assessed or imposed upon the said mines or any part thereof by authority of the Government of India or the said Local Government or otherwise except demands for land revenue and shall also pay interest at the rate of per cent. per annum on all arrears of such rent or royalty from the due date thereof.

To pay rent rates and taxes.

2. The lessee shall at his own expense forthwith erect and at all times maintain and keep in repair boundary marks and pillars according annexed so that the boundaries of the said lands may at all times be maintained. to the demarcation shown in the plan hereto

To erect boundary marks.

3. The lessee shall within months from the commencement of the term hereby granted start and work the said mines to the satisfaction of said Local Government and shall thereafter at all times during the continuance of this lease continuously work for and as far as possible obtain coal from the said lands and maintain in good repair working order and condition and work all mines when opened without voluntary intermission in a skilful and workmanlike manner and upon the most approved principle without doing or permitting to be done any unnecessary or avoidable damage to the surface of the said lands within or under which the said mines lie and shall not cultivate or use the said lands in any manner save for the purposes of this demise and the rights hereby granted.

To work continuously.

4. The lessee shall well and properly secure and keep open with timber or other durable sufficient fences round every such pit or shaft and also shall at all times during the said term keep the said mine except abandoned mines free from water and from foul air as far as possible, means all pits and shafts to be sunk or made in the said lands and make and maintain

To secure pits and shafts.

5. The lessor's agents servants and workmen shall be at liberty at all reasonable times during the said term to inspect and examine all works carried on by the lessee under the liberties hereinbefore granted and the lessee with proper persons employed by him and acquainted with the workings of mines and works shall effectually assist the lessor's agents servants and workmen in conducting such inspection and shall afford them all information connected with the working of the mines which they may reasonably require AND ALSO shall and will from time to time and at all times during the said term hereby granted conform to and observe all orders and regulations which the lessor as the result of such inspection may from time to time see fit to impose in the interests of public health and safety and also shall particularly without delay send to the Collector or Deputy Commissioner of the district a report of any accident which may at any time occur at or in the said lands or any pit or shaft or mine.

Lessor to inspect.

6. The lessee shall at all times upon finding any mineral or product other than that or those for which this lease is granted immediately report such finding in writing to the Collector or Deputy Commissioner of the district with full particulars of the nature and position of each find.

7. The lessee shall at all times during the said term keep or cause to be kept at the office or counting house of the or marks to be situate in or contiguous to some part of the said lands correct and intelligible books of accounts upon such plan or principle and in such form as may be approved of by the said Local Government which books shall contain accurate entries of (1) the quantity of coal raised and brought to bank from the mines which have been or may be made or sunk by the lessee under the license and liberty on that behalf hereinbefore contained (2) the quantity of manufactured coal into coke (3) the quantity of coal or coke sold and exported from the said mines and (4) the quantity of coal otherwise disposed of and the manner and purpose in and for which the same have been or are intended to be applied (5) the number of persons employed in the said mines together with all other facts necessary or proper for conveniently ascertaining amount of the royalty from time to time payable under these presents and the manner in which such coal or coke have been disposed of and shall also at his own expense furnish to such officer as the said Local Government may from time to time direct and at such times as the said Local Government may appoint true and correct abstracts of all or any of such accounts and shall at all responsible times allow such officers or persons as the said Local Government shall in that behalf appoint to enter into and have free access to the said office or counting house for the purpose of examining and inspecting the said several books of account and to take copies thereof and make extract therefrom.

To keep books of accounts.

Furnish abstract of accounts, &c.

8. The lessee shall at all times during the said term cause to be made and kept at the said office or counting house true and correct and intelligible plans and sections of the said mines which plans and sections shall show as well the operations and workings which have been carried on as also all views faults and other disturbances which have been observed and encountered in such workings and operations and all such plans and sections shall be made amended and filled up by and from actual surveys to be made for that purpose at the end of every period of twelve months and the lessee shall at his own cost furnish to the lessor true and correct copies of such plans and sections when thereunto required.

To keep plans of working.

9. The lessee shall provide and at all times keep at or near the pit head or each of the pit heads at which the produce of the said mines shall be brought to bank a good and properly constructed weighing machine and shall weigh or cause to be weighed therein all coal brought to bank from or out of the mines hereby demised or which may be sunk or made by the lessee under the license and liberty in that behalf hereinbefore contained and shall at the end of each day cause the total weights of the coal gotten during the previous twenty-four hours and weighed as aforesaid to be entered in the aforesaid book or books of account the lessee shall also weigh or cause to be weighed in the said machine or machines all coal sold at or exported from the said mines and shall cause true and correct entries to be made daily in the aforesaid books of account of all coal so sold or exported and of all coal manufactured into coke and it shall be lawful for the lessor at all times during the said term to employ any person or persons to be present at the raising and weighing of the said coal and the removal thereof from the mines for sale or for export and to keep accounts thereof and to check the accounts kept by the lessee.

To provide weighing machine.

10. The lessor may through his agent or servants at any time or times during the said term examine and test each and every weighing machine or machines to be provided and kept by the lessee as aforesaid and the weights used therewith in order to ascertain whether the same respectively are correct and in good repair and order and if upon any such examination or testing any such weighing machine or weights shall be found incorret or out of repair

The lessor may test weighing machine.

or order it shall be lawful for the lessor or his agent to require that the same be adjusted repaired and put in order by and at the expense of the lessee and to hinder the use thereof in the meantime and if such requisition be not complied with within fourteen days after the same shall have been made the lessor or his agent may cause the said weighing machine and weight respectively to be adjusted repaired and put in order and may recover the expense of so doing from the lessee and if upon any such examination or testing as aforesaid any error shall be discovered in any weighing machine or weights to the prejudice of the lessor such error shall be considered to have existed for three calendar months previous to the discovery thereof or from the last occasion of so examining and testing the same weighing machine and weights in case such occasion shall be within such period of three months and the said rent and royalty shall be paid and accounted for accordingly.

11. The lessee shall not assign or underlet the premises hereby demised or any part thereof or the rights and privileges hereby granted or any of them (1) to any person or persons without the consent in writing of the lessor under the hand of a Secretary to the Local Government or (2) to any company without the like consent under the hand of a Secretary to the Government of India for that purpose first had and obtained.

Not to assign or underlet without license.

12. The lessee shall at all times have at the said premises a duly accredited manager or agent to whom all notices may be given and all communications from the lessor may be made. If there shall not at any time be such an agent on premises the lessor shall be at liberty to treat any other person then as such agent and to serve all documents upon the said agent or in his absence upon any such other person as aforesaid or in the case of there being no such other person as aforesaid then by affixing the notices upon some conspicuous portion of the said premises in the occupation of the lessee.

13. The lessee shall at the end or sooner determination of the said term deliver up to the lessor in good order repair and condition and fit for future working all mines which have been or may be made or sunk by the lessee under the license and liberty in that behalf hereinbefore contained together with all engines pits shafts water courses air gates levels and fixtures below ground level and which cannot be moved without causing injury to the said mines except any pits shafts or other works which shall have been abandoned or disused in the ordinary and fair course of working of the said mines and premises.

To deliver up mines, &c., in good order.

Part VIII.—The Lessor's Covenants.

1. The lessee paying the rents hereby reserved and observing and performing the covenants and provisions herein contained and on his part to be observed and performed shall and may peaceably and quietly hold and enjoy the rights and premises hereby demised for and during the term hereby granted without any lawful interruption from or by the lessor or any person rightfully claiming from or under him.

For quiet enjoyment.

2. If the lessee shall be desirous of taking a renewed lease of the said mines for the further term of years from the expiration of the said term hereby granted and of such desire shall prior to the expiration of such last mentioned term give to the lessor six calendar months' previous notice in writing and pay the said rent and royalty hereby reserved and observe and perform the several covenants herein contained and on the part of the lessee to be observed and performed up to the expiration of the said term hereby granted the lessor will upon the request and at the expense of the lessee and upon his executing and delivering to the lessor a counterpart thereof sign and deliver to the lessee a renewed lease of the said premises for the further term of years at the same rent and under and subject to similar covenants provisions and agreements as are herein contained other than this present covenant but subject nevertheless to the payment by the lessee of such increased royalty as may be then fixed by the Government of India.

* To renew lease.

3. The lessee may at any time or times within six calendar months after the determination of this demise whether by effluxion of time or otherwise enter into and upon the said lands or any part thereof for the purpose of taking down removing and disposing of for their own use and benefit all the machinery utensils implements articles and things set up and used in and about the working of the said mines and all ovens kilns sheds huts railways tramways and other works (except buildings and erections of brick or stone) erected and then standing upon any of the said lands for the purpose of working the said mines unless the lessor shall be desirous of purchasing the same or any of them in pursuance of the provision in that behalf hereinafter contained.

* *Note.*—No provision for renewal of any lease should be agreed to or inserted in any lease without the express sanction of the Government of India.

Part IX.—General Provisions.

1. If the rent or royalty hereby reserved or either of them or any part thereof respectively shall be behind or unpaid for the space of 60 days next after any of the days whereon the same ought to be paid then and so often as the case shall happen the lessor may enter into and upon the said lands which shall for the time being be possessed or occupied by the lessee for the purposes of this demise and may distrain all or any of the stock of engines plant live and dead-stock and things which shall be found in or upon the same premises and the same may take lead drive carry away impound detain and keep until the rent or royalty which shall then be due and all costs and expenses occasioned by the non-payment thereof shall be fully paid and satisfied.

Power of distress.

2. If the rent or royalty hereby reserved or either of them or any part thereof respectively shall be behind or unpaid for the space of six calendar months next after any of the days whereon the same ought to be paid as aforesaid and whether the same shall have been legally demanded or not or if the lessee shall commit any breach of the covenants and conditions contained in the lease and in his part to be observed and performed or any of them in such case it shall be lawful for the lessor at any time thereafter and although he may not have taken advantage of some previous default of a like nature into and upon the said mines or any part thereof in the name of the whole to re-enter and the same to have again repossess and enjoy as of his former estate.

Power of re-entry.

3. If at the end or sooner determination of the said term the lessor shall be desirous of purchasing all or any of the buildings or works above ground level set up or constructed by the lessee and shall signify such his desire by notice in writing to the lessee six calendar months at least before the expiration of the said term (or if the said term shall be determined under the power of re-entry hereinbefore contained at any time within three calendar months after the determination of the said term) the lessee shall sell to the lessor all or any of the said buildings and works at a price which shall be fixed or ascertained by taking the net cost of such buildings or works as at date of construction and deducting therefrom for depreciation a sum equivalent to per cent. per annum on the net original cost.

Proviso for lessor to purchase.

4. If at any time during the continuance of this demise the said mines shall become destroyed or rendered substantially and permanently unfit for the purposes of this demise by fire tempest or flood or violence of any army or mob or other irresistible force these presents shall at the option of the lessee be void provided that if the injury be occasioned by the wrongful act or default of the lessee or his servants he shall not be entitled to avail himself of the benefit of this provision AND PROVIDED also that if this lease shall become void for or by reason of any of the causes aforesaid it should be without prejudice to the rights and remedies of the lessor under or by virtue of these presents for the recovery of any rent or royalty which may then remain unpaid or in respect of any breach which may have been committed of any of the covenants herein contained on the part of the lessee.

Right of lessee to determine lease of mines destroyed by act of God.

5. Whenever any doubt difference or dispute shall hereafter arise touching the construction of these presents or anything herein contained or any matter or thing connected with the said mines and minerals hereby dealt with or the working or non-working thereof or the amount or payment of any royalty or rent reserved or made payable hereunder the matter in difference shall be decided by the Local Government whose decision shall be final.

READ—again the following G.O., dated 21st October 1892, Mis. No. 4594, Revenue:—

Order—dated 21st October 1892, Mis. No. 4594, Revenue.

Ordered that the following telegram be despatched to the Government of India, Revenue and Agricultural Department:—

Your telegram, 21st July, regarding Bhadráchalam concession. Lease not executed. Sanction requested for insertion renewal clause with reference to paragraph 3 of your letter, 21st September, forwarding standard lease which this Government proposes to adopt in the present case. Proposed term for original lease and renewal is 20 years in each case.

(True Extract.)

(Signed) C. A. GALTON,
Secretary to Government.

READ—the following telegram from the Secretary to the Government of India, Revenue and Agricultural Department, to the Secretary to Government, Revenue Department, dated Simla, 25th October 1892 :—

No. 2409. You telegram twentieth. Bhadráchalam concession. Renewal clause sanctioned as proposed.

READ—the following telegram from the Resident in Hyderabad, to the Chief Secretary to Government, dated Hyderabad, 6th October 1892; and the endorsement thereon, dated 13th October 1892, No. 1614, Political :—

No. 6534. Your telegram, 16th, of first Chanda boundary dispute which originated; question still remains undecided; unsafe therefore to assume Nizam's acquiescence that deep stream of Godávari river must be regarded as boundary line between His Highness and British territory.

Transferred to the Revenue Department with a copy of the telegram to which the Resident's is a reply.

(Signed) J. F. PRICE,
Chief Secretary.

ENCLOSURE..

Copy of telegram to the Resident in Hyderabad, dated 1st October 1892.

No. 16. My letter 654, fourth November last. May it be assumed that His Highness' Government has accepted decision of this Government that deep stream Godávari river must be regarded as boundary line wherever river forms boundary between the two territories.

ORDER—dated 2nd November 1892, No. 1116, Revenue.

Miscellaneous.

As the Government considers that the coal-mining lease to be granted to the Godávari Coal Company should be drawn up on the model of the standard form of lease forwarded by the Government of India with its letter, dated 21st September 1892, No. 2115-25—42, the Government Solicitor is requested to prepare a draft lease accordingly in consultation with the Board of Revenue and to submit it through the Board for the approval of Government. The clauses of the standard lease should be altered, wherever necessary, so as to bring them into general conformity with the suggestion made by the Board in the marginally-noted Proceedings, which are approved by Government, subject, however, to the remark that the condition in respect of trees (*vide* paragraph 4, clause (*b*) of the Board's Proceedings, dated 23rd August 1892, No. 458) should be to the effect that "the lessee shall not cut or injure any tree belonging to Government without the permission of the lessor's agent in writing and the payment of such compensation as the said agent may fix in each case."

Board's Proceedings, dated 8th June 1892, No. 269.
Board's Proceedings, dated 23rd August 1892, No. 458.

2. With respect to the inquiry made by Messrs. Binny and Co. regarding a claim to minerals alleged to be set up by one Arcot Ramanuja Mudaliar, copy of paragraphs 2 and 3 of Board's Proceedings, dated 2nd August 1892, No. 395, will be communicated to them, from which it will be seen that the claim is not recognized by Government.

3. In regard to the acquisition by the lessee of surface rights in occupied lands covered by the lease, the Government adheres to the decision expressed in paragraph 2 of its Order, dated 2nd September 1891, No. 823,

4. As regards the boundary of the la ...e demised, on the side on which it ...ds up to the river Godávari, it will be ...rom the telegram from the Resident ...ydérabad read above that it cannot b... ...ned that His Highness the Nizam's ...rnment has accepted the view expr... ...n G.O., dated 7th October 1891, ...5227, Revenue. The question of the ... boundary line between Hyderabad ...ory and the Bhadráchalam taluk will l... ...red for the decision of the Govern... ...of India. Pending its decision the b... ...ry should be described in the lease ...gested by the Board in paragraph 2, clau...e (*a*) of its Proceedings, dated 23rd ...st 1892, No. 458, and Messrs. Binny and Co. should be informed accordingly. ... should also be informed that the question raised by them in paragraphs 3 and 4 ...ir letter to the Board, dated 1st September 1892, will be referred to the Govern... ...of India.

... The reply of the Public Works Department to G.O., dated 11th November ... No. 4427 will, when received, be communicated to the Board of Revenue.

(True Extract.)

(Signed) C. A. GALTON,
Secretary to Government.

To the Commissioners of Land Revenue.
„ the Government Solicitor.

Exd. C. M. Brisson.

50 Copies.

Govt. of {1892} Madras

REVENUE.

Issued

Recd. *Encl.*

G.O., 2nd November 1892, No. 1116

NOVEMBER.

Coal-mining lease.

Requesting the Government Solicitor to prepare, in consultation with the Board of Revenue, a draft — upon the model of the standard form of lease forwarded by the Government of India to be granted to the Godávari Coal Company.

8/8/92
12/7/17
§ 6-9
30.6.19

2ND NOVEMBER 1892, No. 1117, REVENUE.

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REVENUE DEPARTMENT.

From

C. A. GALTON, ESQ., M.A., C.S.,
Secretary to the Government of Fort St. George,

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
REVENUE AND AGRICULTURAL DEPARTMENT,

Dated Ootacamund, 2nd November 1892.

SIR,

Miscellaneous.

Adverting to the correspondence ending with your telegram of the 25th instant, sanctioning the insertion of a renewal clause in the coal-mining lease proposed to be granted to the Godávari Coal Company, I am directed to state that the tract of land proposed to be leased to the Company extends in certain parts up to the river Godávari; and as the Company wishes to know how far under the bed of the river they can extend their mining operations, I am directed to inquire what should be regarded as the precise boundary line between His Highness the Nizam's territory and the Bhadráchalam taluk. I am to state that this Government is under the impression that the case will be governed by the general rule referred to in paragraph 3 of Government of India letter, dated 15th May 1872, No. 976-G, namely, that "in the case of a river boundary, the precise boundary is the deep stream of that river;" but that on a reference made to the Resident in Hyderabad inquiring whether in the present case it may be assumed that the deep stream of the Godávari river is the boundary, that officer has informed this Government that it would be unsafe to make the assumption, as a similar question raised by the Government of the Central Provinces with reference to the Chanda district is still undecided.

2. I am also to inquire whether, in the event of its being decided that the British territory extends up to the deep stream of the river, the sites mining operations which, at the time of their commencement, lie within the boundary line will become an encroachment, if by a subsequent change in the set of the stream the deep line shifts its position so as to pass over the mine. Messrs. Binny and Co. have raised this question on behalf of the Godávari Coal Company.

I have the honour to be,
Sir,
Your most obedient servant,
(Signed) C. A. GALTON,
Secretary to Government.

Exd. C. M. Brisson.

50 Copies.

MODEL FORM OF LEASE.

This indenture made the day of 1892—

Between the Secretary of State for India in Council hereinafter called "the lessor" which expression shall be taken to mean and include the said Secretary of State for India in Council and his successors in office and assigns except when the context requires another or different meaning of the one part and
hereinafter called "the lessee" which expression shall be taken to mean and include the said
his heirs executors administrators representatives and assigns except when the context requires another or different meaning of the other part witnesseth that in consideration of the rents and lessees covenants hereinafter reserved and contained the lessor doth hereby demise unto the lessee the mines beds veins and seams of coal mentioned and described in the first part of the schedule hereunder written together with the liberties powers and privileges to be exercised in connection with the said mines which are mentioned in the second part of the said schedule subject to the restrictions and conditions as to the exercise and enjoyment of the same liberties powers and privileges which are specified in the third part of the said schedule except and reserved out of this demise unto the lessor the liberties powers and privileges mentioned and specified in the fourth part of the said schedule.

To hold the houses and premises intended to be hereby demised unto the lessee from the day of for the term of years thence next ensuing yielding and paying to the lessor the several rents and sums of money mentioned and specified in the fifth part of the said schedule subject to the provisions relating to the said rents expressed in the sixth part of the said schedule and the lessee doth hereby covenant with the lessor as in the seventh part of the said schedule is expressed and the lessor doth hereby covenant with the lessee as in the eighth part of the said schedule is expressed and it is hereby mutually agreed and declared by and between the parties hereto as in the ninth part of the said schedule is expressed and it is declared that the schedule hereunder written shall be deemed part of these presents and be read and construed accordingly.

In witness &c.

THE SCHEDULE ABOVE REFERRED TO

Part I.—The mines demised by this lease.

The mines beds veins and seams of coal lying and being within and under the land situate lying and being in

Description of mines.

in

which are delineated in the plan hereunto annexed and therein colored [ ] and contain an area of or thereabouts

Part II.—Rights and privileges to be exercised or enjoyed by the lessee but subject to the restrictions and conditions in Part III.

1. Liberty and power for the lessee at all times during the term hereby granted to work the said mines and to win and get the said mines and premises and the produce thereof.

Grant of liberty to work the mines.

2. Liberty and power to dig sink drive make repair and use all such pits shafts drifts levels water gates water courses air gates and other works as may be necessary or proper for searching for mining working and getting the said mines and premises and for ventilating and draining the same.

To sink pits.

3. Liberty and power to appropriate and use for any purpose connected with the working of the said mines the water upon or within any of the said lands and to collect and impound the same in ponds reservoirs or otherwise for the purpose of working

To appropriate water.

the said mines but so that in the exercise of this privilege the lessee shall not deprive any lands villages houses or watering places for cattle of a reasonable quantity of water as before accustomed and do not in any manner foul impregnate or otherwise deteriorate any springs or streams of water so as to render them useless or unprofitable.

4. Liberty and power to enter upon use and occupy a sufficient part of the said lands adjoining any pits for depositing and heaping thereon the produce of the said mines and all the earth soil and other substances dug up and brought to the surface in or about the working of the same and for otherwise carrying on the works of the said mines.

To appropriate land for stocking.

5. Liberty and powers in and upon the said lands to convert coal into coke whether for purposes of sale or otherwise.

To convert coal into coke.

6. Liberty and power to take lead and carry away over the said lands the coal to be gotten as aforesaid and the coke to be made and manufactured under the liberties and powers hereinbefore granted and to dispose of the same at his own will and pleasure.

To lead and carry away coal.

7. Liberty and power to erect set up and make in upon and over the said lands workmen's houses sheds engines machinery furnaces buildings erections rail roads train roads and other roads and works necessary or convenient for the effectual working of the said mines and the exercise of the several liberties and powers hereinbefore granted.

To erect houses.

8. Liberty and power to search for get and dig gravel sand and stone within the said lands for the purposes mentioned in this second part of this schedule but not for sale and also to dig for and get clay and to make and burn the same into bricks for the purposes aforesaid but not for sale.

Part III.—Restrictions and conditions as to the exercise of the above liberties powers and privileges.

1. No building or thing shall be erected or set up and no other surface operations carried on by the lessee by virtue of the liberties and privileges above granted in or upon any place of worship sacred grove burial ground house village site public road or other place in respect of which on public grounds it appears to the Local Government that objections exist to so doing nor in such a way as to injure or affect any buildings or other works property or rights of private individuals nor shall any land be taken or occupied for surface operations if the same is already in the occupation of and used by persons other than the lessor for other works or purposes not included in this present demise if any other lands not so occupied and used are suitable and convenient and equally available for such surface operations and the lessee shall pay to the owners tenants and occupiers full compensation and satisfaction for all damage or injury which may be done or occasioned in or about the carrying on of such surface operations and shall keep indemnified the lessor from and against all actions suits claims and demands in relation thereto

No building &c. upon sacred places.

2. Before taking any land for surface operations which has not already been used for such operations the lessee shall give to the lessor's agent (who for the purposes of this clause shall be taken to be the for the time being) two calendar months' previous notice in writing specifying by name or other sufficient designation and by quantity the land proposed to be taken and the purpose for which same is required. The lessor's agent may at any time within two calendar months from the receipt of such notice state his objections if any to the proposed site and the validity of such objections in case of dispute shall be determined by reference to the Local Government whose decision thereon shall be final

Notice to be given before entering on lands and lessor to be at liberty to object to proposed site.

Part IV.—Rights reserved to lessor.

1. Liberty and power for him the lessor and any lessee or other person authorized by him on that behalf to enter into and upon the said lands and to search for dig work and get any minerals or substances other than coal in upon or under the said lands and for the purposes aforesaid to sink make erect and use such pits shafts levels drains water courses reservoirs tunnels buildings engines or machinery canals railways wagon ways and other ways works and conveniences upon through or under the said land as shall be necessary or expedient *Provided always* that the said reserved rights and privileges to work for minerals other than coal shall be exercised and enjoyed in such manner as not to hinder or interfere with the rights and privileges of the lessee under these presents and *Provided also* that fair and proper compensation shall be paid by the lessor for all loss damages or injury which the lessee may sustain or be put to by reason or in consequence of the exercise of the said reserved rights and privileges to work for minerals other than coal the amount of such compensation to be settled in case of difference by reference to the said Local Government whose decision thereon shall be final.

Liberty for lessor to work mineral &c.

2. Liberty and power for the lessor if the lessee shall not within months from the commencement of the said term hereby granted have started operations under this lease to some substantial extent or if at any time during the said term such operations shall not be in *boná fide* progress to the satisfaction of the said Local Government to re-enter upon the said premises and to hold the same and to lease the same to third parties or otherwise deal with the same as if this lease had not been made.

Part V.—Rents reserved by this lease.

1. The certain half-yearly rent of Rs. shall be paid by the lessee to the lessor at for and in respect of the said mines and premises from the day of by equal payments on the day of and the day of in each year for the half-year immediately preceding the first of such half-yearly payments to be made on the day of For and in respect of such certain half-yearly rent of Rs. the lessee may in every half-year during the currency of this demise work and get from or out of the said mines and sell or export such a quantity of coal and coke manufactured therefrom as at the rate hereinafter mentioned would yield or pay for that half-year a royalty equal in amount to the said certain half-yearly rent of Rs. But the said certain rent as from the said day of shall always be paid whether such quantity shall in fact be gotten or not

Certain half-yearly rent.

2. The lessee shall during the months of the said term from the day of to the day of pay to the lessor the royalty of annas for every ton or part of a ton of coal which shall be sold at the said mines or exported therefrom for sale or otherwise or which shall be manufactured into coke and shall during the remainder of the said term pay the said royalty for every ton or part of a ton of coal which shall be sold at the said mines or exported therefrom for sale or otherwise or which shall be manufactured into coke in any half-year of the said term over and above the quantity of which the lessee is by clause 1 of this part authorised to work or get in respect of the said certain rent

3. The further yearly rent of Rs. a of land the surface whereof shall be occupied or used by the lessee for any of the purposes of this demise and so in proportion for any less quantity than a the said surface rent to be paid by equal half-yearly payments on the same days as the said certain rent of Rs. is hereinbefore made payable the first of such payment to be made on such of the said days as shall happen next after such occupation or use shall commence and the last half-yearly payment thereof to be made on such of the said days as shall happen next after such occupation or use shall have ceased and the land shall have been restored and rendered

fit for cultivation again *Provided always* that no such rent shall be paid or demanded in respect of any roads or ways now in existence.

Part VI.—Provisions relating to the rents.

1. All the aforesaid rents shall be paid free from any deductions.

2. If in any one half-year after the first 18 months of the said term the lessee shall not raise from or out of the said mines such a quantity of coal as at the abovementioned rate would produce for that half-year the amount of the certain rent hereby reserved then and in every such case the lessee may in the next succeeding half-year of the said term raise and get from or out of the said mines such a quantity of coal as shall be required to make up the deficiency without paying any royalty for the same other than the said certain rent. But the over-workings of any preceding half-year or half-years shall not come in aid of or be applied to make good the deficiency of short workings in any subsequent half-year or half-years. The said rent and royalty shall be calculated upon the weight of the said coal as and when the same shall be sold or exported from the said mines or previous to its manufacture into coke and such rent and royalty shall be paid on the half-yearly days hereinbefore provided for the payment of the said rent at for and in respect of the coal sold or exported or manufactured into coke during the preceding half-year and in respect of which the same shall be payable.

Provision for making up under-workings.

3. All coal used by the lessee for the usual and customary purposes of the mines and for domestic consumption in the houses and officers of agents and workmen for the time being employed in and about the said mines and premises shall be free from rent and royalty.

Coal used in the mines to be free from rent and royalty.

Part VII.—The lessee's covenants.

The lessee shall pay the rent and royalty reserved by this lease at the times and in the manner above appointed in that behalf and shall also pay and discharge all taxes rates assessments and impositions whatsoever being in the nature of public demands which shall from time to time be charged assessed or imposed upon the said mines or any part thereof by authority of the Government of India or the said Local Government or otherwise except demands for land revenue and shall also pay interest at the rate of per cent. per annum on all arrears of such rent or royalty from the due date thereof.

To pay rent rates and taxes.

2. The lessee shall at his own expense forthwith erect and at all times maintain and keep in repair boundary marks and pillars according to the demarcation shown in the plan hereto annexed so that the boundaries of the said lands may at all times be maintained.

To erect boundary marks.

3. The lessee shall within months from the commencement of the term hereby granted start and work the said mines to the satisfaction of said Local Government and shall thereafter at all times during the continuance of this lease continuously work for and as far as possible obtain coal from the said lands and maintain in good repair working order and condition and work all mines when opened without voluntary intermission in a skilful and workmanlike manner and upon the most approved principle without doing or permitting to be done any unnecessary or avoidable damage to the surface of the said lands within or under which the said mines lie and shall not cultivate or use the said lands in any manner save for the purposes of this demise and the rights hereby granted.

To work continuously.

4. The lessee shall well and properly secure and keep open with timber or other durable means all pits and shafts to be sunk or made in the said lands and make and maintain sufficient fences round every such pit or shaft and also shall at all times during the said term keep the said mine except abandoned mines free from water and from foul air as far as possible.

To secure pits and shafts.

5. The lessor's agents servants and workmen shall be at liberty at all reasonable times during the said term to inspect and examine all works carried on by the lessee under the liberties hereinbefore granted and the lessee with proper persons employed by him and acquainted with the workings of mines and works shall effectually assist the lessor's agents servants and workmen in conducting such inspection and shall afford them all information connected with the working of the mines which they may reasonably require AND ALSO shall and will from time to time and at all times during the said term hereby granted conform to and observe all orders and regulations which the lessor as the result of such inspection may from time to time see fit to impose in the interests of public health and safety and also shall particularly without delay send to the Collector or Deputy Commissioner of the District a report of any accident which may at any time occur at or in the said lands or any pit or shaft or mine.

Lessor to inspect.

6. The lessee shall at all times upon finding any mineral or product other than that or those for which this lease is granted immediately report such finding in writing to the Collector or Deputy Commissioner of the District with full particulars of the nature and position of each find.

7. The lessee shall at all times during the said term keep or cause to be kept at the office or counting house of the or marks to be situate in or contiguous to some part of the said lands correct and intelligible books of accounts upon such plan or principle and in such form as may be approved of by the said Local Government which books shall contain accurate entries of (1) the quantity of coal raised and brought to bank from the mines which have been or may be made or sank by the lessee under the license and liberty on that behalf hereinbefore contained (2) the quantity of manufactured coal into coke (3) the quantity of coal or coke sold and exported from the said mines and (4) the quantity of coal otherwise disposed of and the manner and purpose in and for which the same have been or are intended to be applied (5) the number of persons employed in the said mines together with all other facts necessary or proper for conveniently ascertaining amount of the royalty from time to time payable under these presents and the manner in which such coal or coke have been disposed of and shall also at his own expense furnish to such officer as the said Local Government may from time to time direct and at such times as the said Local Government may appoint true and correct abstracts of all or any of such accounts and shall at all responsible times allow such officers or persons as the said Local Government shall in that behalf appoint to enter into and have free access to the said office or counting house for the purpose of examining and inspecting the said several books of account and to take copies thereof and make extract therefrom.

To keep books of accounts.

Furnish abstract of accounts &c.

8. The lessee shall at all times during the said term cause to be made and kept at the said office or counting house true and correct and intelligible plans and sections of the said mines which plans and sections shall show as well the operations and workings which have been carried on as also all views faults and other disturbances which have been observed and encountered in such workings and operations and all such plans and sections shall be made amended and filled up by and from actual surveys to be made for that purpose at the end of every period of twelve months and the lessee shall at his own cost furnish to the lessor true and correct copies of such plans and sections when thereunto required.

To keep plans of working.

9. The lessee shall provide and at all times keep at or near the pit head or each of the pit heads at which the produce of the said mines shall be brought to bank a good and properly constructed weighing machine and shall weigh or cause to be weighed therein all coal brought to bank from or out of the mines hereby demised or which may be sunk or made by the lessee under the license and liberty in that behalf hereinbefore contained and shall at the end of each day cause the total weights of the coal gotten during the previous twenty-four hours and

To provide weighing machine.

weighed as aforesaid to be entered in the aforesaid book or books of account the lessee shall also weigh or cause to be weighed in the said machine or machines all coal sold at or exported from the said mines and shall cause true and correct entries to be made daily in the aforesaid books of account of all coal so sold or exported and of all coal manufactured into coke and it shall be lawful for the lessor at all times during the said term to employ any person or persons to be present at the raising and weighing of the said coal and the removal thereof from the mines for sale or for export and to keep accounts thereof and to check the accounts kept by the lessee.

The lessor may test weighing machine.

10. The lessor may through his agents or servants at any time or times during the said term examine and test each and every weighing machine or machines to be provided and kept by the lessee as aforesaid and the weights used therewith in order to ascertain whether the same respectively are correct and in good repair and order and if upon any such examination or testing any such weighing machine or weights shall be found incorrect or out of repair or order it shall be lawful for the lessor or his agent to require that the same be adjusted repaired and put in order by and at the expense of the lessee and to hinder the use thereof in the mean time and if such requisition be not complied with within fourteen days after the same shall have been made the lessor or his agent may cause the said weighing machine and weight respectively to be adjusted repaired and put in order and may recover the expense of so doing from the lessee and if upon any such examination or testing as aforesaid any error shall be discovered in any weighing machine or weights to the prejudice of the lessor such error shall be considered to have existed for three calendar months previous to the discovery thereof or from the last occasion of so examining and testing the same weighing machine and weights in case such occasion shall be within such period of three months and the said rent and royalty shall be paid and accounted for accordingly.

Not to assign or underlet without license.

11. The lessee shall not assign or underlet the premises hereby demised or any part thereof or the rights and privileges hereby granted or any of them (1) to any person or persons without the consent in writing of the lessor under the hand of a Secretary to the Local Government or (2) to any company without the like consent under the hand of a Secretary to the Government of India for that purpose first had and obtained.

12. The lessee shall at all times have at the said premises a duly accredited manager or agent to whom all notices may be given and all communications from the lessor may be made. If there shall not at any time be such an agent on premises the lessor shall be at liberty to treat any other person then as such agent and to serve all documents upon the said agent or in his absence upon any such other person as aforesaid or in the case of their being no such other person as aforesaid then by affixing the notices upon some conspicuous portion of the said premises in the occupation of the lessee.

To deliver up mines &c. in good order.

13. The lessee shall at the end or sooner determination of the said term deliver up to the lessor in good order repair and condition and fit for future working all mines which have been or may be made or sunk by the lessee under the license and liberty in that behalf hereinbefore contained together with all engines pits shafts water courses air gates levels and fixtures below ground level and which cannot be moved without causing injury to the said mines except any pits shafts or other works which shall have been abandoned or disused in the ordinary and fair course of working of the said mines and premises.

The Lessor's covenants.

Part VIII.

For quiet enjoyment.

1. The lessee paying the rents hereby reserved and observing and performing the covenants and provisions herein contained and on his part to be observed and performed shall and may peaceably and quietly hold and enjoy the rights and

premises hereby demised for and during the term hereby granted without any lawful interruption from or by the lessor or any person rightfully claiming from or under him.

* To renew lease.

2. If the lessee shall be desirous of taking a renewed lease of the said mines for the further term of years from the expiration of the said term hereby granted and of such desire shall prior to the expiration of such last mentioned term give to the lessor six calendar months' previous notice in writing and pay the said rent and royalty hereby reserved and observe and perform the several covenants herein contained and on the part of the lessee to be observed and performed up to the expiration of the said term hereby granted the lessor will upon the request and at the expense of the lessee and upon his executing and delivering to the lessor a counterpart thereof sign and deliver to the lessee a renewed lease of the said premises for the further term of years at the same rent and under and subject to similar covenants provisions and agreements as are herein contained other than this present covenant but subject nevertheless to the payment by the lessee of such increased royalty as may be then fixed by the Government of India.

3. The lessee may at any time or times within six calendar months after the determination of this demise whether by effluxion of time or otherwise enter into and upon the said lands or any part thereof for the purpose of taking down removing and disposing of for their own use and benefit all the machinery utensils implements articles and things set up and used in and about the working of the said mines and all ovens kilns sheds huts railways tramways and other works (except buildings and erections of brick or stone) erected and then standing upon any of the said lands for the purpose of working the said mines unless the lessor shall be desirous of purchasing the same or any of them in pursuance of the provision in that behalf hereinafter contained.

Part IX.—General Provisions.

Power of distress.

1. If the rent or royalty hereby reserved or either of them or any part thereof respectively shall be behind or unpaid for the space of 60 days next after any of the days whereon the same ought to be paid then and so often as the case shall happen the lessor may enter into and upon the said lands which shall for the time being be possessed or occupied by the lessee for the purposes of this demise and may distrain all or any of the stock of engines plant live and dead stock and things which shall be found in or upon the same premises and the same may take lead drive carry away impound detain and keep until the rent or royalty which shall then be due and all costs and expenses occasioned by the non-payment thereof shall be fully paid and satisfied.

Power of re-entry.

2. If the rent or royalty hereby reserved or either of them or any part thereof respectively shall be behind or unpaid for the space of six calendar months next after any of the days whereon the same ought to be paid as aforesaid and whether the same shall have been legally demanded or not or if the lessee shall commit any breach of the covenants and conditions contained in the lease and in his part to be observed and performed or any of them in such case it shall be lawful for the lessor at any time thereafter and although he may not have taken advantage of some previous default of a like nature into and upon the said mines or any part thereof in the name of the whole to re-enter and the same to have again repossess and enjoy as of his former estate.

Proviso for lessor to purchase.

3. If at the end or sooner determination of the said term the lessor shall be desirous of purchasing all or any of the buildings or works above ground level set up or constructed by the lessee and shall signify such his desire by notice in writing to the lessee six calendar months at least before the expiration of the said term (or if the

* Note.—No provision for renewal of any lease should be agreed to or inserted in any lease without the express sanction of the Government of India.

said term shall be determined under the power of re-entry hereinbefore contained at any time within three calendar months after the determination of the said term) the lessee shall sell to the lessor all or any of the said buildings and works at a price which shall be fixed or ascertained by taking the net cost of such buildings or works as at date of construction and deducting therefrom for depreciation a sum equivalent to per cent. per annum on the net original cost.

Right of lessee to determine lease of mines destroyed by act of God.

4. If at any time during the continuance of this demise the said mines shall become destroyed or rendered substantially and permanently unfit for the purposes of this demise by fire tempest or flood or violence of any army or mob or other irresistible force these presents shall at the option of the lessee be void provided that if the injury be occasioned by the wrongful act or default of the lessee or his servants he shall not be entitled to avail himself of the benefit of this provision AND PROVIDED also that if this lease shall become void for or by reason of any of the causes aforesaid it should be without prejudice to the rights and remedies of the lessor under or by virtue of these presents for the recovery of any rent or royalty which may then remain unpaid or in respect of any breach which may have been committed of any of the covenants herein contained on the part of the lessee.

5. Whenever any doubt difference or dispute shall hereafter arise touching the construction of these presents or anything herein contained or any matter or thing connected with the said mines and minerals hereby dealt with or the working or non-working thereof or the amount or payment of any royalty or rent reserved or made payable hereunder the matter in difference shall be decided by the Local Government whose decision shall be final.

[C. G. DE S.]

G. C. Press, Simla.—No. 902 R. & A. D.—22-9-92.—1,500.

1892.

File No. 42.

Serial No. 4.

GOVERNMENT OF INDIA.

REVENUE AND AGRICULTURAL DEPARTMENT.

MINERALS.

TO

ALL LOCAL GOVERNMENTS AND ADMINISTRATIONS.

No. $\frac{2115-25}{42}$.

Dated Simla, the 21st September 1892.

SUBJECT.

Standard Form of Mining Lease.

G. C. Press, Simla.—No. 901 R. & A. D.—24-9-92.—1,537.

No. 2115—25/42.

FROM

J. W. P. MUIR-MACKENZIE, Esq., C.S.,
Offg. Secretary to the Government of India,

TO

Rev & Agri. Dept.
Minerals.

Simla, the 21st September 1892.

SIR,

ENCLOSED is a standard form of Mining Lease which has been settled by the Standing Counsel to the Government of India. I am to suggest its adoption in the so far as it may be applicable to any particular concession. The form has been drafted as for the lease of a coal-mine, but with slight alterations can be adapted by the Legal Advisers of the Local Government for any other species of mining.

2. It will be seen that clause 11 of Part VII allows a transfer to any person or persons not being a Company to be sanctioned by the Local Government; but until further orders no such sanction should be given without reference to the Government of India. According tc draft rules recently framed by Her Majesty's Secretary of State under Statute 22 and 23 Vict., chapter 41, no transfer can be permitted without the express approval of the Government of India.

3. I am to draw particular attention to the foot-note to clause 2 in Part VIII, from which it will be seen that no provision for renewal of any lease should be agreed to or inserted without the express sanction of the Government of India. This also is required by the Secretary of State's rules.

4. It will be observed that no clause has been inserted answering to rule 23 (v) of the Mining Rules, which provides that a lessee shall not cut or injure any tree reserved in the lease. Such a reservation will be of rare occurrence, and when made must necessarily involve the insertion of a special clause for the protection of the trees in question.

I have the honour to be,

SIR,

Your most obedient servant,

J. W. P. MUIR-MACKENZIE,

Offg. Secretary to the Government of India.

Confidential
Model Form of Leave.

G. I. No. 2115-25-42
dt 21st Septr 1892

(Printed) at pp. 9-15 H.
Fo. 1 2-11-92 Nos. 1116-7

2ND NOVEMBER 1892, No. 1117, REVENUE.

REVENUE DEPARTMENT.

From

C. A. GALTON, ESQ., M.A., C.S.,
Secretary to the Government of Fort St. George,

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
REVENUE AND AGRICULTURAL DEPARTMENT,

Dated Ootacamund, 4th November 1892.

SIR,

Miscellaneous.

Adverting to the correspondence ending with your telegram of the 25th instant, sanctioning the insertion of a renewal clause in the coal-mining lease proposed to be granted to the Godávari Coal Company, I am directed to state that the tract of land proposed to be leased to the Company extends in certain parts up to the river Godávari; and as the Company wishes to know how far under the bed of the river they can extend their mining operations, I am directed to inquire what should be regarded as the precise boundary line between His Highness the Nizam's territory and the Bhadráchalam taluk. I am to state that this Government is under the impression that the case will be governed by the general rule referred to in paragraph 3 of Government of India letter, dated 15th May 1872, No. 976, namely, that "in the case of a river boundary, the precise boundary is the deep stream of that river;" but that on a reference made to the Resident in Hyderabad inquiring whether in the present case it may be assumed that the deep stream of the Godávari river is the boundary, that officer has informed this Government that it would be unsafe to make the assumption, as a similar question raised by the Government of the Central Provinces with reference to the Chanda district is still undecided.

2. I am also to inquire whether, in the event of its being decided that the British territory extends up to the deep stream of the river, the sites mining operations which, at the time of their commencement, lie within the boundary line will become an encroachment, if by a subsequent change in the set of the stream the deep line shifts its position so as to pass over the mine. Messrs. Binny and Co. have raised this question on behalf of the Godávari Coal Company.

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

(Signed) C. A. GALTON,
Secretary to Government.

Exd. C. M. Brisson.

Copies.

1892.

REVENUE AND AGRICULTURAL DEPARTMENT.

From the Government of Fort St. George.

ceived

Recd. *Encl.*

Letter, 2nd dated November 1892, No. 1117.

NOVEMBER.

Say that the tract of land proposed to be leased to the Godavari Mining company entered to the west Godavari Company which should be regarded as the frontier boundary line between the Hyderabad Territory and the Bhadrachalam Taluk.

BOARD OF REVENUE (LAND REVENUE), 23RD AUGUST 1892, No. 458.

CONFIDENTIAL.

PROCEEDINGS OF THE BOARD OF REVENUE (LAND REVENUE).

THE HON. MR. H. W. BLISS.
MR. E. GIBSON.

READ—the following letter from Messrs. BINNY & Co., to the Secretary to the Commissioners of Land Revenue, dated Madras, 8th July 1892:—

In reference to Board's Proceedings, No. 345, of the 2nd instant, we have the honour to return, herein, the draft leases of land applied for for coal-mining in the Bhadráchalam district and at Cherla.

2. We are agreeable to the alterations proposed in the former lease, but would point out that the alteration in line 4 of page 2 should be "for every ton of *large* coal raised and taken," &c., and that the name of the Company has been registered as the "Godávari Coal Company" and the lease should be drawn up in accordance therewith. When sending us the original lease, you might kindly return us the enclosed draft for comparison; but before signature of the lease we should be glad of the assurance asked for, viz., that Government has the right to minerals underlying the river to the middle of the channel.

READ—the following G.O., dated 1st August 1892, No. 3435, Revenue:—

Read—again the following G.O., dated 6th July 1892, No. 3150, Revenue:—

Read—the following telegram from the Government of India, Revenue and Agricultural Department, dated 2nd July 1892:—

My letter, 257, 6th February. Messrs. Binny apply for differential instead uniform rate royalty on coal and coal dust in Cherla lease. Please say what royalties arranged Bhadráchalam, and suspend final orders until Cherla case decided.

Order—dated 6th July 1892, No. 3150, Revenue.

Ordered that the following telegram be despatched to the Government of India:—

Your telegram, 2nd, regarding Bhadráchalam coal-mining lease. Lease not executed yet. Further instructions will be awaited. Royalties arranged are four annas per ton larger coal, one anna small coal. No charge for dust except when made into bricks, and then one anna. Dust is what passes through screen with quarter-inch mesh; small coal through one-inch mesh, and large coal all which will not pass through one-inch mesh.

Read—also the following telegram from the Government of India, Revenue and Agricultural Department, dated 21st July 1892:—

Your telegram, 6th. Binny's coal concession Bhadráchalam royalties approved. Lease may now be executed.

Order—dated 1st August 1892, No. 3435, Revenue.

Communicated to the Commissioners of Land Revenue.

2. In the event of Messrs. Binny & Co. agreeing to the amendments proposed in Board's Proceedings, dated 8th June 1892, No. 269, the Board should take the necessary steps for the execution of the lease at an early date.

3. The draft lease does not contain any express exemption from royalty in respect of "dust," but it is left to be inferred from the context. The Government considers that the lease should be made more definite in this respect.

(True Extract.)

(Signed) C. A. GALTON,
Secretary to Government.

To the Board of Revenue (Land Revenue).

RESOLUTION—dated 23rd August 1892, No. 458.

In the first of the papers read above, Messrs. Binny & Co. intimate their approval of all the amendments proposed in Board's Proceedings, dated 8th June 1892, No. 269, with reference to the provisions contained in the Cherla lease, copy of which was received from the Government of India. They, however, suggest a verbal addition in the third alteration printed at page 4 of the Board's Proceedings, to which the Board has no objection. Messrs. Binny & Co. further ask to be assured, before the execution of the lease, of the State's right to the minerals under the bed of the Godávari up to the middle of the channel. The question is not now raised for the first time, and Messrs. Binny & Co. have already been informed that, under existing orders and treaties, the British boundary may be taken to extend up to the deep-bed line of the river (*vide* Board's Proceedings, dated 16th September 1891, No. 563). They will now be furnished with also a copy of para. 4 of Board's Proceedings, dated 2nd August 1892, No. 395, in which the Board has dealt with the same question on a reference made by Messrs. Binny & Co. to Government (*vide* para. 2 of their letter dated 12th Febuary 1892).

2. The Board finds that, in the revised draft received with the Government Solicitor's letter dated 6th October 1891, some of the amendments referred to in Board's Proceedings, dated 16th September 1891, No. 562, have not been fully carried out.

(*a*) In para. 2 of Board's Proceedings, dated 16th September 1891, No. 562, it was proposed to omit the clause providing for cases where the boundary of the demised lands was alleged to pass over the river, and, in cases where the river itself formed the boundary, to alter the clause specifying it, so as to extend the area up to the boundary of British territory instead of defining it by specific limits. The two clauses inserted in the original draft received with the Government Solicitor's letter, No. 116, dated 12th March 1891, as regards the river boundary have both been struck out instead of the one being omitted and the other altered as proposed. The following additions should therefore be made in the places indicated in the revised draft which has been printed for convenience of reference :—

(*a*) Before the words "together with," in line 16, page 1—

"and also under the River Godávari so far as situated within the boundary of British territory in those places where the river forms a boundary to the said tract of land."

(*b*) After the word "otherwise," in line 32 of page 1—

"and below the River Godávari so far as situated within the boundary of British territory in places where the said river forms a boundary to the said tract of land."

(*b*) In para. 1 of G.O., dated 2nd September 1891, No. 823, communicated with Board's Proceedings, dated 16th September 1891, No. 562, the Government Solicitor was asked to add a clause for providing for exemption from royalty of

dust which will pass through a quarter-inch mesh. This has not been carried out. The same addition is ordered to be made in para. 3 of the second paper read above. The words "dust as hereinafter defined being exempted from all royalty subject to the exemption hereinafter mentioned" should therefore be inserted after the words "a ton" occurring in line 8 at page 2 of the draft.

(*c*) In para. 2 (*b*) of Board's Proceedings, dated 28th July 1891, No. 440, the Board suggested that clauses should be added providing for the determination of the lease if coal should become exhausted or the mine become unworkable from causes beyond the lessee's control. Messrs. Binny & Co. offered, in this contingency, to give six months' notice in writing "with effect to expire on any rent-day" before the determination of the lease (*vide* enclosure 1 to their letter printed at page 3 of Board's Proceedings, dated 28th July 1891, No. 440). The provision for six months' notice has not been inserted in the clauses added by the Government Solicitor in lines 18 to 34 at page 5. The omission should be supplied.

3. The Board considers that, in addition to the above amendments, the following verbal additions should be made in the revised draft :—

(*a*) "and existing water-courses" after the word 'whatsoever' in line 25, page 3 (*vide* line 3 of para. 6 at page 27 of the appendix to S.O. No. 15, new edition).

(*b*) "and also for or in respect of any coal earth, sand, lime, &c., which may not be the property of the lessor and which may have been worked by the lessee and its assigns" after the word 'damage' in line 39, page 3.

(*c*) "permanent" before 'buildings' in line 9, page 5.

(*d*) "and such general or other taxes" after 'royalties' in line 27, page 5.

(*e*) "taxes or other moneys made payable hereby" after the words 'rents and royalties hereinafter reserved' in line 34, page 5 (*vide* lines 5 and 6 at page 29 of the appendix to S.O. No. 15).

4. On a comparison of the provisions of the present lease with those of the form of mining lease prepared by the Advocate-General and printed as appendix to S.O. No. 15 (new edition), the Board thinks that the following provisions might be inserted with advantage, and solicits the orders of Government on the point :—

(*a*) A provision reserving to Government the power to levy taxes, rates and assessments for meeting the expenses of special police, communications, water-supply, sanitation, and other analogous administrative arrangements that may have to be incurred for the protection and convenience of the lessee and its assigns or other persons or companies carrying on mining operations in the neighbourhood.

(*b*) A provision for payment by the lessees of the value of timber and other trees standing on the unoccupied portion of the demised tract.

(True Extract.)

Ag. Secretary.

To the Secretary to Government, Revenue Department,
with a printed copy of the revised draft lease.

Para. 1 to Messrs. Binny & Co., with extract of para. 4
of Board's Proceedings, No. 395, dated 2nd August 1892,
and with printed copy of the draft lease returned by them.

Exd. E. Fernandez.

Current Number 7582

REVENUE DEPARTMENT.

1892.

Board of Revenue

(Land Revenue),

MADRAS.

CONFIDENTIAL. 1783.

GOVERNMENT OF MADRAS
REVENUE DEPARTMENT
21 SEP 92

Printed August, 27th.

Rec'd 1/9/92.

Proceedings, 23rd August 1892, *No.* 458.

Proposing, while passing orders on letter from Messrs. Binny & Co., intimating their approval of the amendments proposed in Board's Proceedings dated 8th June 1892, No. 269, with reference to the provisions of the *Cherla* lease, certain alterations in, and additions to, the revised draft sent by the Government Solicitor, and requesting orders of Government in regard to certain provisions being made with reference to the form of mining lease printed as appendix to S.O. No. 15.

~~CONFIDENTIAL.~~

PROCEEDINGS OF THE BOARD OF REVENUE
(LAND REVENUE).

THE HON. MR. H. W. BLISS.
MR. E. GIBSON.

READ—the following letter from Messrs. BINNY & Co., to the Secretary to the Commissioners of Land Revenue, dated Madras, 8th July 1892 :—

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2. We are agreeable to the alterations proposed in the former lease, but would point out that the alteration in line 4 of page 2 should be "for every ton of *large* coal raised and taken," &c., and that the name of the Company has been registered as the "Godávari Coal Company" and the lease should be drawn up in accordance therewith. When sending us the original lease, you might kindly return us the enclosed draft for comparison; but before signature of the lease we should be glad of the assurance asked for, viz., that Government has the right to minerals underlying the river to the middle of the channel.

READ—the following G.O., dated 1st August 1892, No. 3435, Revenue :—

Read—again the following G.O., dated 6th July 1892, No. 3150, Revenue :—

Read—the following telegram from the Government of India, Revenue and Agricultural Department, dated 2nd July 1892 :—

My letter, 257, 6th February. Messrs. Binny apply for differential instead uniform rate royalty on coal and coal dust in Cherla lease. Please say what royalties arranged Bhadráchalam, and suspend final orders until Cherla case decided.

Order—dated 6th July 1892, No. 3150, Revenue.

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Communicated to the Commissioners of Land Revenue.

2. In the event of Messrs. Binny & Co. agreeing to the amendments proposed in Board's Proceedings, dated 8th June 1892, No. 269, the Board should take the necessary steps for the execution of the lease at an early date.

3. The draft lease does not contain any express exemption from royalty in respect of "dust," but it is left to be inferred from the context. The Government considers that the lease should be made more definite in this respect.

(True Extract.)

(Signed) C. A. GALTON,
Secretary to Government.

To the Board of Revenue (Land Revenue).

RESOLUTION—dated 23rd August 1892, No. 458.

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2. The Board finds that, in the revised draft received with the Government Solicitor's letter dated 6th October 1891, some of the amendments referred to in Board's Proceedings, dated 16th September 1891, No. 562, have not been fully carried out.

(*a*) In para. 2 of Board's Proceedings, dated 16th September 1891, No. 562, it was proposed to omit the clause providing for cases where the boundary of the demised lands was alleged to pass over the river, and, in cases where the river itself formed the boundary, to alter the clause specifying it, so as to extend the area up to the boundary of British territory instead of defining it by specific limits. The two clauses inserted in the original draft received with the Government Solicitor's letter, No. 116, dated 12th March 1891, as regards the river boundary have both been struck out instead of the one being omitted and the other altered as proposed. The following additions should therefore be made in the places indicated in the revised draft which has been printed for convenience of reference:—

(*a*) Before the words "together with," in line 16, page 1—

"and also under the River Godávari so far as situated within the boundary of British territory in those places where the river forms a boundary to the said tract of land."

(*b*) After the word "otherwise," in line 32 of page 1—

"and below the River Godávari so far as situated within the boundary of British territory in places where the said river forms a boundary to the said tract of land."

(*b*) In para. 1 of G.O., dated 2nd September 1891, No. 823, communicated with Board's Proceedings, dated 16th September 1891, No. 562, the Government Solicitor was asked to add a clause for providing for exemption from royalty of

dust which will pass through a quarter-inch mesh. This has not been carried out. The same addition is ordered to be made in para. 3 of the second paper read above. The words "dust as hereinafter defined being exempted from all royalty subject to the exemption hereinafter mentioned" should therefore be inserted after the words "a ton" occurring in line 8 at page 2 of the draft.

(*c*) In para. 2 (*b*) of Board's Proceedings, dated 28th July 1891, No. 440, the Board suggested that clauses should be added providing for the determination of the lease if coal should become exhausted or the mine become unworkable from causes beyond the lessee's control. Messrs. Binny & Co. offered, in this contingency, to give six months' notice in writing "with effect to expire on any rent-day" before the determination of the lease (*vide* enclosure 1 to their letter printed at page 3 of Board's Proceedings, dated 28th July 1891, No. 440). The provision for six months' notice has not been inserted in the clauses added by the Government Solicitor in lines 18 to 34 at page 5. The omission should be supplied.

3. The Board considers that, in addition to the above amendments, the following verbal additions should be made in the revised draft:—

(*a*) "and existing water-courses" after the word 'whatsoever' in line 25, page 3 (*vide* line 3 of para. 6 at page 27 of the appendix to S.O. No. 15, new edition).

(*b*) "and also for or in respect of any coal earth, sand, lime, &c., which may not be the property of the lessor and which may have been worked by the lessee and its assigns" after the word 'damage' in line 39, page 3.

(*c*) "permanent" before 'buildings' in line 9, page 5.

(*d*) "and such general or other taxes" after 'royalties' in line 27, page 5.

(*e*) "taxes or other moneys made payable hereby" after the words 'rents and royalties hereinafter reserved' in line 34, page 5 (*vide* lines 5 and 6 at page 29 of the appendix to S.O. No. 15).

4. On a comparison of the provisions of the present lease with those of the form of mining lease prepared by the Advocate-General and printed as appendix to S.O. No. 15 (new edition), the Board thinks that the following provisions might be inserted with advantage, and solicits the orders of Government on the point:—

(*a*) A provision reserving to Government the power to levy taxes, rates and assessments for meeting the expenses of special police, communications, water-supply, sanitation, and other analogous administrative arrangements that may have to be incurred for the protection and convenience of the lessee and its assigns or other persons or companies carrying on mining operations in the neighbourhood.

(*b*) A provision for payment by the lessees of the value of timber and other trees standing on the unoccupied portion of the demised tract.

(True Extract.)

(Signed) W. S. MEYER,
Ag. Secretary.

To the Secretary to Government, Revenue Department,
with a printed copy of the revised draft lease.

Para. 1 to Messrs. Binny & Co., with extract of para. 4
of Board's Proceedings, No. 395, dated 2nd August 1892,
and with printed copy of the draft lease returned by them.

Exd. E. Fernandez.

Current no. 7582 - 2

REVENUE DEPARTMENT.

1892.

Board of Revenue

(Land Revenue),

MADRAS.

~~CONFIDENTIAL~~

Printed August, 27th.

Proceedings, 23rd August 1892, No. 458.

Proposing, while passing orders on letter from Messrs. Binny & Co., intimating their approval of the amendments proposed in Board's Proceedings dated 8th June 1892, No. 269, with reference to the provisions of the *Cherla* lease, certain alterations in, and additions to, the revised draft sent by the Government Solicitor, and requesting orders of Government in regard to certain provisions being made with reference to the form of mining lease printed as appendix to S.O. No. 15.

Confidential

REVENUE BOARD OFFICE MADRAS.

2 1 25 3 45

Proceedings of the Board of Revenue

(Land Revenue),

Dated 3rd September 1892,

No. 490.

Mr. E. Gibson
Mr. A. F. Arundel.

READ the following letter from Messrs Binny & Co~
Managing Agents, the Godavari Coal Company
(Ld), Madras, dated 1st September 1892

We have the honor to acknowledge
receipt of Board's Proc: No 395 of the 2nd inst
& No: 458 of the 23rd inst., together with
draft Copy of lease in Connection with the land
applied for, for coal mining operations, in
the Godavari Dt., for which we thank you

We note that it has been ruled, after
reference to the Resident of Hyderabad, that the
boundary of the British and Hyderabad Territories is the deep-bed line of the river Godavari

On this point however we have an enquiry
to make of great importance. The bed of the

rivers

river Godavari is continually changing, and we should like to be informed, in regard to Coal mining operations that may be carried on under the river, whether the boundary may be taken as the deep Stream as it now is, or whether it will change with any change that may take place hereafter in the river.

In the event of Shafts being sunk and Coal extracted from under the bed of the river up to the present deep Stream, we should be glad to know what would be this Company's position in the event of any change that may take place hereafter in the deep Stream.

We would suggest that some understanding on the subject between the Madras Government and the Nizam's Government, be arrived at before the lease is executed.

This is a matter of great importance, as in the event of a change in the deep Stream a claim might be made against this Company by the Nizam's Government for Coal extracted from what may at present be British Territory.

Resolution

Resolution:-

Submitted to Government in Continuation of Board's Proceedings 2nd August 1872 No 395 and 23rd August 1872 No 465.

2. The boundary between British and Hyderabad Territories where these are separated by the Godavari being, as the Board takes it to be, the deep-bed line of the river it is of course likely to vary with a change in the river bed, and this might possibly as pointed out by Messrs Binny & Co place the Godavari Coal Company's Subterranean Galleries in foreign Territory. But the Board think that it must be left to the Company to make its own arrangements with the Nizam's Government in view of such a Contingency.

(True copy Extract)

for Secretary.

To

The Secretary to Govt. Rld.

26

Board of Revenue
(Land Revenue),
MADRAS.

Confidential "87.

To

The Secretary to Government
Rev. Dept.

Rec'd 7/9/92.

Proceedings, dated 3rd Sept 92.
No. 490, ~~Misc.~~ Routine, ~~Urgent~~ Enclosures.

Subject.

Subj & Sec. with reference to letter from Messrs Binny & Co. enquiring whether the boundary between British & Hyderabad territories may be taken as the deep stream of the river Godavari, & whether it will change with any change that may take place hereafter in the river

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Read

BOARD OF REVENUE (LAND REVENUE), 3RD SEPTEMBER 1892, No. 490.

CONFIDENTIAL.

PROCEEDINGS OF THE BOARD OF REVENUE
(LAND REVENUE).

MR. E. GIBSON.
MR. A. T. ARUNDEL.

READ—the following letter from Messrs. BINNY & Co., Managing Agents, Godávari Coal Company (Limited), to the Secretary to the Commissioners of Land Revenue, dated Madras, 1st September 1892:—

We have the honour to acknowledge receipt of Board's Proceedings, No. 395, of the 2nd instant, and No. 458, of the 23rd instant, together with draft copy of lease in connection with the land applied for, for coal-mining operations, in the Godávari district, for which we thank you.

We note that it has been ruled, after reference to the Resident of Hyderabad, that the boundary of the British and Hyderabad territories is the deep-bed line of the river Godávari.

On this point, however, we have an inquiry to make of great importance. The bed of the river Godávari is continually changing, and we should like to be informed, in regard to coal-mining operations that may be carried on under the river, whether the boundary may be taken as the deep stream as it now is, or whether it will change with any change that may take place hereafter in the river.

In the event of shafts being sunk and coal extracted from under the bed of the river up to the present deep stream, we should be glad to know what would be this Company's position in the event of any change that may take place hereafter in the deep stream.

We would suggest that some understanding on the subject, between the Madras Government and the Nizam's Government, be arrived at before the lease is executed.

This is a matter of great importance, as in the event of a change in the deep stream a claim might be made against this Company by the Nizam's Government for coal extracted from what may at present be British territory.

RESOLUTION—dated 3rd September 1892, No. 490.

Submitted to Government in continuation of Board's Proceedings, No. 395, dated 2nd August 1892, and No. 458, dated 23rd August 1892.

2. The boundary between British and Hyderabad territories where these are separated by the Godávari being, as the Board takes it to be, the deep-bed line of the river, it is, of course, likely to vary with a change in the river-bed, and this might, possibly, as pointed out by Messrs. Binny &. Co., place the Godávari Coal Company's subterranean galleries in foreign territory. But the Board thinks that it must be left to the Company to make its own arrangements with the Nizam's Government in view of such a contingency.

(A true Copy and Extract.)

Ag. Secretary.

To the Secretary to Government, Revenue Department.

Exd. E. Fernandez.

Current Number 7795

(Annexure No. 1)

REVENUE DEPARTMENT.

1892.

Board of Revenue

(Land Revenue),

MADRAS.

CONFIDENTIAL.

Printed, Sept. 12th.

GOVERNMENT OF MADRAS
14 SEP 92
REVENUE DEPARTMENT

Proceedings, 3rd September 1892, *No.* 490.

Submitting to Government, with remarks, letter from Messrs. Binny & Co. inquiring whether the boundary between British and Hyderabad territories may be taken as the deep stream of the river Godávari as it now is, or whether it will change with any change that may take place hereafter in the river.

Form C

51

(1)

MODEL FORM OF LEASE.

This indenture made the day of 1892—

Between the Secretary of State for India in Council hereinafter called "the lessor" which expression shall be taken to mean and include the said Secretary of State for India in Council and his successors in office and assigns except when the context requires another or different meaning of the one part and

hereinafter called "the lessee" which expression shall be taken to mean and include the said

his heirs executors administrators representatives and assigns except when the context requires another or different meaning of the other part witnesseth that in consideration of the rents and lessees covenants hereinafter reserved and contained the lessor doth hereby demise unto the lessee the mines beds veins and seams of coal mentioned and described in the first part of the schedule hereunder written together with the liberties powers and privileges to be exercised in connection with the said mines which are mentioned in the second part of the said schedule subject to the restrictions and conditions as to the exercise and enjoyment of the same liberties powers and privileges which are specified in the third part of the said schedule except and reserved out of this demise unto the lessor the liberties powers and privileges mentioned and specified in the fourth part of the said schedule.

To hold the houses and premises intended to be hereby demised unto the lessee from the day of for the term of years thence next ensuing yielding and paying to the lessor the several rents and sums of money mentioned and specified in the fifth part of the said schedule subject to the provisions relating to the said rents expressed in the sixth part of the said schedule and the lessee doth hereby covenant with the lessor as in the seventh part of the said schedule is expressed and the lessor doth hereby covenant with the lessee as in the eighth part of the said schedule is expressed and it is hereby mutually agreed and declared by and between the parties hereto as in the ninth part of the said schedule is expressed and it is declared that the schedule hereunder written shall be deemed part of these presents and be read and construed accordingly.

In witness &c.

The Schedule above referred to

Part I.—The mines demised by this lease.

The mines beds veins and seams of coal lying and being within and under the land situate lying and being in

Description of mines.

in

which are delineated in the plan hereunto annexed and therein colored [ ] and contain an area of or thereabouts

Part II.—Rights and privileges to be exercised or enjoyed by the lessee but subject to the restrictions and conditions in Part III.

1. Liberty and power for the lessee at all times during the term hereby granted to work the said mines and to win and get the said mines and premises and the produce thereof.

Grant of liberty to work the mines.

2. Liberty and power to dig sink drive make repair and use all such pits shafts drifts levels water gates water courses air gates and other works as may be necessary or proper for searching for mining working and getting the said mines and premises and for ventilating and draining the same.

To sink pits.

3. Liberty and power to appropriate and use for any purpose connected with the working of the said mines the water upon or within any of the said lands and to collect and impound the same in ponds reservoirs or otherwise for the purpose of working

To appropriate water.

the said mines but so that in the exercise of this privilege the lessee shall not deprive any lands villages houses or watering places for cattle of a reasonable quantity of water as before accustomed and do not in any manner foul impregnate or otherwise deteriorate any springs or streams of water so as to render them useless or unprofitable.

4. Liberty and power to enter upon use and occupy a sufficient part of the said lands adjoining any pits for depositing and heaping thereon the produce of the said mines and all the earth soil and other substances dug up and brought to the surface in or about the working of the same and for otherwise carrying on the works of the said mines.

To appropriate land for stocking.

5. Liberty and powers in and upon the said lands to convert coal into coke whether for purposes of sale or otherwise.

To convert coal into coke.

6. Liberty and power to take lead and carry away over the said lands the coal to be gotten as aforesaid and the coke to be made and manufactured under the liberties and powers hereinbefore granted and to dispose of the same at his own will and pleasure.

To lead and carry away coal.

7. Liberty and power to erect set up and make in upon and over the said lands workmen's houses sheds engines machinery furnaces buildings erections rail roads train roads and other roads and works necessary or convenient for the effectual working of the said mines and the exercise of the several liberties and powers hereinbefore granted.

To erect houses.

8. Liberty and power to search for get and dig gravel sand and stone within the said lands for the purposes mentioned in this second part of this schedule but not for sale and also to dig for and get clay and to make and burn the same into bricks for the purposes aforesaid but not for sale

Part III.—Restrictions and conditions as to the exercise of the above liberties powers and privileges.

1. No building or thing shall be erected or set up and no other surface operations carried on by the lessee by virtue of the liberties and privileges above granted in or upon any place of worship sacred grove burial ground house village site public road or other place in respect of which on public grounds it appears to the Local Government that objections exist to so doing nor in such a way as to injure or affect any buildings or other works property or rights of private individuals nor shall any land be taken or occupied for surface operations if the same is already in the occupation of and used by persons other than the lessor for other works or purposes not included in this present demise if any other lands not so occupied and used are suitable and convenient and equally available for such surface operations and the lessee shall pay to the owners tenants and occupiers full compensation and satisfaction for all damage or injury which may be done or occasioned in or about the carrying on of such surface operations and shall keep indemnified the lessor from and against all actions suits claims and demands in relation thereto

No building &c. upon sacred places.

2. Before taking any land for surface operations which has not already been used for such operations the lessee shall give to the lessor's agent (who for the purposes of this clause shall be taken to be the for the time being) two calendar months' previous notice in writing specifying by name or other sufficient designation and by quantity the land proposed to be taken and the purpose for which same is required. The lessor's agent may at any time within two calendar months from the receipt of such notice state his objections if any to the proposed site and the validity of such objections in case of dispute shall be determined by reference to the Local Government whose decision thereon shall be final

Notice to be given before entering on lands and lessor to be at liberty to object to proposed site.

Part IV.—Rights reserved to lessor.

1. Liberty and power for him the lessor and any lessee or other person authorized by him on that behalf to enter into and upon the said lands and to search for dig work and get any minerals or substances other than coal in upon or under the said lands and for the purposes aforesaid to sink make erect and use such pits shafts levels drains water courses reservoirs tunnels buildings engines or machinery canals railways wagon ways and other ways works and conveniences upon through or under the said land as shall be necessary or expedient *Provided always* that the said reserved rights and privileges to work for minerals other than coal shall be exercised and enjoyed in such manner as not to hinder or interfere with the rights and privileges of the lessee under these presents and *Provided also* that fair and proper compensation shall be paid by the lessor for all loss damages or injury which the lessee may sustain or be put to by reason or in consequence of the exercise of the said reserved rights and privileges to work for minerals other than coal the amount of such compensation to be settled in case of difference by reference to the said Local Government whose decision thereon shall be final.

Liberty for lessor to work mineral &c.

2. Liberty and power for the lessor if the lessee shall not within months from the commencement of the said term hereby granted have started operations under this lease to some substantial extent or if at any time during the said term such operations shall not be in *boná fide* progress to the satisfaction of the said Local Government to re-enter upon the said premises and to hold the same and to lease the same to third parties or otherwise deal with the same as if this lease had not been made.

Part V.—Rents reserved by this lease.

1. The certain half-yearly rent of Rs. shall be paid by the lessee to the lessor at for and in respect of the said mines and premises from the day of by equal payments on the day of and the day of in each year for the half-year immediately preceding the first of such half-yearly payments to be made on the day of For and in respect of such certain half-yearly rent of Rs. the lessee may in every half-year during the currency of this demise work and get from or out of the said mines and sell or export such a quantity of coal and coke manufactured therefrom as at the rate hereinafter mentioned would yield or pay for that half-year a royalty equal in amount to the said certain half-yearly rent of Rs. But the said certain rent as from the said day of shall always be paid whether such quantity shall in fact be gotten or not

Certain half-yearly rent.

2. The lessee shall during the months of the said term from the day of to the day of pay to the lessor the royalty of annas for every ton or part of a ton of coal which shall be sold at the said mines or exported therefrom for sale or otherwise or which shall be manufactured into coke and shall during the remainder of the said term pay the said royalty for every ton or part of a ton of coal which shall be sold at the said mines or exported therefrom for sale or otherwise or which shall be manufactured into coke in any half-year of the said term over and above the quantity of which the lessee is by clause 1 of this part authorised to work or get in respect of the said certain rent

3. The further yearly rent of Rs. a of land the surface whereof shall be occupied or used by the lessee for any of the purposes of this demise and so in proportion for any less quantity than a the said surface rent to be paid by equal half-yearly payments on the same days as the said certain rent of Rs. is hereinbefore made payable the first of such payment to be made on such of the said days as shall happen next after such occupation or use shall commence and the last half-yearly payment thereof to be made on such of the said days as shall happen next after such occupation or use shall have ceased and the land shall have been restored and rendered

fit for cultivation again *Provided always* that no such rent shall be paid or demanded in respect of any roads or ways now in existence.

Part VI.—Provisions relating to the rents.

1. All the aforesaid rents shall be paid free from any deductions.

2. If in any one half-year after the first 18 months of the said term the lessee shall not raise from or out of the said mines such a quantity of coal as at the abovementioned rate would produce for that half-year the amount of the certain rent hereby reserved then and in every such case the lessee may in the next succeeding half-year of the said term raise and get from or out of the said mines such a quantity of coal as shall be required to make up the deficiency without paying any royalty for the same other than the said certain rent. But the over-workings of any preceding half-year or half-years shall not come in aid of or be applied to make good the deficiency of short workings in any subsequent half-year or half-years. The said rent and royalty shall be calculated upon the weight of the said coal as and when the same shall be sold or exported from the said mines or previous to its manufacture into coke and such rent and royalty shall be paid on the half-yearly days hereinbefore provided for the payment of the said rent at for and in respect of the coal sold or exported or manufactured into coke during the preceding half-year and in respect of which the same shall be payable.

Provision for making up under-workings.

3. All coal used by the lessee for the usual and customary purposes of the mines and for domestic consumption in the houses and officers of agents and workmen for the time being employed in and about the said mines and premises shall be free from rent and royalty.

Coal used in the mines to be free from rent and royalty.

Part VII.—The lessee's covenants.

The lessee shall pay the rent and royalty reserved by this lease at the times and in the manner above appointed in that behalf and shall also pay and discharge all taxes rates assessments and impositions whatsoever being in the nature of public demands which shall from time to time be charged assessed or imposed upon the said mines or any part thereof by authority of the Government of India or the said Local Government or otherwise except demands for land revenue and shall also pay interest at the rate of per cent. per annum on all arrears of such rent or royalty from the due date thereof.

To pay rent rates and taxes.

2. The lessee shall at his own expense forthwith erect and at all times maintain and keep in repair boundary marks and pillars according to the demarcation shown in the plan hereto annexed so that the boundaries of the said lands may at all times be maintained.

To erect boundary marks.

3. The lessee shall within months from the commencement of the term hereby granted start and work the said mines to the satisfaction of said Local Government and shall thereafter at all times during the continuance of this lease continuously work for and as far as possible obtain coal from the said lands and maintain in good repair working order and condition and work all mines when opened without voluntary intermission in a skilful and workmanlike manner and upon the most approved principle without doing or permitting to be done any unnecessary or avoidable damage to the surface of the said lands within or under which the said mines lie and shall not cultivate or use the said lands in any manner save for the purposes of this demise and the rights hereby granted.

To work continuously.

4. The lessee shall well and properly secure and keep open with timber or other durable means all pits and shafts to be sunk or made in the said lands and make and maintain sufficient fences round every such pit or shaft and also shall at all times during the said term keep the said mine except abandoned mines free from water and from foul air as far as possible.

To secure pits and shafts.

5. The lessor's agents servants and workmen shall be at liberty at all reasonable times during the said term to inspect and examine all works carried on by the lessee under the liberties hereinbefore granted and the lessee with proper persons employed by him and acquainted with the workings of mines and works shall effectually assist the lessor's agents servants and workmen in conducting such inspection and shall afford them all information connected with the working of the mines which they may reasonably require AND ALSO shall and will from time to time and at all times during the said term hereby granted conform to and observe all orders and regulations which the lessor as the result of such inspection may from time to time see fit to impose in the interests of public health and safety and also shall particularly without delay send to the Collector or Deputy Commissioner of the District a report of any accident which may at any time occur at or in the said lands or any pit or shaft or mine.

Lessor to inspect.

6. The lessee shall at all times upon finding any mineral or product other than that or those for which this lease is granted immediately report such finding in writing to the Collector or Deputy Commissioner of the District with full particulars of the nature and position of each find.

7. The lessee shall at all times during the said term keep or cause to be kept at the office or counting house of the or marks to be situate in or contiguous to some part of the said lands correct and intelligible books of accounts upon such plan or principle and in such form as may be approved of by the said Local Government which books shall contain accurate entries of (1) the quantity of coal raised and brought to bank from the mines which have been or may be made or sank by the lessee under the license and liberty on that behalf hereinbefore contained (2) the quantity of manufactured coal into coke (3) the quantity of coal or coke sold and exported from the said mines and (4) the quantity of coal otherwise disposed of and the manner and purpose in and for which the same have been or are intended to be applied (5) the number of persons employed in the said mines together with all other facts necessary or proper for conveniently ascertaining amount of the royalty from time to time payable under these presents and the manner in which such coal or coke have been disposed of and shall also at his own expense furnish to such officer as the said Local Government may from time to time direct and at such times as the said Local Government may appoint true and correct abstracts of all or any of such accounts and shall at all responsible times allow such officers or persons as the said Local Government shall in that behalf appoint to enter into and have free access to the said office or counting house for the purpose of examining and inspecting the said several books of account and to take copies thereof and make extract therefrom.

To keep books of accounts.

Furnish abstract of accounts &c.

8. The lessee shall at all times during the said term cause to be made and kept at the said office or counting house true and correct and intelligible plans and sections of the said mines which plans and sections shall show as well the operations and workings which have been carried on as also all views faults and other disturbances which have been observed and encountered in such workings and operations and all such plans and sections shall be made amended and filled up by and from actual surveys to be made for that purpose at the end of every period of twelve months and the lessee shall at his own cost furnish to the lessor true and correct copies of such plans and sections when thereunto required.

To keep plans of working.

9. The lessee shall provide and at all times keep at or near the pit head or each of the pit heads at which the produce of the said mines shall be brought to bank a good and properly constructed weighing machine and shall weigh or cause to be weighed therein all coal brought to bank from or out of the mines hereby demised or which may be sunk or made by the lessee under the license and liberty in that behalf hereinbefore contained and shall at the end of each day cause the total weights of the coal gotten during the previous twenty-four hours and

To provide weighing machine.

weighed as aforesaid to be entered in the aforesaid book or books of account the lessee shall also weigh or cause to be weighed in the said machine or machines all coal sold at or exported from the said mines and shall cause true and correct entries to be made daily in the aforesaid books of account of all coal so sold or exported and of all coal manufactured into coke and it shall be lawful for the lessor at all times during the said term to employ any person or persons to be present at the raising and weighing of the said coal and the removal thereof from the mines for sale or for export and to keep accounts thereof and to check the accounts kept by the lessee.

The lessor may test weighing machine.

10. The lessor may through his agents or servants at any time or times during the said term examine and test each and every weighing machine or machines to be provided and kept by the lessee as aforesaid and the weights used therewith in order to ascertain whether the same respectively are correct and in good repair and order and if upon any such examination or testing any such weighing machine or weights shall be found incorrect or out of repair or order it shall be lawful for the lessor or his agent to require that the same be adjusted repaired and put in order by and at the expense of the lessee and to hinder the use thereof in the mean time and if such requisition be not complied with within fourteen days after the same shall have been made the lessor or his agent may cause the said weighing machine and weight respectively to be adjusted repaired and put in order and may recover the expense of so doing from the lessee and if upon any such examination or testing as aforesaid any error shall be discovered in any weighing machine or weights to the prejudice of the lessor such error shall be considered to have existed for three calendar months previous to the discovery thereof or from the last occasion of so examining and testing the same weighing machine and weights in case such occasion shall be within such period of three months and the said rent and royalty shall be paid and accounted for accordingly.

Not to assign or underlet without license.

11. The lessee shall not assign or underlet the premises hereby demised or any part thereof or the rights and privileges hereby granted or any of them (1) to any person or persons without the consent in writing of the lessor under the hand of a Secretary to the Local Government or (2) to any company without the like consent under the hand of a Secretary to the Government of India for that purpose first had and obtained.

12. The lessee shall at all times have at the said premises a duly accredited manager or agent to whom all notices may be given and all communications from the lessor may be made. If there shall not at any time be such an agent on premises the lessor shall be at liberty to treat any other person then as such agent and to serve all documents upon the said agent or in his absence upon any such other person as aforesaid or in the case of their being no such other person as aforesaid then by affixing the notices upon some conspicuous portion of the said premises in the occupation of the lessee.

To deliver up mines &c. in good order.

13. The lessee shall at the end or sooner determination of the said term deliver up to the lessor in good order repair and condition and fit for future working all mines which have been or may be made or sunk by the lessee under the license and liberty in that behalf hereinbefore contained together with all engines pits shafts water courses air gates levels and fixtures below ground level and which cannot be moved without causing injury to the said mines except any pits shafts or other works which shall have been abandoned or disused in the ordinary and fair course of working of the said mines and premises.

The Lessor's covenants.

Part VIII.

For quiet enjoyment.

1. The lessee paying the rents hereby reserved and observing and performing the covenants and provisions herein contained and on his part to be observed and performed shall and may peaceably and quietly hold and enjoy the rights and

premises hereby demised for and during the term hereby granted without any lawful interruption from or by the lessor or any person rightfully claiming from or under him.

* To renew lease.

2. If the lessee shall be desirous of taking a renewed lease of the said mines for the further term of years from the expiration of the said term hereby granted and of such desire shall prior to the expiration of such last mentioned term give to the lessor six calendar months' previous notice in writing and pay the said rent and royalty hereby reserved and observe and perform the several covenants herein contained and on the part of the lessee to be observed and performed up to the expiration of the said term hereby granted the lessor will upon the request and at the expense of the lessee and upon his executing and delivering to the lessor a counterpart thereof sign and deliver to the lessee a renewed lease of the said premises for the further term of years at the same rent and under and subject to similar covenants provisions and agreements as are herein contained other than this present covenant but subject nevertheless to the payment by the lessee of such increased royalty as may be then fixed by the Government of India.

3. The lessee may at any time or times within six calendar months after the determination of this demise whether by effluxion of time or otherwise enter into and upon the said lands or any part thereof for the purpose of taking down removing and disposing of for their own use and benefit all the machinery utensils implements articles and things set up and used in and about the working of the said mines and all ovens kilns sheds huts railways tramways and other works (except buildings and erections of brick or stone) erected and then standing upon any of the said lands for the purpose of working the said mines unless the lessor shall be desirous of purchasing the same or any of them in pursuance of the provision in that behalf hereinafter contained.

Part IX.—General Provisions.

Power of distress.

1. If the rent or royalty hereby reserved or either of them or any part thereof respectively shall be behind or unpaid for the space of 60 days next after any of the days whereon the same ought to be paid then and so often as the case shall happen the lessor may enter into and upon the said lands which shall for the time being be possessed or occupied by the lessee for the purposes of this demise and may distrain all or any of the stock of engines plant live and dead stock and things which shall be found in or upon the same premises and the same may take lead drive carry away impound detain and keep until the rent or royalty which shall then be due and all costs and expenses occasioned by the non-payment thereof shall be fully paid and satisfied.

Power of re-entry.

2. If the rent or royalty hereby reserved or either of them or any part thereof respectively shall be behind or unpaid for the space of six calendar months next after any of the days whereon the same ought to be paid as aforesaid and whether the same shall have been legally demanded or not or if the lessee shall commit any breach of the covenants and conditions contained in the lease and in his part to be observed and performed or any of them in such case it shall be lawful for the lessor at any time thereafter and although he may not have taken advantage of some previous default of a like nature into and upon the said mines or any part thereof in the name of the whole to re-enter and the same to have again repossess and enjoy as of his former estate.

Proviso for lessor to purchase.

3. If at the end or sooner determination of the said term the lessor shall be desirous of purchasing all or any of the buildings or works above ground level set up or constructed by the lessee and shall signify such his desire by notice in writing to the lessee six calendar months at least before the expiration of the said term (or if the

* Note.—No provision for renewal of any lease should be agreed to or inserted in any lease without the express sanction of the Government of India.

said term shall be determined under the power of re-entry hereinbefore contained at any time within three calendar months after the determination of the said term) the lessee shall sell to the lessor all or any of the said buildings and works at a price which shall be fixed or ascertained by taking the net cost of such buildings or works as at date of construction and deducting therefrom for depreciation a sum equivalent to per cent. per annum on the net original cost.

Right of lessee to determine lease of mines destroyed by act of God.

4. If at any time during the continuance of this demise the said mines shall become destroyed or rendered substantially and permanently unfit for the purposes of this demise by fire tempest or flood or violence of any army or mob or other irresistible force these presents shall at the option of the lessee be void provided that if the injury be occasioned by the wrongful act or default of the lessee or his servants he shall not be entitled to avail himself of the benefit of this provision AND PROVIDED also that if this lease shall become void for or by reason of any of the causes aforesaid it should be without prejudice to the rights and remedies of the lessor under or by virtue of these presents for the recovery of any rent or royalty which may then remain unpaid or in respect of any breach which may have been committed of any of the covenants herein contained on the part of the lessee.

5. Whenever any doubt difference or dispute shall hereafter arise touching the construction of these presents or anything herein contained or any matter or thing connected with the said mines and minerals hereby dealt with or the working or non-working thereof or the amount or payment of any royalty or rent reserved or made payable hereunder the matter in difference shall be decided by the Local Government whose decision shall be final.

[C. G. DE S.]

G. C. Press, Simla.—No. 902 R. & A. D.—22-9-92.—1,500.

Revenue (1892) Departmental 1892. File No. 42.

GOVERNMENT OF INDIA. Serial No. 4.

REVENUE AND AGRICULTURAL DEPARTMENT.

Circular Number 856 MINERALS.

TO

ALL LOCAL GOVERNMENTS AND ADMINISTRATIONS.

No. 2115—25/42.

Dated Simla, the 21st September 1892.

Rd 6th Oct. 92

Encl

SUBJECT.

Standard Form of Mining Lease.

G. C. Press, Simla.—No. 901 R. & A. D.—24-9-92.—1,537.

No. 2115—25/42.

FROM

J. W. P. MUIR-MACKENZIE, Esq., C.S.,
Offg. Secretary to the Government of India,

TO The Secretary to the Government of Madras

Rev & Agri. Dept.
Minerals.

Simla, the 21st September 1892.

SIR,

ENCLOSED is a standard form of Mining Lease which has been settled by the Standing Counsel to the Government of India. I am to suggest its adoption in the Madras Presidency so far as it may be applicable to any particular concession. The form has been drafted as for the lease of a coal-mine, but with slight alterations can be adapted by the Legal Advisers of the Local Government for any other species of mining.

2. It will be seen that clause 11 of Part VII allows a transfer to any person or persons not being a Company to be sanctioned by the Local Government; but until further orders no such sanction should be given without reference to the Government of India. According to draft rules recently framed by Her Majesty's Secretary of State under Statute 22 and 23 Vict., chapter 41, no transfer can be permitted without the express approval of the Government of India.

3. I am to draw particular attention to the foot-note to clause 2 in Part VIII, from which it will be seen that no provision for renewal of any lease should be agreed to or inserted without the express sanction of the Government of India. This also is required by the Secretary of State's rules.

4. It will be observed that no clause has been inserted answering to rule 23 (v) of the Mining Rules, which provides that a lessee shall not cut or injure any tree reserved in the lease. Such a reservation will be of rare occurrence, and when made must necessarily involve the insertion of a special clause for the protection of the trees in question.

I have the honour to be,

SIR,

Your most obedient servant,

J. W. P. Muir-Mackenzie

Offg. Secretary to the Government of India.

100 spare copies of the letter & enclosures sent by 2 packets by Post.

28 OCT 92 DEPARTMENT
CHIEF SECRETARY'S GOVERNMENT OF MADRAS 24 OCT 92

21 / 4-39/93

Copy of telegram to the Resident in Hyderabad dy 1st October 1892.-

No. 16. My letter 654 fourth November last. May it be assumed that His. Highness' Government has accepted decision of this Government that deep stream Godavari river must be regarded as boundary line wherever river forms boundary between the two territories.-

CURRENT NO. 1164 P 26

Code Class. 65 INDIAN TELEGRAPHS. Monthly Number. 7

To (Office) Cocanada | From (Office) Hyderabad

Words.	Ltrs.	Hour.	Minute.	Official Instructions
56	6	16	45	Secd Resd at Ins

To (Person) Madras

From (Person) Resident.

CHIEF SECRETARY 15
GOVERNMENT
27 OCT 92

optd 2

Rp 6534 Your Telegram
16 of First Chanda Boundary
dispute which originated question still
remains undecided in safe therefore to assume remains acquiescence that deep stream
of Godavery river must be regarded as
boundary line between his Highness and
British territory

32 Word Form. FC 11

Recd. from I.N. Sent to I.N.

Wrs. Mts. by COCANAMUND 6-10-32 Telegraph Master.

Oxfordian Bom. Pg. co.—No. 401 T—27 4 92—30,00,000

~~CURRENT No. 1164~~

Revenue (1892) Department

[9]

~~POLITICAL~~ DEPARTMENT.

Current Number 8902

Telegram

From Rest in Hyderabad

Poll 571 A. 1-10-92 Pris

Encl to G 13 October 1892, No. 1614

Transferred to the Revenue dept. with a copy of this telegram to which the Resident's reply.

Secretary to

Chief

No. 1534

Dated 6th
Received 7th
at Madras 10th
Enclosures 13 Oct. 92.

October 1892

Encl

SUBJECT.

Re. the boundary between the British Territory & the Nizam's Dominions -

GOVERNMENT OF MADRAS 13 OCT 92 REVENUE DEPARTMENT

Code / Class. Cl

INDIAN TELEGRAPHS

Monthly Number. 1534

To (Office) Ootacamund

From (Office) Simla

GOVERNMENT OF MADRAS CHIEF SECRETARY 26 OCT 92 REVENUE DEPARTMENT

Words.	Day.	Hour.	Minute.	Official Instructions.
19-4	25	17	34	Repd 26 OCT 92

To (Person) Secy Madras

From (Person) Revenue India

2409 Your Telegram twentieth
Bhadrachellam concession renewal
Clause sanctioned as proposed

82 Word Form. F.C.1.

Recd. from LN. Sent to LN.

At Hrs. Mts. by At Hrs. Mts. by

Caledonian stm Pg. Co.—Ms. 4 2 T. 17.4 92—80,000

OOTACAMUND 25-10-92

Telegraph Master.

(1892.)

REVENUE DEPARTMENT.

ABSTRACT.

Current Number 9107

Yel.

From The Government of India
Rev. and Agric. Dept.

Dated 25 oct. 92.

Received 26 oct. 92

Enclosures ··

No.

SUBJECT.

Sanctioning the insertion of the renewal clause in the Bedrachallam Coal Concession leases

C No 8562 of 1892

For orders.

With the letter read above the Govt of India forwards a 'standard' form of mining lease and suggests its adoption in this Presidency so far as it may be applicable to any particular concession.

2. On the marginally noted current orders are deferred pending reply to a reference made to the Resident at Hyderabad regarding the boundary line between the Nizam's territory and the Bhadrachellam taluk. — vide office notes Nos 198 and 215 dy 28th Sept. 92 and 11th oct. 92 respectively. Orders are requested as to whether the Bhadrachellam lease which has not yet been executed should be drawn up in the form of the standard lease. If so, orders on paras 2-4 of the B. P. in C. No 7582 which relate to certain additional conditions

* C. Nos: 7092, 7582, 7295

...sions proposed by the Board, may be passed at once and the Board requested to submit a revised draft drawn up in the standard form. Before doing so, however, it will be necessary it is thought to obtain the formal sanction of the Govt of India for the insertion of the clause relating to renewal of the lease, with reference to para 3 of the G.I. letter (C no 8562). If this formal sanction is considered necessary the following telegram may be despatched to the Govt of India.

"Your telegram 21st July regarding Bhadrachellam concession x lease not executed x Sanction requested for insertion renewal clause with reference to para 3 your letter 21st September regarding the standard Proposed can be dispensed with in the present case."

Not previously

Such a proposal might be received, but the right to refuse renewal should be stated more than once so far from relieving us of the royalty so that the terms and the power to refuse should be precisely stated.

Cl. 20/10

need not be altered in form with reference to the standard lease and that the formal sanction of India is not necessary for the renewal clause it will be sufficient now to communicate the present current (no 8562) to the Board for information and guidance. When the Govt of India has communicated the Secy of States rules the Board would be asked to revise its S.O. No 15 with reference thereto to the standard form of mining lease.

R.V.S.
11/10. I think that as the Standard form of mining lease has been received upon the basis of the Board having to be consulted it would be desirable Reference to the Govt of India regarding the renewal clause necessary in each case pending publication by which time the Board will be ready with their revised rules.

Ch
13/10

This is the expression used in the G.I. letter and it is assumed that India refers to the rules as determined by the Secy of State.

In the draft on C. No. 20 (now in circulation) it is proposed to ask the Govt of India whether the Secy of State has sanctioned the Imperial rules as contained in the draft forwarded to the Govt. R.V.S.

Yes
14/10

Unless Govt of India object to dispense in the present case

Yes
17/10/10

C. No. 83-62 of 1892.

Re. Standard form of mining lease for warded by the Govt of India.

The Hon. Mr. Galvestin, C.S.I.

The Hon. Sir Henry Wheeler, K.C.S.I.

C 13/10
& 18/10

The Hon'ble Member has set before us a reference from the Govt of India regarding the boundary but as the Member in charge stated that the question is under correspondence between the Govt of India and the Chanda District and as the Govt of India will soon be sending the papers connected with this question I submit that a reference be made so as to give an opportunity to the Govt of India to express their opinion on the question before the Council proceeds to legislate. Being the law regarding the responsibility of the Company in the event of the stream changing its course as by the Act attached thereto power to give help being also any clearance. The portion in blue pencil brackets contained higher is omitted as it does not appear necessary for the Govt of India

River the lines of the underground mining operations which, at the time of its establishment, lie within the boundary line will become an encroachment if by a subsequent change in the course of the stream the deep line so as to shifts its position and passes over the mine. Messrs Binny and Co have raised this question on behalf of the Godavari Coal Company by a letter to H. E. the Governor in Council proposes to inform them that the responsibility of keeping within the boundary line will rest with the Company.

Ch 21/10

R.W. 28/10.

15/1

express any opinion if the point is to be referred.

The passage referred to is not in accordance with the Act. Engineers who have been working in the district the boundary line with the consent of the Collector, responsible for any change in the course of the stream which diminishes the area for which they have been licensed to claim advantage of any change which enlarges it.

Ch 30/10

4-C

7582, 7795,
C. Nos 7992 & 8662
8902
& 9107

Re. The coal mining lease proposed to be granted to the Godavari Coal Company

Print 15 Cert. Copies
& send to Govt. of India
with usual letter

B/X.

F. Cedy 2nd Nov: 1892, nos: 1116 & 1117

From

REVENUE DEPARTMENT.

To.

Dated 189 .

40

Read again G.O. & G. 9.3.92 No: 1325
C. No: 7092
C. No: 7795

579

Read again G.O. 29.6.92 No: 3033
" " G.O. 1-8-92 No: 3435
C. No: 7582.

FOR ORDERS.

The first three papers read above relate to certain questions asked by Messrs: Binny & Co. in Connection with their Badrachellam Concession.

2. The next three papers relate to the terms of the mining lease proposed to be granted to them.

3. The questions asked by Messrs: Binny & Co: are the following:—

(1) They enquire whether the claim to minerals put forward by one, A. Ramanuja Mudaliar, an inferior proprietor, is valid and ask for a copy of the grant under which he holds.

This is replied to in paras: 2 & 3 of the B.P. in C. No: 7092.

The Board states that the claim referred to is not valid and that copy of the grant asked for is not available.

This disposes of the first question.

4/(2) Records: Brinay & Co. next enquire "whether the boundary between the British and Hyderabad territories is the middle of the Godavari river or its left bank in such parts of the demised plot as have the river for their boundary" (Note: In respect of the demised plot the river forms the boundary for a distance of about 4 miles).

The Board replies to this in para: 4 of its Pro: in C. No: 7092. The Board after inviting reference to the correspondence ending with G.O dy. 7-10-91 No: 5227) Rem: remarks that as the question does not appear to have been finally settled yet, the lease should describe the plot demised in the present case merely as

Boundary ~~extending~~ in the parts where it itself forms the boundary

The proposal in C. No. 7502 on letter noted. (vide Para 2 of letter noted. 9787. dated 23/10/92 from Sec. /).

24/

This difficulty was anticipated by Government when the settlement in the New Dy. dated 7 Oct/91 (No 5227) was passed. Looking to the terms of the Treaty of 1860 article 8 I think that the main question is ~~whether~~ stated by the Correspondence quoted by the Dy in para 4 of its Proc. dy: 3 Sept/92 so far as the question is concerned was whether the question is not now to be taken up afresh & reported to the Nizam's Govt. though the wording of the Treaty of 1860 article 8 is somewhat obscure. The wording by which the Nizam has accepted the decision is in his letter of 4 Nov 1891.

CL
1579

41

extending up to the British territory". The Rev: G.O quoted above is to the effect that the deep stream of the river should be taken as the boundary - vide letter to the Resident at Hyderabad dy. 8th Nov: 1891 No: 654.

It is not known whether the Nizam's Govt: has accepted this settlement. There is, it will be noted, a difference between Art: 6 of the treaty of 1800 and art: 8 of the treaty of 1860 (For ready reference the articles are extracted in appendix A to this note). In the former the preamble of the article clearly shows that the object of the arrangement then made was to have the river (Toombadra and Krishna) as the boundary, but the article in the later treaty is not quite so clear on this point. It may be noted also in this connection that in G.O dy. 17.6.90 No: 400 this Govt: intended to claim only up

up to the waters edge (Note: In a river which runs dry, this limit will be practically the same as the deep stream limit).[1]

5. Now, Messrs: Binny & Co: — first want to be assured that the Govt: has the right to minerals at underlying the river to the middle of the Channel" — vide closing sentence of their letter dy. 8-7-92 the first printed in C. No: 7582.

Can Govt: give them their assurance without ascertaining from the Resident at Hyderabad whether the Nizam's Govt: has accepted the application of the General rule to the present case?[†]

6. Even this assurance will not be sufficient for Messrs: Binny & Co's purposes for they request (vide their communication read in C. No: 7795) that if the deep stream is the boundary, some arrangement should be come to with the Nizam's Govt: in view of possible change of the deep stream in future". But the Board think so

[1] Please see note on the half-sheet attached. R.R.

The difference is merely verbal & very slight. In one case the Nizam cedes all territory to be formed on the right bank of the Tungabhadra & in the other he promises on the left bank of Sadasivagadda & Hemagiri between points. In both cases the river bed is boundary. And when a river is a boundary it is the centre of stream & not the edge of either side that is the boundary. On the river near Sadasivagadda there would be both a foreshore. But in effect the extreme boundary line is the centre line of the deepest part of stream when dispute arose. Therefore I think the decision in my letter of Nov 6th/91 was right. D&P

[†] As the correspondence ending with the letter to the Resident at Hyderabad dy 4.11.91 No. 654 Pol. appears to have had its origin in a reference made by the Govt. of India — vide para 1 of the Resident's letter printed in the annexure to the letter, it seems likely that the question of the boundary line has been or would soon be, automatically settled.
C. Repeated to the Resident for his information. CA

51

(Please see para 4 of the note).

When writing the above the undersigned had omitted to note that Article 9 of the treaty of 1860 (quoted in Appendix A to this note) is so worded as to mean that the river was intended to be regarded as the boundary; a circumstance which apparently was not considered when Govt passed the order (quoted above) No 410 dy 17.6.90 or the earlier order No 671 dy 30.12.78.

But there is on the other hand the statement of the Superintendent of Survey to the effect that the map of the Bhadrachalam and Rekapalle taluks was compiled from the survey of India maps and that though the map shows the whole of the Godavari river, there is a distinct boundary line — black dots and red stripes — along the left bank which would appear to show that the whole of the river bed belongs to Hyderabad, — vide para 1 of his letter at page 4 of the annexure to letter. dy 4.11.91 No 654 Political.

51

85 42

Govt: so that it must be left to the Company to make its own arrangements with the Nizam's Govt: in view of such a contingency".

(3) The next question asked by Messrs: Binny & Co: is, what assistance the Govt: would render to obtain for them the surface rights — whether the Govt: would as a last resource apply the Land Acquisition Act. Paras 6-7 of the of the B.P. in C. No: 7092 deal with this question. The Board here appears to be in favour of acceding to the request of Messrs: Binny & Co:. The Board say (para 5) that in some of the other Provinces legislation has been resorted to for the purpose of securing to Govt: the right to compulsorily acquire the surface rights in occupied lands whose mines and minerals vest in Govt: either under the provisions of the Land Acquisition Act or otherwise. The

up to the waters edge (Wate
river which runs dry, the
will be practically the sa
the deep stream limit).

5. Now, Messrs: Binny & C
want to be assured that
Govt: has the right to mine
underlying the river to the m
of the Channel" — vide cl
sentence of their letter dy. 8.7
first printed in C. No: 7582

Can Govt: give them the
assurance without ascert
-ing from the Resident at Hy
-bad whether the Nizam's
Govt: has accepted the appli
-tion of the General rule
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No: 7795) that if the deep
stream is the boundary,
some arrangement should
be come to with the Nizams
Govt: in view of possible
change of the deep stream
in future". But the Board

This last letter however was
in reply to a reference from the
Resident at Hydrabad in which
he enquired whether the deep
stream or a line drawn midway
between both banks of the river
should be taken as the boundary
line. It may perhaps be inferred
from this that there is no intention
on the part of the Nizams Govt.
to claim the whole of the river
bed.

P.V.S.

certainty. Binny
to enter into their
arrangements with the
Nizams Govt: in view
of such a contingency"

(3) The next question asked
by Messrs: Binny & Co: is,
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request of Messrs: Binny &
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Provinces legislation has
been resorted to for the
purpose of securing to
Govt: the right to compulsorily
acquire the surface rights in
occupied lands whose
mines and minerals vest in
Govt: either under the
provisions of the Land
acquisition Act or otherwise.
The ef-

The Sections of the Codes quoted by the Board are extracted in appendix B to this note. These Sections do not appear to contemplate acquisition of the Surface rights but merely to assert the possession on the part of Govt: of all powers necessary for the proper enjoyment of the mineral rights. Reference is no doubt made to the Land acquisition act; but the reference is to the effect that if in the enjoyment of the mineral rights above referred to, the rights of any occupier of land are infringed, the Govt: will pay Compensation for such infringement, the Compensation being calculated "as nearly as may be in accordance with the provisions of the "Land acquisition act."

It is thought that paying Compensation for mere infringement of Surface rights is different from paying Compensation for acquisition of Surface rights. But whether the Sections quoted by the Board refer to acquisition or not, it seems to be true that some Govts: consider that the Land acquisition Act can be applied for acquiring the Surface rights on behalf of mining Companies. For example, in the case of the Cherla lease the Govt: of the Central provinces proposes to acquire some lands under the act for the Godavari Coal Company - vide lines 11-12 at page 1 of the Cherla lease put up.

The Board however is apparently of opinion that the Act as it stands cannot be so applied: according it says that it is desirable that Act X of 1870 should be amended so as to provide generally for the acquisition of Surface rights in occupied lands for mining purposes and that the Board will deal with this matter in reporting on the draft bill for the amendment of the

The sections of the
by the Board ar
appendix B
Sections do n
contemplate
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I of 1870 referred by Govt:
for its remarks.

This report has since
come and in it the Board
says that it has changed its
view and that it is now of
opinion that the Land
acquisition Act should not
be put in force for acquiring
lands for mining Companies
(The B.P. have been trans-
ferred to the Judicial Dept:
but para: 7 thereof which
relates to this point is extracted
in appendix C to this note).

The view now taken by
the Board accords with what
the Govt: has all along expressed
on the point - vide para 2 of
G.O. 2·9·91 / 823 ; para 2 of G.O.
25·6·90 No: 490, and the Hon:
Members rates recorded
with those G.Os.

It is presumed that this
decision is to be adhered to
and that the suggestion of the
Board in para: 6 of its Pro: in
C: No: 7092 is to be disallowed.
Para 2 of the G.O last quoted
above - 2·9·91 / 823 meets the case
and

Rec'd copy now p
Pro 22 Aug 9

Strike 10 Ch
1469

Ex 24 Feb 92

and nothing more seems
to be required.

8. The Board suggests in the
concluding para of its
Pro: that the P.W.D. may be
consulted as to whether
the carrying on of mining
operations up to the deep
stream of the river would
affect any existing interests.
This reference may be made.

9. Turning to the second
group of papers read at
the head of this note: these,
as already stated, relate
to the terms of the proposed
lease.

Records: Bairagya & Co: have
accepted the amendments
proposed by the Board in its
Pro: read in G.O. of 29.6.92 No:
3033 (para 1 of the B. Pro: C. No:
7582. They suggested a verbal
alteration which the Board
has accepted. They also say
(vide para 2 of their letter
at page 1 of C No: 7582) that
as the name of the Company
has been registered as the
"Godavari Coal Company

approve
24 Feb 92
WS

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rights. B. | above - 2.9.91 meets the case
823 | and

clear whether this means
that the word "Limited" should
be omitted. This, however is a
small matter and may be
left to be settled by the Board
when a revised draft is
submitted.

Dr. Paragraphs: 2-4 of C. No:
7502 the Board suggests some
further amendments. Those
proposed in paras 2 & 3 appear
to be alright and may be
approved.

The conditions proposed
in para 4 of correspondence
to conditions (4) & (5) of clause
VI. of the Rules printed at pages
35-38 of the Board's S. O - vide
the appendix to the S. O.
Of these conditions (a) may
it is thought, stand.

Dr (b) it is proposed to require
payment by the lessee of the
value of timber and other
trees standing on the un-
occupied portion of the
demised tract.

I think it
should
be

45

59 By 'unoccupied portion'
the Board apparently mean
Govt. waste lands; but as
of the demised portion
(cultivated & waste) is
proprietary land and only
a small area is unreserved
jungle land at the disposal
of Govt." (vide para. 2 of the
Godavari Collr's letter at page
1 of G.O. 26-6-90 No: 490 and
para. 2 of the special asstt
agent's letter at page 4 of the
same G.O.), it
does not seem sufficient
to insert a condition to the
effect that the lessee shall
not cut or injure any trees
belonging to Govt. without
the permission of the Collr
in writing and payment
of such Compensation as
the Collr may fix in each
case.

It remains to consider
whether any more amend-
ments are needed.

12. One important
condition proposed by the
Govt. of India has not
been

been inserted in the draft lease; and that is the Condition that the members of the Syndicate taking up the great majority of the shares shall be debarred from placing any shares on the Market until 18 months after the leases and agreements have been signed - vide G.I letter in G.O. 13.4.91 No: 2326 Messrs: Binny & Co agreed to this Condition and the Govt: of India was informed accordingly - vide letter to India in G.O. 7.5.91 No: 411-412.

This Condition has not however been inserted - vide for reasons, para 2 of the Govt: Solicitors letter in G.O 2.9.91 No: 823 and the Hon: Members remarks on the margin of the second sheet of the first note for orders with that G.O.

Now it will be seen that a similar Condition has been inserted in the Cherla lease, the provision there being worded as follows:

"And

Lease 46

"and declared by the lessee
"that no original share-
"holder in the aforesaid
"Godavari Coal Company
"Limited shall place sell
"or otherwise deal with any
"of his shares until the
"expiry of eighteen months
"from the date of the execution
"of this lease" - lines 26-30
at page 8 of the Cherla lease.

It is question for consideration whether a similar clause may not be inserted in the Badrachellam lease.

13. Another important provision which is inserted in the Cherla but not in the draft lease is the Condition that "the lessee will not without
"the previous consent in
"writing of the Govt: of India
"assign, underlet, transfer
"or otherwise part with the
"premises
"lands, mines, quarries and
"rights hereby demised or
"any part thereof or without
"such consent part with
"or dispose of this indenture
"of

Hf/Mls I see in the Articles of Association and Agreement - The Govt: Solicitor's remarks in re-stricting a similar provision in the lease I can see

CL 15/5

No shareholder of a Coal Mining Company shall alter the Articles of Association so as to bring the Company under the provisions of the Mines Act 1901 without the written consent of the Government of India

Hf
Mls

of lease by way of Security or otherwise - vide lines 6-11 at page 5 of the Cherla lease. Now, although the restriction on transfer was not referred to by the Govt: of India in the Correspondence regarding the Bhadrachellam Concession the Govt: of India attaches great importance to this condition and Rs one lakh on its being inserted in every grant of mining rights vide paras 8 and 9 of the Gov'd letter in G.O dated 2.4.92 No: 1760.

In these circumstances it is submitted for consideration whether a similar condition may not be inserted in the draft lease.

Messrs. Binny & Co: cannot object to it if they have agreed to it in respect of their Cherla lease. In the event of the condition being inserted it may be considered whether instead of the words "the Govt: of India" the words "the lessor" may not be used to denote the authority whose previous consent is necessary

I think it must be inserted
Yr
HHF
CL
15/9
WLS

The terms are now in Secretary of State. The condition flows from the wording of the 23 VI of the Gov't of India rules. The sanction of the Local Gov't being required for assignment to individuals & of the Gov't of India for assignment to a Company.
WLS HHF CL 15/9

necessary for a transfer vide rule 23(VI) of the Gov't Provisional Rules put up.

14. The provision which follows the "Provided always" in line 56 at page 5 of the Cherla lease relates to settlement of differences by arbitration. The corresponding provision in the draft lease begins in line 21 at page 6 of the draft. The provision in the former differs from that in the latter in two respects,

(1) it is fuller,

(2) it leaves the final decisions to the Govt.

In my the draft lease follows the Cherla lease in this respect. The Govt solicitor appears to have followed the provision in the Form No 15. printed in the Bdi: S.O. vide e.g. the last para at page 20 of the appendix to S.O.

15. In the Copy of the draft lease put up the amendments proposed by the Board

I think we should
Yr
HHF
CL
15/9
WLS

in its Body: read in G.O 29.6.92
No: 3033 and in paras 2 & 3 of
its Pro: in C. No: 7582 are
indicated.

R.V.

15/9

Ch
1879

Article 6 of the Treaty with
the Nizam 1800.

"Certain of the territories ceded
"by the foregoing article to the
"Honorable Company being
"inconvenient, from their situ-
"ation to the Northward of the
"river Toombuddrah, His
"Highness the Nabob Ausuph
"Jah, for the purpose of render-
"ing the boundary line of the
"Honorable Company's pos-
"sessions a good and well-
"defined one, agrees to retain
"the districts in question, namely
"Copal, Guzzunderghur, and
"others (as marked in the an-
"nexed Schedule) in his own
"possession; and in lieu thereof
"assigns and cedes in full
"and in perpetuity to the Honble
"Company the district of Adoni,
"together with whatever other
"territory His Highness may be
"possessed of, or is dependent
"on His Highness's part to the
"South of the Toombuddrah or to
"the South of the Kistnah, below
"the Junction of those two rivers."

(Vide p. 190, Vol V. of Aitchison's Collection of Treaties &c)

F) Vide page 4 2-
the note for to Secd.

9b

in its Progs: read in G.O 29.6.92
No. 3033 and in paras 2 & 3 of
its Pro: in C. No: 7582 are
indicated.

R.W.
15/9

Ch
1579

Appendix H. 48

Article 6 of the Treaty with
the Nizam 1800.

"Certain of the territories ceded
"by the foregoing article to the
"Honorable Company being
"inconvenient, from their Situ-
"ation to the Northward of the
"river Toombuddrah, His
"Highness the Nabob Aumjud
"Jah, for the purpose of render-
"ing the boundary line of the
"Honorable Company's pos-
"sessions a good and well-
"defined one, agrees to retain
"the districts in question, namely
"Copal, Guzzundrghur, and
"others (as marked in the an-
"nexed Schedule) in his own
"possession; and in lieu thereof
"assigns and cedes in full
"and in perpetuity to the Honble
"Company the district of Adoni,
"together with whatever other
"territory His Highness may be
"possessed of, or is dependent
"on His Highness's part to the
"South of the Toombuddrah or to
"the South of the Kistnah, below
"the Junction of those two Rivers."
(Vide p. 190, Vol V. of Aitchison's Collection
of Treaties &c.)

Vide page 4 of
the note for details.

Appendix A.

Article 8 of the Supplemental Treaty with the Nizam. 1860.

"His Highness, the Nizam cedes to the British Govt in full Sovereignty all the possessions of His Highness on the left bank of the river Godavery and of the river Wyne Gungah above the Confluence of the two rivers, viz, the talooks of Rakapilly, Budrachellum, Cherla, Albaka, Noogoor, and Sironcha." (vide p. 223 of Vol V of the Aitchison's Collection of Treaties &c).

Article 4. The navigation of the rivers Godavery and its tributaries, so far as they form the boundary between the two states, shall be free, and no customs duties or other cesses shall be levied by either of the two contracting parties, or by the subjects of either, on Goods passing up or down the aforesaid rivers.

(vide paras 7 of the note forwarded)

99

Section 151 of the Central Provinces Land Rev act No XVIII of 1881. "Unless it is otherwise expressly provided in the records of a Settlement or by the terms of a Grant made by the Govt, the right to all mines, minerals, coals and quarries, and to all fisheries in navigable rivers, shall be deemed to belong to Govt, and the Govt shall have all powers necessary for the proper enjoyment of such rights:

Provided that, whenever in the Exercise by the Govt of the rights herein reserved to own any land the rights of any persons are infringed by the occupation or disturbance of the surface of such land, the Govt shall pay to such persons Compensation for such infringement, and the amount of such Compensation shall be determined as nearly as may be in accordance with the provisions of the Land Acquisition Act, 1870."

99

Section 91 of the Upper Burma Land and Rev: Regulation III of 1889.

(1) Save as otherwise expressly provided by the terms of any Grant made or Continued by or on behalf of the Govt, the right to all precious stones, minerals, Coal and Earth-oil shall be deemed to belong to the Govt, and the Govt shall have all powers necessary for the proper enjoyment of its rights thereto.

"(2) Whenever in the exercise of any right of the Govt the rights of any person are infringed by the occupation or disturbance of the Surface of any land, the Govt shall pay, or cause to be paid, to that person

Compensation

Compensation for the infringement.

(3) The Compensation shall be determined as nearly as may be in accordance with the provisions of the Upper Burma Land acquisition Regulation IX of 1886"

Section 42 of the Punjab Land Rev act XVIII of 1887.

All mines of metal and Coal, and all earth oil and Gold-washings, shall be deemed to be the property of Govt, and the Govt shall have all powers necessary for the proper Enjoyment of its rights thereto."

Section 43 of the above act

(1) "Whenever, in the Exercise of any right of the Govt referred to in either of the two foregoing last foregoing Sections, the rights of any person are infringed by the occupation or disturbance of the Surface of any land, the Govt shall pay, or cause to be paid, to that person Compensation for the infringement

(2) The Compensation shall be determined as nearly as may be in accordance with the provisions of the Land acquisition Act, 1870."

Para 7. In a recent resolution Bdi Progs of 2.8.92 No. 395 para 5 the Bd stated that it though undesirable that act X of 1870 Shd be amended so as to provide generally for the acquisition of the Surface rights in occupied lands for mining purposes on behalf of Companies &c Such action being inadmissible as the law now Stands (Sec 43 of Act X of 1870) Except for purposes of public utility, a Category Mining Speculation do not ordinarily fall under. On further Consideration, however, the Bd has come to the Conclusion that the Compulsory powers which the Land Acquisition act bestows, should only be available when the interests of the State or of the public are directly Concerned.

B. Pro: of 22nd Augt 1892
No. 457

101

7.) wide para 7 of two
note for orders

Appendix C.

E 3

C. Nos: 7092
7582
7795
} of 1892.

Re. the Badrachalum Coal Mining Lease

The Hon. Mr. Garstin, C.S.I.

The Hon. Sir Henry Stokes, K.C.S.I.

Read again f.o. 7.3.92 325 5½
.. ~~C.no. 7092 (Bd 2 Sep 92~~ 335
G.O. 11.10.92 no. 4427
.. again f.o. 27.6.92 3033
.. .. f.o. 1.9.92 3435
.. C.no: 7092 (Bd. 23.8.92 458)
.. C.no: 7795 (Bd. 3.9.92 490)
.. ~~again f.o. 14.9.92 447~~
.. C.no: 8582
.. f.o. 21.10.92
G. no. 9107 4574
.. C.no: 8902

Prov. f.o: d/ 2ⁿ Nov: 1892 no: 1116.

As the Govt Consider that the Coal-mining lease to be granted to the Godavari Coal Company should be drawn up on the model of the Standard form of lease forwarded by the Govt of India with its letter d/ 21.9.92 No. 2115-25/42, the Govt Solicitor is requested to prepare a draft lease accordingly in Consultation with the Bd of Rev: and to submit it thro' the Bd for the approval of Govt. The Clauses of the Standard lease should be altered wherever necessary.

1/11/92
Sec
Rev

Lary So as to bring them
into General Conformity
with the Suggestion made by
the Bd in the marginally
noted Proc[s]. which are
approved by Govt subject
however to the remark
that the Condition in respect
of trees (vide para 4 clause (b)
of the Bd's of 23.8.92 No 458)
should be to the effect that
"the lessee shall not cut
or injure any tree belonging
to Govt without the permission
of the lessor's agent in
writing and the payments
of such Compensation
as the said agent may
fix in each case."

2. With respect to the
Enquiry made by M[r]s Bennyth[e]
regarding a claim to Emoluments
alleged to be set up by one
Arcot Ramanuja Mudaliar,
Copy of paras 2 & 3 of Bd's
2.8.92 / 395 will be Communicated
to them from which it will
be seen that the claim
is not recognized by Govt.

3. In

* B.P. S. Imm 92 / 264
~~B.P. 29.6.92 No. 2033~~
B.P. 23.8.92 — 458

† Please see clause 2 of
Part III of the Standard
Lease.

3. In regard to the acquisition by the lessee of ~~the~~ surface rights in occupied lands covered by the lease, the Govt adheres to the decision expressed in para 2 of its order of 2.9.91 No 823.

4. As regards the boundary of the land to be demised, on the side on which it extends up to the river Godavari, it will be seen from the telegram from the Resident in Hyderabad read above that it cannot be assumed that His Highness the Nizam's Govt has expressed acceptance of the view expressed in Govt. No. 7.10.91[x] / 5227 Rev:. The question of the precise boundary line between ~~the~~ Hyderabad territory and the Rajahmundry Chellam taluk will be referred for the decision of the Govt of India. Pending this decision the boundary should be described

† In Letter of 4.11.91 No. 657 Pol[l].

described in the lease as suggested by the Bd in para 2. clause (a) of its Proc 22.8.92 / 458. and Messrs Binny & Co should be informed accordingly. They should also be informed that the question raised by them in para 3 & 4 of their letter to the Bd dy 1.9.92 will also be referred to the Govt of India. 5. The reply of the P.W.D to F.D. dy 11.10.92 No 4427 will, when received, be communicated to the Bd of Rev.

R.M. 2/10.

Cl 2/11

To the Comrs of S.R. Secy 4/11/92

" Govt Solicitor

50/5

Ry Secy to Govt 4/11/92 No. 1117

54

The Secretary to the Govt of India. Rev & Agl Deptt.

Sir,

Adverting to the correspondence ending with your telegram of the 25th inst. Sanctioning the insertion of a renewal clause in the Coal mining lease proposed to be granted to the Godavari Coal Company, I am directed to state that the track of land proposed to be leased to the Company extends in certain parts up to the river Godavari; and as the Company wishes to know how far under the bed of the river they can extend their mining operations, I am directed to enquire what should be regarded as the precise boundary line between Sri Arghnas Rao Nizam's

1/11/92

1 Nov

Nizam's territory and the Bhadrachellam taluk.

I am to state that this Govt was under the impression that the case will be governed by the general rule referred to in para 3 of Govt letter dy 15-5-72 No 976 namely that "in the case of a river boundary the precise boundary is the deep stream of that river"; but that on a reference made to the Resident in Hyderabad enquiring whether in the present case it may be assumed that the deep stream of the Godavari river is the boundary, that officer has informed this Govt that it would be unsafe to make the assumption as a similar question raised by the Govt of the Central Provinces with reference to the Chanda district is still undecided.

2. I am also to enquire whether in the event of its being decided that the British territory extends up to the deep stream of the river

near the Sirpur operations which, at the time of their commencement, lie within the boundary line will become an encroachment if by a subsequent change in the set of the stream the deep line shifts its position so as to pass over the mine. Messrs Binny & Co have raised this question on behalf of the Godavari Coal Company.

(Signed) C. Aytoun

77,006—6-6-37.

Govt 2 Nov 1892 No 1114