M.R.O. 14—18,000—27-9-34.

# MADRAS RECORD OFFICE.

---

## Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 2144 Press ~~Mis.~~

201.203

Dated 11—5— ~~19~~ 87

***Not to be folded or roughly handled***

*Proceedings of the Madras Government, Revenue Department,*
*11th September* 1867.

Read the following letters :—

No. 201. From W. ARBUTHNOT, Esq., to the Secretary to Government, Revenue Department, Fort St. George, dated Madras, 7th September 1867.

1. I have the honor to enclose copy of Proceedings of the Board of Revenue, wherein the "Board express their regret that they are unable to recommend "Government to aid the enterprise referred to, in the manner proposed."

2. Having gone through the usual channel of appeal in matters pertaining to the revenue, and been refused the support I made bold to expect, I have now the honor to submit the case direct to Government.

3. In an interview I recently had with His Excellency the Governor, His Excellency was good enough to say that he would support my application when it came before him, and I venture to hope that the other members of the Government will concur with His Excellency in his comprehensive and Statesmanlike view, that it is not asking too much of Government to pray that some encouragement and support be given to an enterprise so important as the introduction into this Presidency of a Cotton Manufacturing Establishment.

4. I framed my appeal in the way I did, simply because I thought it would in the end cost Government nothing, while it would subserve the interests of the country, and the success of the projects on foot, as much as an absolute pecuniary grant.

5. I informed His Excellency that the French Government had been very liberal towards the first "Filature" established at Pondicherry, and was requested to ascertain precisely the nature of the assistance rendered. This I am attending to.

6. His Excellency further remarked that he thought I ought to guard the Government against loss in the event of the scheme breaking down, however improbable that issue might be, and in his opinion was.

7. To this reasonable precaution I at once responded that I was prepared to adopt any proposal made by Government for their own protection in view of such a contingency.

8. I take the liberty of suggesting that a clause be inserted in the Deed of Conveyance, to the effect that if the rental is discontinued during or at the expiration of five years, the amount, Rupees 30,000, paid by Government shall be refunded, and the proprietorship of the houses revert to me.

9. If the Companies continue in existence for more than five years, it may certainly be presumed that they are succeeding; and the infinitesimal risk of having the houses valuelessly thrown on their hands, is one which the Government may fairly be asked to incur.

10. I request that this application may be taken into consideration without delay, as I purpose going to Rajahmundry on the 13th instant, and shall be glad to know, if possible, the fate of it before that date.

11. In conclusion, I respectfully beg to submit that the refusal of a little assistance, at practically no cost whatever, on the part of the ruling power, would be out of keeping with the spirit of the age, and would confirm the impression conveyed by the narrowminded decision of the Board of Revenue, that no appeal will be listened to which has not the stamp warrant of *routine*.

Proceedings of the Board of Revenue, dated 3rd September 1867, No. 5,702.

Read the following letter from W. ARBUTHNOT, Esq., to the Secretary to the Board of Revenue, dated Madras, 31st August 1867.

1. You are perhaps aware that Companies are being formed for the spinning of Cotton Yarn, and the manufacture of Gunny bags, at Rajahmundry.

2. The projectors of these Companies are under the impression that Government approves, and is prepared to support, as far as it legitimately can, undertakings of this character, which are calculated to develope the industrial resources of the country, and to raise the standard of intelligence among the natives.

3. It is, therefore, in full confidence that my appeal will be granted, that I have the honor to solicit the assistance of Government, under the following circumstances :—

4. The expense of establishing important works like those I have mentioned, is of course considerable, and it is with difficulty that the shareholders who have sufficient enterprise to take an interest therein, while still to some extent subjects of experiment, can raise sufficient capital to purchase and import the necessary machinery.

5. Their operations will be materially facilitated if Government will purchase the houses, situated in the locality which forms the site of the projected works,* and which, are intended for the occupation of the European and East Indian employés.

* Half-way between Dowlaishwaram and Rajahmundry.

6. I offer the houses, which are six in number, to Government for Rupees 30,000, and guarantee a rental of five per cent. on that sum, clear of taxes, and deductions for ordinary repairs, for a period of five years.

7. There is no doubt the houses will continue to let for an indefinite period at the moderate rental I have named ; I have fixed five years simply because some limit must be fixed for a *personal* guarantee.

8. I have the honor to request that the Board will recommend this application to the favorable consideration of Government, and that the matter may be disposed of as speedily as is convenient.

---

The Board regret that they are unable to recommend that Government should aid the enterprise to which Mr. Arbuthnot alludes, in the manner proposed by him.

---

No. 202. From W. ARBUTHNOT, Esq., to the Secretary to Government, Revenue Department, Fort St. George, dated Madras, 9th September 1867.

1. Referring to paragraph 5 of the letter I had the honor of addressing to you on the 7th instant, I have since ascertained, through Messrs. Mottet, Pernon & Co. of Pondicherry, who have obtained the information from the archives of the Colony and the old books of the Tardevel Filature, that besides any indirect privileges, such as the concession of the land free of charge, the importation of the machinery free of duty, &c., &c., the French Government contributed Rs. 81,000 towards the establishment of the undertaking.

2. Pecuniary grants of smaller importance were also made in the year 1830-31 to two other establishments of the same kind.

3. It is clear from this that the French Government of that day regarded industrial associations as calculated to benefit the Colony, and I hope that His Excellency the Governor in Council will, with the same object in view, liberally meet the far more moderate claim to assistance I have put forward in connection with the scheme I have taken in hand.

14

*Proceedings of the Madras Government, Revenue Department,*
*11th September* 1867.

No. 203. ORDER THEREON, 11th September 1867, No. 2,144.

Miscellaneous.

The Government regret that they are unable to assist this project in the manner proposed in the above letters.

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

I am not aware that the Govt have
any information in regard to the Establish-
ment of Ray's annuity of the Company advised
by Mr Arbuthnot's letter to the Board - all
that I know in this matter is that numerous
advertisements have appeared in the advertising
columns of the local N. Papers, and from
report that Mr A. & all the Saints, one of the
founders of one of the Companies
are here, & still unconfirmed of the
Saints' doctrines, & established there Company
& still at undersupping the resources of the
Ray annuity & and certainly are not at-
tempt to accept Mr Arbuthnot's obliging
declaration that there will be adequately
benefited as to justify our taking off the
Arbuthnot's hands certain house property
at an outlay of £ 30000 for wh, from that
we know & to the contrary, he cannot not be
able, in the general market, to realize half
a sum a trifle of that sum - for these
and for other reasons which are known to
both as Mr Arbuthnot's personal letter one
which his communication proved not entertain
the Board & of his letter also - & I think
among persons one & two should do D.

8 Feb 67

D to consult L. minor emphatically

Revenue Depart.

No. 2144.

Proceedings of the Madras Govt. under date the 11th Septr. 1867.

Read the following letter from D. Arbuthnot Esqr., Madras.

Praying that some encouragement and support be given to an enterprise for the introduction of a Cotton Spinning Manufactory established in this Presidency.

(Here enter 7th Septr. 1867.)

Addressing further on the subject of his former letter soliciting encouragement & support to an enterprise for the introduction of a Cotton Spinning Manufactory in this Presidency.

(Here enter 9th do.)

The Govt. [illegible] Government [illegible] this project in the manner

Read Letter from D. Arbuthnot Esqr. dated Madras 7th September 1867.

From

D. Arbuthnot Esqr.
Madras

To

The Chief Secretary to Government
Fort St. George

Sir,

I have the honor to solicit the favorable consideration of Government to the following proposal for the introduction of a Cotton Spinning Manufactory in this Presidency.

I propose to establish a Cotton Spinning Manufactory in this Presidency, and I am willing to undertake the risk of the enterprise, provided Government will grant me a loan of Rupees [illegible] for the erection of the Factory, and will also grant me the exclusive privilege of working Steam Power in the Factory for a certain number of years.

I am, Sir,
Your most obedient Servant,
D. Arbuthnot

Fort St. George
7th September 1867.

Revenue 1867 Dispatch
Pro of Govt for Septr

No 2144

Pro of the Madras Govt
of 11 September 1867

From W Arbuthnot Esq
dated 29 Oct 1867.

No 201 @ 203

Enclosures herein
the above letter

Rec'd 14 Nov 1867

Read 16 Nov 1867

Ans 16 Nov 1867

Copied