M.R.O. 14—13,000—27-9-24.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 2689 Press Mis.

236. 239

Dated 13 — 11 — 19 87

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
13th November 1867.

Read the following papers:—

No. 236. From A. PIERRES DE CLOSETS, Esq., C. E., Government Foundry, Chepauk, to the Secretary to Government, Revenue Department, Fort St. George, dated Madras, 24th July 1867.

1. I have the honor to acknowledge the receipt of your letter No. 1,494, giving information as to the lease granted to the East Indian Iron Company, and the names of the districts in which their privilege exists. This information encourages myself in trying to carry out a scheme for converting iron ores, existing in the vicinity of Madras, into cast or malleable iron, so as not to depend entirely upon materials brought from England for meeting the wants of Government, and of the public at large.

2. The Madras Government has amply shewed how very much important they considered the manufacture of iron to be, by their expending, in capital and interest, £ 9,000, (see Sir W. Stonhouse's letter, dated 23rd August 1849), to promote the enterprise of the late Mr. Heath, of the former Porto Novo Company, and by granting to this Company an exclusive privilege, which has been renewed in 1853, for thirty years.

3. Iron make in India is one of the most difficult lines of industrial purposes, and is judged, wrongly, by the public and capitalists here as not remunerative; in fact, the starting of such operations is surrounded with many difficulties. They are to be established at a large outlay, without immediate returns, and bearing in mind that competition from other parties into the same locality would be a cause of ruin to the first promoter, and also that no funds would be invested in such operations, except in the case of a kind of encouragement being given, I think it is just and equitable to ask Government to encourage myself by some grants, which, however important for me, would be harmless to others.

4. I have, therefore, the honor to forward the present application, requesting that Government should be pleased—

1*st*.—To grant me for a certain number of years the privilege of working iron ores by the European processes in the district of Madras, or if Government consider this too large an area, in the country within a radius of twenty-five miles, at least around the Fort Saint George.

2*nd*.—To allow me, in free lease, for mining and smelting operations some plots of waste lands into the limits aforesaid.

5. Providing Government granting the above demands, I will bound myself to pay to Government, during all the time of my lease, a royalty upon each ton of cast iron *bonâ fide* turned out from iron ores into my furnaces.

Referred to the Board of Revenue for their opinion, and for any remarks they may wish to offer.

(Signed) W. HUDLESTON,
Secretary to Government.

30*th July* 1867.

Proceedings of the Madras Government, Revenue Department, 13th November 1867.

No. 237. Proceedings of the Board of Revenue, dated 21st October 1867, No. 6,862.

Read letter from the Civil Engineer, Government Foundry, Chepauk, dated 24th July 1867, referred to the Board of Revenue by the Secretary to Government, under docket dated 30th July 1867.

1. The Board are of opinion that it would not be advisable to accede to the proposal made by Mr. de Closets, which amounts to the request that a monopoly of the ore itself, as well as the privilege of working it, be granted to him.

2. At the time when a similar concession was made to Mr. Heath, the condition of the country was very different to what it now is. English capital and enterprise are now forthcoming, if any scheme of a practical kind is proposed, which was not the case (at least to the same extent) in 1849.

3. Iron works require the outlay of so much capital and the maintenance of such large establishments that they are practically monopolies, and the Board would not make them more so.

4. It seems to the Board that the great object of Government should be to cheapen iron. If Mr. de Closets' request be acceded to, his monopoly will enable him to keep the price just below the English standard.

5. It is probable, too, that much iron is worked by natives in the district chosen by Mr. de Closets, and it does not appear equitable that these persons should be shut out by the grant of exclusive privileges to one individual.

6. The 3rd Member of the Board does not concur in these Proceedings, and has recorded a separate Minute on Mr. de Closets' application..

No. 238. Official Memorandum from the Secretary to the Board of Revenue, to the Acting Under Secretary to Government, Revenue Department, dated Madras, 31st October 1867, No. 1,139.

As requested in his Official Memorandum, dated 29th October 1867, No. 108, the undersigned has the honor to forward to the Acting Under Secretary to Government, Revenue Department, an authenticated copy of the Minute recorded by the 3rd Member of the Board of Revenue, with reference to their Proceedings, dated 21st October 1867, No. 6,862.

By order.

(Signed) R. A. DALYELL,
Secretary.

No. 239. ORDER THEREON, 13th November 1867, No. 2,689.

Miscellaneous.

1. Mons. de Closets will be informed that the Government are not prepared to concede to any individual, or body of individuals, the exclusive privilege of working the iron ores in Government waste within an extended range.

2. But they will be prepared to consider any definite application to raise and smelt the ores *in a particular limited locality*, on being satisfied of the competency of the applicants to bring the scheme to a successful issue, so far as sufficient capital will ensure success.

(Signed) W. HUDLESTON,
Secretary to Government.

without immediate returns
and bearing in mind that
competition from other parties
into the same locality would
be a cause of ruin to the
first promoter and also
that no funds would be
invested in such operations
except in the case of a
kind of encouragement
being given I think it
is just and equitable to
ask Government to encourage
myself by some grants,
which however important
for me, would be harmless
to others.
I have therefore the honor
to forward the present
application requesting that
Government should be
pleased:
1° to grant me for a
certain number of years
the privilege of working
Iron Ores by the European
process, in the District
of Madras or if Govern
consider this too large
an

Secretary-

an area, in the country
within a Radius of 25
miles, at least, around the
Fort St George.

2° To allow me in free
lease for Mining and
Smelting operations some
plots of Waste Lands within
the limits aforesaid.

5° Providing Government
granting the above Demands
I will bound myself
to pay to Government
during all the time of my
lease a Royalty upon each
ton of cast Iron "bona fide"
turned out from Iron ores
into my Furnaces.

I have the honor
to be Sir.
Respectfully
your obedient
servant

De Closets C.E.

Govt. Foundry Chepauk
Madras 24th of July 1867.

No. 6,862.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 21st October 1867.

Read letter from A. P. DE CLOSETS, Esq., Civil Engineer, Government Foundry, Chepauk, dated 24th July 1867, referred to the Board of Revenue by the Secretary to Government under docket, dated 30th July 1867.

---

1. The Board are of opinion that it would not be advisable to accede to the proposal made by Mr. de Closets, which amounts to the request that a monopoly of the ore itself, as well as the privilege of working it, be granted to him.

2. At the time when a similar concession was made to Mr. Heath, the condition of the country was very different to what it now is. English capital and enterprise are now forthcoming, if any scheme of a practical kind is proposed, which was not the case (at least to the same extent) in 1819.

3. Iron works require the outlay of so much capital and the maintenance of such large establishments that they are practically monopolies, and the Board would not make them more so.

4. It seems to the Board that the great object of Government should be to cheapen Iron. If Mr. de Closets' request be acceded to, his monopoly will enable him to keep the price just below the English standard.

5. It is probable, too, that much Iron is worked by Natives in the District chosen by Mr. de Closets, and it does not appear equitable that these persons should be shut out by the grant of exclusive privileges to one individual.

6. The Third Member of the Board does not concur in these Proceedings, and has recorded a separate Minute on Mr. de Closets' application.

(A true Extract.)

Secretary.

To the Secretary to Government, Revenue Department.

Exd. T. Cartledge.

Rec. 1867. Department.
No. of Govt. for Revn.

No. 2906.

PROCEEDINGS OF THE BOARD OF REVENUE,

Dated 21st October 1867.

No. 6,862.

Expressing opinion that it would not be advisable to accede to Mr. deCloset's proposal which amounts to the request that a monopoly of the Iron itself as well as the privilege of working it be granted to him, and stating that the third member of the Board does not concur in this opinion.

No. 237

Minute by third Member on Board's Proceedings No. 6862 dated 21st October 1867.

P. 1. If a limited area on which to work iron ore is granted to Mr. De Closets it is not apparent to me how the term Monopoly can be applied to his operations

P. 3. The Statement that iron works are necessarily on so large a scale as to constitute Monopolies is I think erroneous.

P. 4. I do not admit that it is the business of a Government to "cheapen iron," or that the establishment of additional iron works keeps up its price.

P. 5. It will be Mr. De Closets affair to select a tract on which he can work the ore without clashing with others, or to secure their acquiescence.

I view the introduction of works in which skilled labour is employed as a benefit to Native workmen and to the community generally. The refusal of Mr. De Closets requests seems to me illiberal.

(Signed) G. S. Forbes
3d. Member

(A true Copy)

[signature]
Secretary

23/7/68

Encl in an O M from the Secy to the Board of Revd to the Under Secy to Govt. N.D. dated 31 Octr 67 No 1139

Board [illegible] for [illegible]

Rev: 2987/67.

Minute by third Member on Board's Proceedings No 862 dated 21 October 1867.

P 13th Nov 1867

B 238

Pres. 13th Nov 1867 L. No 238.

Revd Department.

No. 2906

From Proceedings of the Board of Revenue

Dated 21st October 1867.

FOR ORDERS.

Unless Mr. DeCloseti is willing to do as is suggested in the closing para: of a Memo by the Revenue Secretary, i.e. select a spot for working the ore, I would decline to have anything to do with a concession on the rather vague and wide terms of his original proposal. We may be interfering with existing rights and I feel satisfied I shall be creating conflicts with Mirasidars & others. It is all very well to use the argument used in another case by another Pulleman, about opening the resources of the country, but with all

respect for Mr. DeCloseti mechanical & scientific experiments. I doubt whether we have in him, a sufficiently substantial person to justify our granting what were reprimin capital to work it out. I am aware, it may be thought, that monied Madras will support DeCloseti; just as they seemed disposed to do in the "Madras Island Dock formation Scheme." But that will scarcely suffice to vindicate the important measure involved in meeting Mr DeCloseti wishes.

I think the R: Board have very properly appreciated the merits of the proposition & I do. uphold their view. M Dee

It appears to me that the second part of Mr DeCloseti application might be complied with as the terms suggested by the Senior Examiner of their terms be chemical

essential. But might not a free lease be given to him of such selected spots for a limited number of years, it being reserved to the Govt. to terminate such lease if it appeared that Mr DeCloseti was not availing himself of the privilege?

G. A.

I would not give Mr Closet any concession or privilege whatever unless he presents himself in conjunction with persons of substantial character and means known to Govt. & accredited in the mercantile community. Then I would encourage his attempts to develop industry in the Country. N.

B 238

Pres. 13th Nov. 1869 Ln. No. 238.

Revenue Depart

No. 2689.

Proceedings of the Madras Govt. under date the 13th Novr 1867.

Read the following Papers.

From Mons: A. de Closets.

Requesting to grant him the privilege of working Iron Ores existing in the vicinity of Madras by the European process, on the terms stated by him. (Here enter 24th July 1867.)

Sec. of the Bd. of Revn.

Expressing opinion that it would not be advisable to accede to Mr. de Closet's proposal which amounts to the request that a monopoly of the Iron itself as well as the privilege of working it be granted to him, and stating that the 3d Member of the Bd does not concur in this opinion. (Here enter 21st Octr 1867, No. 6,862.)

Memo: of the Bd's Secy.

Forwarding copy of 3d Member's discent from Board's Proceedings. (Here enter 31st do do)

Mons: de Closets will be informed that the

B 238

Pros. 13th Novr 67 L. do 238

c 6 Nov 67 R 8

the Govt are not pre-
-pared to concede to
any individual or body of individuals.
the ~~Exclusive~~ Exclusive privilege
of working the Iron
ores in Govt waste within
an extended range-

But they will be
prepared to consider
(favorably) any definite
application to raise and
smelt the ores in a par-
-ticular limited locality on being
satisfied of the compe-
-tency of the applicants
to bring the scheme to a
successful issue, so far
as sufficient capital
will ensure success-

omit N.

[illegible]

[illegible]

[illegible]

[illegible]

Copy To: Mons. A. Pierres de Closets, C.E.
14 Copies - To the Bd of Revl

Reported to England
D/ 6th Octr. No. 46 of 1868 Mis.

23/7/98

Revenue 1867 Deptt.
Pro of Govt. for Novr.

No. 2689

Pro of the Madras Govt.
D/ 13th November/67.

Pro of the Board of Revr.
D/ 27 July/68 C No. 2534

No. 236 @ 239