

Revenue (1898) Department.

MISCELLANEOUS SERIES.

G.O., No. 2013

DATED 7th May.

[Despatch Abstract.]

Appr. comm. Subject to remarks, the revised form of draft
lease submitted by the Board to be executed by Messrs. Arkhantsev & Co.
for mining for phosphatic nodules in the Trichinopoly Dt.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
So	1000	Rev	29-11-97				

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
So	2866	Rev	8-7-98.				
So	1189	Govd	5-5-00.				

Revenue (1898) Department.

CURRENT No. 2474.

From

The Board of Revenue,
Land Revenue,

Madras

No. 356 Misc.

Dated 24th March 1898

Received 28

Registered 29

Enclosures 3

Spare copies

SUBJECT.

Submitting for the approval of
Government revised draft lease to
be executed by Messrs. Arbuthnot & Co
for mining for phosphatic nodules in
the Trichinopoly district.

Order

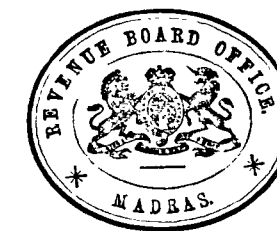
BACK PAPERS.

G.O.	No.	Department.	Date.
	1000	Revenue	25.11.98

FURTHER PAPERS.

G.O.	No.	Department.	Date.

2.000
20-1-98.



Proceedings of the Board of Revenue

(Land Revenue).

No.356 Misc.,dated 24th March 1898.

Read the following :-

1. Letter from Ernest Barclay ^{Esq.} Government Solicitor, Madras, to the Secretary to the Commissioners of Land Revenue, Madras, No.68, dated 8th February 1898.

And the following Reference No.212, dated 28th February 1898

The draft lease received with the letter read above will be returned to the Government Solicitor with the request that he will be good enough to revise paras 1 & 2 of part V of the Schedule to the Lease with reference to the following remarks-

2. It will be observed that Part V of the Schedule makes mention of three distinct charges to which the lessees are liable. The rent referred to in para 1 therein is dead-rent which has been fixed at four annas per acre and para 2 refers to royalty which has been settled at 5 per cent on the market price at the mines of the crushed nodules, whether the crushing actually takes place there or not. The last para provides for surface-rent and the distinction therein made between unassessed and assessed lands in regard to the rate of that rent is correct and may stand.

3. 1. The Government Solicitor will also be informed that lessees are liable to pay the surface rent, and are also liable to pay the above royalty for the first year and afterwards the said royalty or the fixed dead rent, whichever is

greater, in addition to the said surface rent.

4. The Board approves of the changes in the draft referred to in paras 2 and 5 of the Government Solicitor's letter.

2. Also letter from Ernest Barclay, Government Solicitor, Madras, to the Secretary to the Board of Revenue, Land Revenue, Madras, No. 154, dated 9th March 1898.

-----:0:-----

Resolution

With reference to para 5 of Government Order, No. 1000, dated 29th November 1897, the Board submits for the approval of Government the revised draft lease to be executed by Messrs. Arbuthnot & Co. for mining for phosphatic nodules in the Trichinopoly District.

2. The draft follows the standard form prescribed by the Government of India in its letter No. 21-10-3, dated 31st August 1897 subject to the alterations and additions noted below:-

(a) Para 4 of Part III of the Schedule to the Lease

This para has been inserted with a view to guard against any mistakes that may be discovered in the list of fields to be appended to the lease-Vide Collector's marginal note to para 2 of Part I of the Schedule

(b) Paras 1 & 2 of Part V of the Schedule

The paras have been modified with reference to the Board's remarks in paras 2 & 3 of its reference order read above, so as to render them suitable to phosphatic nodules.

(c) Para 4 of Part IX of the Schedule

The concession granted to the lessees in para 4 of Government Order, ^{No. 1000} dated 29th November 1897 has been embodied in this para.

3. In its Reference order on ^{General} ~~Government~~ Register No. 5593 of 96, dated 16th November 1896 submitted to Government with Board's Proceedings No. 2373 Misc., dated 30th July 1897, the Board proposed as a temporary measure to levy royalty on the sale proceeds of the crushed product less railway charges to Calicut where the phosphatic nodules were proposed to be carried for crushing. It seems unnecessary to embody this concession in the draft lease as it is liable to be

withdrawn when a demand for the mineral is found to exist East of the Western Ghats and the Nilgiris.

(True Copy & Extract)

Reed

Secretary

To

The Secretary to Govt. R.D., with Government Solicitor's letters draft lease in original to be returned.

Ed. R.H.

para 3 (d) in page 3
No. 1000
29.11.97

Read again G.O. 1007
29.11.97

C.No. 2474 of 1898.

B.D. (L.R.) No 856 misc 24.397

For orders.

~~With~~ As directed in para
5 of G.O. No 1007 dated the 29th
November 1897, the Board of
Revenue submits for the appro-
val of Govt the draft of the
lease to be issued to Messrs
Arbuthnot & Co for mining
for phosphatic nodules in the
Trichinopoly District, as re-
vised by the Govt Solicitor.

The chief alterations made in the
draft which was originally drawn
up by the Collector in the form
prescribed by the Govt of India
in 1894, are noticed below:—

1 The Collector having found
that the printed Registers pre-
pared by the Survey Department
showing the nature and extent of
the fields comprised in the block
containing phosphatic nodules
were incorrect in some cases,
thought it desir.

B in G.O. 1033
14.3.96

2/5/98

against further mistakes that might be discovered, by adding a second para to part I of the Schedule appended to the lease, reserving power to exclude from the lease any land which may hereafter be discovered not to be a Govt waste or panchake or unenfranchised service man land.

The Govt solicitor has taken over this newly added para to the end of part III of the Schedule as the more appropriate place for it, but adds that he is not sure that it is intended that such a provision should appear in the lease at all for though the provision seems a reasonable one and is in favour of Govt, it does not appear in the Govt of India's form. This last mentioned fact, however, is, it is submitted, no bar to the addition of the provision, as under rule [23] of the Municipalities Act the Local

marginal note in page 4 of the draft lease

para 4 part III in red ink.

page 13 of pamphlet put up.

It is a proper stipulation to stand.

8/2 8/2/8 19

in page 8 of the lease.

in page 3 of the form flagged

Para 14 of Part VII does all that is needed in respect of compensation & indemnity against actions & claims

8/2 19

Rider A in red ink in page 9 of the draft.

8/2

any additional condition or stipulation which it may consider necessary. The Board of Revenue has approved of the addition and it is submitted that it may be accepted.

2. The Govt solicitor has scolded out the latter part of para 1 of Part III of the Schedule in the draft, on the ground that it is inconsistent with the earlier part of the same paragraph and that it has been omitted in the Govt of India's new form in G.O. 4970 dt 21.9.97 which was ordered to be adopted in the present case. The Board of Revenue has approved of this correction.

3. To part para 3 of Part III of the Schedule, the Govt solicitor has added the proviso in the Govt of India's new form.

4. The Govt solicitor has made certain alterations in paras 1, 2 & 3 of Part V of the Schedule which provides for the levy of ^{house} rent during the whole

4
Case, the levy of royalty during the first year and of royalty or dead-rent, whichever is greater, for the succeeding years. The Govt. Solicitor seems to have, however, made a mistake in the matter of dead-rent.

It will be seen from rule [23](iii) of the Mining rules, that the rate of dead-rent which in the case of phosphatic nodules was fixed at 4 as per acre (in G.O. No 991 dated 10. 3. 96) as in the case of Coal in Schedule B. appended to the rules, is a yearly rate and not a half-yearly one; although under the terms of the ^{model} lease, the amount of dead-rent is made payable in two half-yearly instalments. The Collector accordingly calculated the total rent on the 1734.07 acres included in the lease at $(1734.07 \times \frac{1}{4})$ 433 Rs-8 as per year and entered on this amount is

otherwise no alteration was made
was right.
25

in page 13 of the pamphlet.

D also para 3 of the B.P. in the same
G.O.

* in page 17 of the pamphlet.

Rule 39(ii) - p 13 of pamphlet - "26. Lessee shall pay every year - a fixed yearly dead rent at a rate not less than that laid down in Sch. B."
Sch. B (p. 17 of the) "Coal ... 4 as" 8/4

para 1 of part V of the
Schedule appended
to the lease.

page 4 of the form filled
in G.O. 4970
21. 9. 97

part 1 of the Schedule appended
to the lease in page 4

page 10 of the draft
lease

page 12 of do.

Rs 216-12-4 in para 1 of part V of the Schedule as the 'Certain half-yearly rent'.

The Govt. Solicitor, however, having apparently misunderstood the Board's remark in para 2 of its reference No 2128 28.2.98 that the rent referred to in para 1 therein is the dead-rent which has been fixed at '4 as per acre,' took the rate of 4 as per acre as the half-yearly rate and ^{has} according recorded the Collector's figure Rs 216-12-4 and altered para 1 of Part V of the Schedule as follows:-

"The certain half-yearly rent of 4 annas per acre of the said lands ... shall be paid by the lessees."

This would make the lessees liable to pay a dead-rent of Rs 433-8- per half-year, is double the proper amount, but in para 3 of Part V of the Schedule the 'certain half-yearly rent' which was fixed by the Collector as Rs 216-12-4 is left to stand.

Yes: there seems to be a
mistake

• page 14 of the draft lease.

* page 4 of the form flagged
in L.P. no 4970
I think it may stand. 21.9.97

6. In part IX of the Scheme
the word "the" is added before "the"

7. There is one other point to be noted. From the marginal remark on page 2 of the draft lease, it will be seen that the lessees ~~has~~ commenced operations on the 15th June 1896. The draft lease as now revised by the Govt. Solicitor, however, seems to contemplate the granting of the lands from the date of its execution, and the levy of royalty, ~~surface rent~~, dead-rent, ~~and~~ have reference to the latter date. If as a matter of fact the lessees have been engaged in the operations since 15th June 1896 and ^{have} carrying off nodules during the past two years, it is not clear why the royalty, ~~surface~~

should not be levied with reference to that date. From para 2 of the Board's Proceedings printed in page 3 of L.O. No. 379 dated 30.7.96, it will be seen that the Board of Revenue authorized the lessees to commence operations ~~subject~~ on the understanding that the period of the lease and the terms as to royalty and dead rent as well as the number of blocks to be leased will be ~~here settled~~ hereafter by Govt."

It is submitted that the Board should be asked to report on this point.

Mr
24/4/98

Secy

The draft should be altered & submit in the following particulars.

(1) The mistake about the rate of dead rent should be corrected by the Govt. in drawing up the lease as finally settled.

(2) The lessees should undertake to pay royalty

laid down in Rules 39(i) & (ii) par. 13 of the Pamphlet. This Part V in the form of Madras Model lease is not at all dear. S/P.

In every 1/2 year the value of the crushed product must be ascertained & it must then be calculated whether 5% of this value is more or less than 2% as per acre of the extent covered by the lease. The charging of the deadrent & the question whether deadrent should be charged or royalty depends upon a calculation of the value of the crushed product. In this sense the words "the said rent & royalty shall be calculated on the market price of the crushed product" might perhaps stand. The form is that prescribed by the Govt of India (page 4 of form flagged C. Part 6 of the Schedule)

Please see draft order put up on the sheet below.

Copy heading only.

Read again G.P. 1008
29.11.97
Cno. 2474 of 1898
B.P. (L.R.) no 356 mise
24.3.97

G.P. Mise. No. 2013 of 7th May 1898

The revised draft-
lease submitted by the Board
of Revenue with its Proceedings
read above is approved sub-
ject to the following remarks:-

(1) In revising para 1 of
Part V of the Schedule, the
Govt Solicitor has taken the
surface rent of four annas
per acre as the half-yearly
rate, whereas it is the
rate fixed ^{for the year though it} ~~per annum~~
~~is payable in two half-yearly instalments.~~
The mistake should be rec-
tified, ^{by the Govt Solicitor} ~~by him~~ in drawing
up the lease as finally
settled.

(2) From the marginal
remark on page 2 of the draft-
it appears that the lessees
Commenced operations on
the 15th June 1896, but the
lease as now revised by

dead rent
vide notes above
the
628c

the grant of the lands from
the date of its execution and
the conditions as to
the levy of royalty and dead-
rent have reference to the
latter date. The Govt
however, considered that the
lessees should ^{however} be made
to pay royalty for the
first year from the 15th
June 1896 and either royal-
ty or dead-rent, whichever
is greater ^{after the} from the 15th
June 1897.

(from orders)

W.H.
17.5.98

8/7/98

To the Bd (L.R.)
with draft please to Encl

M
6/5/98

12.5.98

in given for copying _____
in copied _____ } 189
in examined _____
in signed _____

D AGAIN G.O., No. _____ DATED _____
189 ,

SENT No. _____

ENCLOSURES TO G. O. No. _____

ORDER OF GOVERNMENT

A A A A A A A

LETTER OF GOVERNMENT.

STATEMENT WITH DITTO.

PERS NOT FILED UP, BRING MEANT FOR DESPATCH
IN ORIGINAL.

N.B.—

A = Copy in full.

ed
to
sup
ce