

Revenue (1898) Department.

MISCELLANEOUS SERIES.

G.O., No. 4416

DATED 12th November 98

[Despatch Abstract.]

Agreeing with the Board of Revenue in considering that a mining lease for a period of five years in the Adichalane taluk cannot be granted to the Godwin coal company and stating that every consideration will be shown to the company to any future applications they may make subject to the claims of others who may in the meantime have obtained licenses.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
Civ.	130		9-7-58 11-1-77				
Civ.	2085	/ro.					

CURRENT No. 1934.3

~~12/11/95~~

Read O.P. No. 944 Refused 248-88
 (C-205979)
 ... 1129 ... b. 10-88
 (C-206934)

From

The Board of Revenue, Land Revenue,
Madras

Order Invoice no 4416 of 12th Nov-1898

The Govt ~~generally~~
agrees ~~with~~ the Board's ~~views~~
~~in fact~~ ~~it is~~ ~~not~~ ~~at~~ ~~all~~
~~generally~~.

Every consideration
will be given to any
future application of
the Company to resume
operations, subject ^{of course} to the
claims of any other person
who may in the meantime
have obtained licenses

the N. of Pine (L.P.)
Feb. 15. 11-98.

Wm
6.11.58

Greatest as
mine.

M
824 P

Dated 6th October 1898

Received of _____

Registered & n

Enclosures /

Spare copies

SUBJECT.

Submitting for the orders of
Government with Board's remark letter
from Messrs. Binny and Co., reporting
that the shareholders of the Company
consider it useless to continue the
search for coal in the Godavari Dt.

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

The Godavari Coal Co. Ltd.

Madras, 23rd September, 1898.

The Secretary,

Board of Revenue,

Land Revenue,

M A D R A S.

Sir,

With reference to your No. 2015 of the 27th July and ours of the 11th. August we have the honor to inform you that the Shareholders of the Company consider it useless to continue the quest for Coal. we have therefore the honor to intimate that we think it expedient to advise the Board of this decision at once.

If the Board could see their way to give us a first lien should others desire to exploit the claim further in consideration of the heavy outlay incurred, the Company would greatly appreciate the consideration.

We have the honor to be,

Sir,

Your most Obedient Servants.

(Sd) Binny & Co.

Managing Agents.

(True Copy)

Ag. Under

Rm

OFFICE OF THE BOARD OF REVENUE
(LAND REVENUE),
Madras, 6th October 1898 189

READ— letter from Messrs. Binny and Company, Madras, dated
23rd September 1898.

Reference No. 1129 dated 6th October 1898.

In its reference No. 944, dated 24th August 1898, the Board expressed its inability to recommend the grant of a mining lease for coal for a period of 5 years to the Godavari Coal - Company on the terms implied in the Managing Agents' application dated 11th August 1898. In their letter read above, Messrs. Binny and Company report that the shareholders of the Company consider it useless to continue the search for coal. They, however, request that in consideration of the heavy outlay incurred, the Company may, if possible, be given a first lien, if others should desire to explore the tract further. Their letter will be submitted for the orders of Government with the remark that the Board has nothing to add to the remarks made in para 5 of its reference quoted above.

W. C. Davidson

Acting Secretary

To the Secretary to Government, R.D with letter in original to be ret'd.

W. C. Davidson

Revenue (1898) Department.

CURRENT No. 59119

From

The Board of Revenue, Land
Revenue, Madras.

Order

No. 344 REF.

Dated 24th August 1898

Received 26

Registered 24

Enclosures 1

Spare copies

SUBJECT.

Submitting to Government with
Board's remarks papers relating to
the application of a mining lease
for coal by the Godavari Coal Com-
pany.

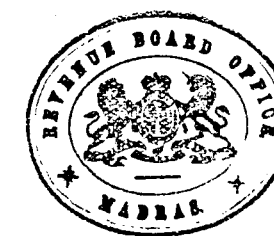
BACK PAPERS.

G.O.	No.	Department.	Date.
Mis	6397		15-12-97

FURTHER PAPERS.

G.O.	No.	Department.	Date.

2,000
15-7-98.



Proceedings of the Board of Revenue

(Land Revenue).

No.2015 Misc.,dated 27th July 1898.

Read the following letter from V.A.Brodie,Esquire, Collector of Godavari,to the Secretary to the Commissioners of Land Revenue,Madras,Ref.No.510 Rev. of '98,dated 4th July 1898. .

In reference to para 2 of B.P.No.3670 Misc., L.R.dated 29th September 1897 and para 3 of B.P.No.4292 Mis. dated 15th November 1897 and in continuation of my reference No.321 Var of '96 dated 20th November 1897.I have the honor to state that the Godavari Coal Company applied on the 12th February 1898 for a mining lease for 30 years in respect of 1.66 square miles of the land covered by its former prospecting licenses.On a reference from this office,the special ~~As~~ Assistant Agent has reported that the land applied for has not been demarcated and that it is not therefore possible to state the extent of Government land comprised in it or to specify its exact boundaries.The Company has therefore been called upon to get the land demarcated by fixed boundary pillars.No reply has yet been received .

2. The period of one year for which a prospecting license was last issued to the Company expired on 31st March 1897.No fresh license has been issued since that date and the surface rent due for the period intervening between the 1st of April 1897 and 12th February 1898,has not been paid.As it is not desirable that the Company should continue its operations without any license and as it may take some months more to get the land demarcated,I solicit the Board's con-

orders for the issue of a prospecting license from 31st March 1897 to 12th February 1898 the date of its application for a mining lease ^{the date of issue of a mining lease,} ^{pursuance} when one is ultimately granted in ~~presence~~ of the Company's application.

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

Resolution

In the Board's Proceedings first read above, the Collector of Godavari was requested to inform Messrs. Binny & Co. of the decision of the Government of India that the left edge of the water of the Godavari river as shown in the latest survey map should be taken to be the boundary with regard to ~~the~~ mining rights between the Godavari District and the Dominions of H. H. the Nizam. He was further instructed to inform the firm that the demarcation of the boundary lines was under contemplation, and that if they wished to continue mining operations - they must take out a mining lease at the earliest possible date to run from the date of expiry of the prospecting license, viz. 1st April 1897. It has since been decided that it is only necessary to delimit the river bed adjoining the coal fields for a space of 6 miles, and the actual demarcation has been postponed until such time as the Godavari Coal Company Mining Company makes application therefor.

2. The Collector now reports that the Company applied on the 12th February last for a mining lease for 30 years in respect of an area of 1.66 square miles of land included in the prospecting license previously granted, but not delimited. It is reported that for this reason ~~sen~~ it is impossible to specify the exact boundary or the precise extent of the Government land comprised therein, and, the Collector adds that the Company has as yet taken no action on his requisition calling for the erection of fixed boundary pillars defining the limits of the area applied for.

3. The Collector's recommendation is, that a prospecting license should be granted to the Company for the period intervening between the date of expiry of the license previously issued and the execution of a mining lease. This course is impracticable in view of the provision No. 16 clause 1 of the mining rules promulgated by the Government of India and the Board must therefore call upon the representatives of the Company, Messrs. Binny & Co., to state definitely and without further delay whether they intend to carry on mining operations or to allow the enterprise to fall into abeyance. In the former case, the Board requests -

that they will be good enough to intimate the period within which they will comply with the Collector's requisition regarding the demarcation of the area applied for. It is necessary also to remind them that failure to take out a mining lease with effect from the date of expiry of the prospecting license will entail loss of the preferential claims enjoyed by the holder of a prospecting license under ^{mining} rule No. 17.

(True Copy and Extract)

(sd) Lionel Davidson

Ag. Secretary.

To Messrs. Binny & Company

Copy to the Collr. of Godavari.

(True Copy)

Lionel Davidson
Ag. Secretary.

R.B.

E. J. J. J.

1898.
Board of Revenue
(Land Revenue),
MADRAS.

To

True copy of Board's

Proceedings, dated 27th July 189 .
No. 2015 Misc.

Subject.

1898
REVENUE DEPT.

Office of the Board of Revenue
(Land Revenue)

Dated 24th August 1898.

Read again Board's Progs.No.2015 Mis.d/.27.7.1898.

Read the following letter from the Managing Agents
of the Godavari Coal Company, Limited, Madras, dated 11th August 1898

We have the honor to acknowledge receipt of the --
Board's Proceedings No.2015, dated 27th ultimo, and have the honor --
to enquire whether a mining Lease for a period of five years could
be granted to the Company for 1.66 square miles of land. In the --
event of sanction being accorded for the mining Lease for five --
years, the Company desire to have the option provided under the Mi-
ning Rules for a renewal of the Lease for a period of 15 or 20 --
years.

Under the Revised Rules for Quarrying and Mining
in Madras Presidency 1897 we think such a Lease could be granted to
us at Rs.1 surface Rent plus Annas 4 dead Rent or Rs.1/4 per acre.
Although it is not our intention to explore the land further at --
present we request the Board will consider the large sum we have
expended and the hardship that might possibly be entailed on us --
should others successfully take up the quest. In the meantime the
Company is trying to recoup itself by Graphite Mining at Perakonda
and may hereafter be in a position to resume the search for coal --
which is now suspended in order to avoid overburdening the Company
with further capital outlay.

Reference No.944, dated 24th August 1898.

The papers read above will be submitted to Govern-
ment with reference to para 1 of its Order No.6397, dated 13th De-
cember 1897.

2. In para 2 of Board's Proceedings No.3670 Mis., da-
ted 29th September 1897, the Collector of Godavari was requested to
inform Messrs.Binny & Co. of the decision of the Government of In-
dia that the left edge of the water of the Godavari river as shown
the latest survey map should be taken to the boundary with re-
gard to the mining rights between the Godavari District and the --

Dominions

Dominions of H.H. the Nazam. He was further instructed to inform the Firm that the demarcation of the boundary line was under contemplation and that if they wished to ~~continue~~ continue mining operations, they must take out a ~~mining~~ mining lease at the earliest possible date to run from the date of ~~the~~ expiry of the prospecting license viz. 31st March 1897.

The Board subsequently proposed to restrict the delimitation to a space of 6 miles adjoining the coal fields and to defer the actual demarcation until the Godavari Coal Company made application therefor. Government approved these proposals- vide G.O. No. 6897 dated 13th December 1897.

3. In his letter dated 4th July 1898, the Collector reported that the Company had applied for a mining lease for 30 years in respect of an area of 1.66 square miles of land included in the prospecting licenses previously granted, that the land had not been demarcated and that it was therefore impossible to specify the exact boundaries or the precise extent of the Government land comprised therein. He added that the Company had taken no action on his requisition calling for the erection of fixed boundary pillars defining the limits of the area applied for. In these circumstances the Collector recommended the grant of a prospecting license for the period intervening between the date of expiry of the license previously issued (viz. 31st March 1897) and the ~~erection~~ execution of a mining lease. The Board, however, pointed out to the representatives of the Company, Messrs. Binny & Co., that the course was impracticable in view of the provision in para 32 clause (1) of S.O. No. 15 and at the same time called upon them to state definitely and

out further delay whether they intended to carry out mining operations or to allow the enterprise to fall into abeyance. In the former case, they were requested to intimate the period within which they would be able to demarcate the area applied for.

4. In the letter read above, Messrs. Binny & Company, as Managing Agents of the Godavari Coal Company inquire whether a mining lease for 5 years can be granted in respect of an area of 1.66 square miles of land; if so, they desire to have the option of renewal for a further period of 15 or 20 years. They consider that, under the revised rules for quarrying and mining, such a lease can be granted subject to the payment of surface and dead rents at Rs. 1 and 4 annas per acre respectively, and while admitting that they do not intend to explore the land

further

further at present, request that the Board will consider the large sum they have already expended on the enterprise and the hardship that would be entailed on them if others should successfully take up the quest for coal which they have inaugurated. Their letter concludes with the statement that they propose, if practicable, to recoup themselves by graphite mining at Perakonda, in order that they may be in a position to resume the search for coal without overburdening themselves with further capital outlay.

5. Messrs. Binny & Co. have not answered the Board's query as to the period within which they will be able to demarcate the land applied for; but from the general tenor of their reply, the Board gathers that they do not propose to carry out any demarcation for the present. The proposal to defer active operations for an indefinite period and the application for a five years' lease show that the main object of the Company is to prevent others from stepping in to carry on the enterprise which they have started but are at present unable to continue for want of sufficient capital. It is clear that Messrs. Binny & Co. have overlooked the provision contained in clause (viii) of para 39 of S.O. No. 15 requiring every lessee to commence operations within 2 years from the date of the execution of the lease and to carry them on thereafter effectually in a proper, skilful and mining-like manner unless prevented by unavoidable cause. This provision would debar the Board from recommending the grant of the mining lease on the terms implied in the Company's letter, even if it were disposed to consider such a course expedient. The circumstances now brought to notice would, of course, receive full consideration, should the Company desire at any future time to recommence prospecting operations and their fund can find rival applicants in the field; but the Board cannot recommend that the Company ~~should~~ should be empowered to keep rival applicants out of the field for a period of 5 years.

If Government approves the view taken in these Proceedings, they will be communicated to Messrs. Binny & Co. In the meantime, the Collector is requested to report at an early date whether any, and if so, what charge should be made for the irregular occupation of the Government land comprised in the prospecting license during the period which has elapsed since the date of its expiry viz. 31st March

1897.

Lance Davidson
Ag. Secretary.

To the Secretary to Government, Revenue Department.
-- the Collector of Godavari.

C.B.

See. 1894

$\frac{D}{4}$ 1,000-8-4-97.

REVENUE DEPARTMENT.

C No. 5979 & 6954

From The Bd of Rev Land Revenue

Nos 944 & 1129 Dated 24-8 & 6-10 1898.

FOR ORDERS.

Levy

In 1890, the Bd authorized
the Collector of Godavari
to grant to Messrs Brinny & Co
prospecting licenses to search
for coal at a fee of Rs
10 each for six months.
The license was to be in
form E attached to
B.S.O No 15 mutalis mutaudin.
Under this license, the
licensees were to pay 10 Rs
per license + the surface
assessment.

In 1893, Messrs Brinny
& Co informed the Bd that
the prospecting licenses
which they obtained
under Bd's Prop 1128
25-2-90^e expired on
the 30 Sep 1890 & as
prior to this the Govt.

Vide B.P. ^A 3534 ^D (80.3535)
13-6-93 (80.22.9.93)
& also B.P. ^B 4 ^C 7-4-90 (80.490)
& 112 ^C 25-2-90 (80.25.6-90)
1.2.45

Vide the form
in the B.S.O 21890
appx to B.S.O 15
1.32

Vide B.P. ^A 3534 ^D 80.3535
13-6-93 80.22.9.93

FOR ORDERS.

sanctioned the grant of
a lease to the Company
by G.O. 8 13-9-90 No 731
a renewal of the prospecting
licenses was considered
unnecessary.

The Bd ~~collected~~
~~the following~~
thereupon pointed out
that the Collector should
have ~~known~~ seen that
the licenses were renewed
and recommended that
as the Co. (for the
interest of Messrs Binnay
& Co had been transferred
to the Godavari coal Co. & Co.)

has been carrying on
prospecting operations
after the expiry of the
time allowed in the
original license, it should
be called on to pay
the prescribed fee of
Rs 10 for each license
for the succeeding half
year. This proposal was
approved by the Bd.

Meanwhile, negotiations
for the grant of a mining
lease to the Godavari Coal Co. & Co.

E
Vide B.P. 4911 24-8-93 & G.O. 3535 12-9-93

G.O. 3535 22-9-93

were going on. Finally the
grant was sanctioned by
India & the draft of
a lease to be granted
to the Co. was finally
approved in G.O. No 860
8.5.12-94. Difficulties
then arose in connection
with the settlement of the
boundary in the Godavari
rivers between this Govt
& the Nizam's Darbar
& the execution of the
lease was postponed.

The Bd then proposed
that, pending the execution
of the mining lease, a
single prospecting license
(in lieu of several separate
licenses previously issued
to various members of
Binnay & Co) be ~~granted~~
granted in the form
appended to the revised
G.O. No 15 (15.7.95)
with necessary changes in
respect of the rent & govt
to be charged ~~min~~
to the Co. for a
period of

Commencing from the
1st April 1895.

The rent was to be
4s per acre on the lands
over which Govt had surface
rights; the royalty was to
be 2 annas a ton.

The 1st proposals
were approved.

A little before this
Govt had ^{practically} sanctioned the
proposal that from
the Company's beginning
mining operations
in anticipation of
the execution of the
mining lease.

In G.O. 578 of 10.2.96 M
the prospecting license
first sanctioned in G.O.
3600 of 5. Sep 1895
was ordered to be granted
for the period 1st Apr 95
to 31st March 96, the
first condition

"That this license
shall be available only for
the purpose of searching
for the mineral ore &

G.O. 3600 of 5. Sep 1895

Vide letter from the Com
Managing Agents of 1. Oct 94
& G.O. 4440 thereon 15. Nov 94

N and In G.O. no. 565 of 26.10.96
the Govt sanctioned the grant
of a fresh license for a
further period of one year
i.e., till the 31st March 1897.

O In G.O. no. 338 of 15.5.1897 the
decision of the Govt of India
that the left edge of the water
of the Godavari river as shown
in the latest survey map should
be taken to be the boundary with
regard to the mining rights
between the Godavari District
and the dominions of His Highness
the Nizam ^{was communicated to the B.O. 26} In D.O. no. 367

of 29.9.97 the Collector was
directed to inform Messrs Dint
& Co that the demarcation of the
boundary line was under consi-
deration and that if they wished
to continue mining operations
they should take out a mining
lease at the earliest possible
date to run from the date of
the expiry of the prospecting
license viz 31st March 1897

[The period for a prospecting
license cannot be extended]

altly In G.O. no. 5713 of 1.11.97
P

you - please see rule
32 [16] (i) of the rules for
the grant of prospecting licenses
and mining leases.]

2. In the first of the
papers read above the Board
of Rail submitted with its remarks
an application from Messrs
Primney & Co. inquiring whether
a mining lease for five years
can be granted in respect
of an area of 1.66 sq miles
of land with option of renewal
for a further period of 15 or
20 years. The Board is of
opinion that the object of the
rule being evidently to prevent
others from stepping in to
carry on the enterprise which
they are at present unable to
continue for want of sufficient
capital, the lease asked for
should not be granted. The
Board at the same time states
that should the Company desire
recommendations prospecting
operations and find mineral
in the field the
circumstances

B

The Collector has been
requested by the Bd to
report whether any
fee, what charge should
be made for the occupation
of the land after 31st
March '97.

circumstances may be taken
into consideration.

3. In the second of the
papers read above Messrs
Primney & Co report that
the shareholders of the Company
consider it useless to continue
the search for coal, and request
that, in consideration of the
heavy outlay they may be
given the first lien if others
should desire to explore the
tract further.

4. He submitted that the
question is one for future
consideration and no promise
can be held out now.

The Bd's remarks in
para 5 of the report
of the Prop &
be approved.

M. J. 1.21.97

H. M.

The Prop may agree with
the Board generally. No definite
promise can be held out
as to the future ex
of every consider

C 3/11/98

again to any future application
2: the Co? Resume operations. Yes - provided
no other persons have
obtained licenses to
prospect or mine.

In Under Secy
Please see Draft 8.0.
submitted on the back of C. No.
6934.

2. With reference to
the H. H's remarks above
attention is solicited to Rule 8(1)
p. 5 of B. P. No 40 of 2.95
and to para 1 of the form
of prospecting license printed
p. 10 of the same B. P.
in which it will be seen
that under the license granted
by the Godavari coal company
we had the "full and exclusive
"right" to prospect. No other
persons were granted licenses
to prospect or mine. It is
therefore submitted that no
addition to the Draft 8.0. is
warranted with reference to
this point.
Please see marks Secy read the H. H's note as referring to the
future. Please see draft on despatch 10.

When given for copying _____
When copied _____
When examined _____
When signed _____

189

AND AGAIN G.O. No. _____ DATED _____
189

ENCLOSURES TO C. No.

GOVERNMENT

A A A A A A A

LETTER OF GOVERNMENT.

STATEMENT WITH DITTO.

ARE NOT LAYED UP, BEING MEANT FOR DISPATCH

N.B.—
A = Copy in full.
B = Not to be copied.
P = Copy abstract only.
Q = Copy heading only.