

PROPRIETOR,  
Gourihouse Metal Works.

In the absence of an authenticated report to that effect, I am afraid the public interest may suffer and I am not prepared to run the risk involved in it.

15. The State Government supported us in the issue of mining lease since an industrial licence had already been given to us under the Industries Act and since the deposits were known to exist only to the extent of sustaining one factory in the District. There was no other licence for a second factory in the District.

16. Waiving the priority is justified if special reasons exist, and in the view of Madras Government there are special reasons in this case as set out above besides there are number of precedents for waiving the priority in point of time for special reasons and upon the recommendations of the State Governments.

17. We feel sure, therefore, that the Ministry of Mines will certainly take the several facts we have subsequently represented to them into consideration in deciding this issue and any decision in this regard will be in our favour. We therefore, request you to be pleased to recommend our case to the Mines Ministry at your earliest convenience without further loss of time so as to enable us to proceed with the setting up of this project within the stipulated time.

18. If, however, after granting us the lease asked for, further investigations by the Government Geologist revealed definitely that the total deposits available in the District are very much in excess of the requirements of our proposed factory for a capacity of 1000 tons of cement per day for about 50 years, such additional deposits may be disposed off in such manner as may seem expedient or appropriate. I would therefore like to suggest that in assigning the lease to us for the entire lands we have asked for, a safe-guarding clause on the above lines may be introduced if necessary.

19. This should satisfy everyone concerned and will have the further merit enabling the various works connected with the setting up of the cement factory being undertaken immediately. As we have pointed out more than once, time is the essence of the matter and if further delays occur in the grant of the mining lease to us, irreparable loss would result and all our energy, time and capital devoted to this project become wasted.

20. I would, therefore, request you to be good enough to give your full support so that we could get the mining lease quickly and proceed further in the establishment of the factory.

With kind regards,

Shri M. Manubhai Shah,  
New Delhi.

Yours sincerely,

*M. Manubhai Shah*

P. A. C. RAMASAMY RAJA,

MANAGING AGENT,  
Rajapalayam Mills Ltd.,  
The Ramaraju Surgical Cotton Mills Ltd.,  
Jayaram Mills Ltd.,  
and  
PROPRIETOR,  
Gourihouse Metal Works,

PHONE 24.

"RAMAMANDIRAM"

RAJAPALAIYAM. (S. India)

31st May, 1957.

Dear Shri Manubhai Shah,

I am grateful for your kind assurance that it would be the declared policy of the Ministry to enable us to implement the scheme of setting up the cement factory and to make available the requisite quantity of limestone for such purposes. I had also agreed that excluding areas to be leased out to me for a capacity of 1000 tons of cement production per day for about 50 years, the government should be free to have the balance of areas of limestone deposits needed for other purposes.

2. In deference to your wishes, I met Mr. T. S. Narayanswamy of India Cements Ltd., at his office on the 30th instant. Shri S. Narayanaswamy, former President of Madras Stock Exchange, who is a common friend of both of us, was also present during the discussions.

3. Mr. T. S. Narayanswamy of India Cements Ltd., at the outset showed me copies of letters addressed to the Minister of Industries, and to the Secretary in the same Ministry, wherein he has stated that he should first have the industrial licence for setting up of another factory in Ramanathapuram District when he would be in a position to apportion certain lands to me and that it would take some time before he could do it. He had also suggested earlier in his above letters that he would be prepared to supply us with the limestone required for my proposed factory from out of his areas to be covered under his mining lease in the Ramanathapuram District.

4. He further stated that they would require the deposits in Sattur area for their expansion purposes - India Cements Ltd., in Tirunelveli District. You are aware that Sattur is in Ramanathapuram District while he is contemplating the utilisation of limestone available in Ramanathapuram District to his existing factory in Tirunelveli District. Whereas they have clearly stated while applying for their expansions in Tirunelveli that their own huge deposits in Tirunelveli itself would be quite sufficient for their expansion schemes.

5. It may be recalled during our discussions at Delhi recently you were kind enough to declare that in no case the limestone available in Ramanathapuram District would be allowed to be taken to Tirunelveli District.

6. After determining all these aspects he said he would be able to apportion some areas which may feed my proposed factory for some years but not for 50 years.

7. He further said that he would never believe the reports of the Geological Survey of India and also of our Geologists, and that he would only base on his own Geologist Report.

P. A. C. RAMASAMY RAJA,

MANAGING AGENT,

Rajapalayam Mills Ltd.,

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RAJAPALAIYAM. (S. India)

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8. It is thus obvious that he has proceeded on the pre-conceived idea that he had already in possession of the mining lease with him in the Ramanathapuram District and that he is certain to get the industrial licence for another factory in the District before end of June 1957.

9. It is also evident from the discussions that he has no idea of any further survey of lands in the Ramanathapuram District, but he is proceeding for apportionment of the entire lands, just into halves, for which we have applied for mining lease, purely on the basis of the reports of his own geologists; one half for him and another for me.

10. In the circumstances, I am only sorry to tell you nothing tangible will come out by our any further discussions in this regard in view of the fact that the other side's intentions are very clear now.

11. First of all, it is very doubtful if any Government will accept the findings of the report of the private Geologist for an area especially when there are already published reports by the G.S.I. for the entire Ramanathapuram District after a systematic and scientific survey. The latest report for Ramanathapuram was published in the year 1955. It is only according to these latest reports which were duly confirmed by our own Geologists we were prompted to undertake this project in the above District and the State Government supported the proposal after careful scrutiny as to the availability of the limestone deposits in the District.

12. We still maintain that according to these Government records and confirmed by our own Geologists, the entire area of lands for which we have asked for the mining lease in the Ramanathapuram District will contain a little more than 12 millions tons of limestone suitable for cement manufacture, which might feed our proposed factory for about 30 years or so. You know such an industry should have an assurance of raw materials for at least 50 years.

13. In the circumstances, you will appreciate that we can rely only on the Government records and the State Government advice on the matter and not on the report of private geologists whatever be the nature of survey they have made. After all, the Geologists who are only paid employees of India Cements Ltd., have made the reports which cannot be relied upon.

14. When we undertake setting up of a project of this nature by getting subscriptions from the public, they have to be satisfied that the proposed industry has the necessary assurance of the requisite quantity of raw materials so as to feed for at least 50 years by economic winning of the limestone. The public can be satisfied to make sure that their investments would be safe in this project, if and only that assurance is based on the authenticated records of the Government.

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and

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"RAMAMANDIRAM"

RAJAPALAIYAM, (S. India)

May 31, 1957.

Dear Shri Dr. Krishnan,

I am indeed grateful for all your kindness and hospitality extended to me when I was at New Delhi recently. It was very kind of you to have sponsored my case with the concerned at Delhi and I am confident your kind intervention is most timely which would certainly produce desired results.

2. Soon after my arrival here, I was eager to meet Mr. R. Venkataraman, State Minister for Industries, and explain to him the whole position so that he could do the needful. But, unfortunately, he is still laid up with flu and Doctors have strictly advised him to take complete rest. He has therefore cancelled all his engagements and tour programmes including his Delhi visit. In the circumstances, he is not likely to visit New Delhi in the near future.

3. Meanwhile, in accordance with the suggestion made by Mr. M. M. Shah in his letter to the other party, I met Mr. T. S. Narayanswamy of India Cements Ltd., on the 30th instant at Madras. As expected, nothing has come out by our meeting. Consequent to my discussions with Mr. Narayanswamy, I have today written a letter to Mr. Shah. I enclose a copy of the letter which is self-explanatory.

4. As you have rightly pointed out, we can never depend upon any private negotiations which will be endless.

5. Time is the essence of the whole matter and if further delays occur in the grant of the mining lease to us, irreparable loss would result and all our energy and capital devoted to this project become waste.

6. In the circumstances, I take the privilege of requesting you to take a positive action in this without losing any more time. I have no doubt your effective intervention will resolve this outstanding problem satisfactorily and quickly.

7. I therefore, request you to meet Mr. Malavya once again and Mr. Kaul, the Joint Secretary and explain to them the whole case so that they could call for the files from the Heavy Industries Ministry immediately and pass favourable orders. As Mr. Malavya has rightly expressed to you, it was only formal for the Central Government to approve the proposal of the Madras Govt. who were competent to grant the mining leases and who have established special reasons in terms of the mineral Concessions Rules for the grant of mining lease to us.

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8. I would even venture to suggest you to spend a day exclusively for this as it would settle the matter. I know well you are extremely busy these days; but your timely and effective intervention is essential so that the mining lease affair could be settled on our favour and we could proceed with setting up of this national project without any further delay.

I shall be eagerly looking forward to hear from you soon.

With kindest regards,

Yours sincerely,

*Allan*

Shri Dr. K. S. Krishnan,  
Director,  
National Physical Laboratory of India,  
Pusa Road, DELHI.

P.S. The letter addressed to Shri M. N. Shah which is enclosed herewith has not been sent to him. I intend sending that letter to the Minister only after your approval of the said letter. So please advise me on the matter.

*Allan*