SELECTIONS
FROM THE
PUBLIC CORRESPONDENCE
OF THE
PUNJAB GOVERNMENT
(Published by Authority.)

VOL. IV., NO. 2.

I.—Correspondence regarding Tea Plantations in the Punjab Provinces.

II.—Papers regarding the insalubrity of the Pesha-wur valley.

Lahore:
HOPE PRESS: HENRY GREGORY.
1859.
PUBLIC CONSCRIPTION
OF
W. Y. GOVERNMENT

[Text continues on following pages]
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To

J. D. DICKINSON, ESQUIRE,

Secretary to the Honorable the Court of Directors of the East India Company.

SIR,

The subject of Tea cultivation, in the Himalayan provinces of India, has occupied my attention for some time past; and I have been engaged with several highly influential capitalists in London in forming a joint stock company, for the purpose of entering upon this branch of enterprise.

2. The object, which the Government of India had in view in the establishment of tea nurseries in the Himalayas, has been declared, by the late Chairman of the Court, to have been "the trying experiments for the sake of the settlers," and of handing them (the nurseries) over to settlers whenever the experiment had been shown to be successful, and settlers were found willing to take them. Vide evidence before Select Committee of the House of Commons on Colonization and Settlement (India) quoted in the margin.
3. The experiment has proved, beyond a doubt, that the climate and soil of various parts of the Himalayas are admirably adapted to the growth of the tea plant. Vide extract* from the report of the Superintendental Botanical Gardens, to the Government North-Western Provinces, dated 17th March, 1857, quoted in the margin.

It only remains, therefore, to find settlers willing to take the tea nurseries, to fulfil the conditions of the object which, it has been avowed, the Government had in view in establishing them.

4. Entertaining the opinion that it lies only in the power of a large public company, possessed of adequate capital to fulfil the objects, and to carry out, to the fullest extent, the wise and benevolent wishes of the promoters of Himalayan tea cultivation, the gentlemen associated with myself, have been engaged in forming such a company, and are now prepared to enter upon the undertaking, with such an amount of capital as the Hon'ble Court may think necessary.

5. In support of the opinion above expressed, I trust I may be permitted to refer to the following extracts from official documents.

Mr. Fortune, in his "report upon the present condition and future prospects of tea cultivation in the North-Western Provinces and in the Punjab, November, 1856," states:—

"Tea cultivation, to be profitable, must be carried on extensively, and to do this a large amount of money


must be available." And, again, "a large public company, got up by men of unblemished reputation, and possessing sufficient capital, is much more likely, in my opinion, to succeed, than detached small capitalists. I have no doubt that, by avoiding the errors formerly committed in Assam, and by taking care that proper officers are appointed to manage its affairs, such a company would find tea cultivation in these provinces highly remunerative. In this case Government might hand over all the present plantations, buildings, and implements at a valuation; and at the same time make certain proper and stringent stipulations regarding the tea manufacturers, who would also be invaluable and indispensable to such a company."

Dr. Jameson, Superintendent Botanic Gardens, Saharanpoor, 17th March, 1857, says:—

"These brief preliminary remarks show to what important results tea cultivation might be brought in this country by British capital and British enterprise, as I quite concur with Captain Ramsay that no native will risk his money extensively in such an undertaking, it being foreign to his nature to do so. But let British capital and enterprise be embarked, in proportion to the importance of the cultivation and the support it merits, and thus give employment to thousands of poor but able-bodied and excellent workmen, when their labors are properly directed, and these hills will soon become as important to the State as any province of the plains."

6. But as some inducement is found necessary to draw British capital to a distant, and but little known, country, either in the shape of a guaranteed rate of interest, as in the case of Indian Railways, or in the pros-
pect of immediate returns for money invested, a concession of the existing tea plantations, factories, implements, and establishments, upon such conditions as the Honorable Court may consider necessary, is absolutely essential to the success of the undertaking; and I am requested to ascertain whether the Honorable Court is prepared to fulfil the pledge indicated in the avowal of the late Chairman, already referred to, and to surrender to this company their several tea nurseries, &c.

7. The formation of European settlements in the hills would be materially assisted by the operations of a public company, by the creation of new branches of industry, consequent on the cultivation and manufacture of tea on a large scale, affording employment to the wives and children of time-expired soldiers and other settlers.

8. The interests of future cultivators of tea in the Himalayas, both European and Native, as well as those who have already been engaged in such cultivation, would be advanced by this company; as they are prepared, not only to make gratuitous distributions of seed, as is now done by the Government, but to promote the extension of cultivation among the zamindars and smaller landholders by a system of money advances, on the principle adopted by the indigo planters in Bengal, which the Government are precluded from doing,—and by the establishment of manufactories in convenient localities for the manipulation and preparation of tea from the raw leaves, which cannot be safely entrusted to native growers.

9. That private individuals on the spot have not entered upon tea cultivation more largely, is not to be wondered at, and may easily be accounted for. The terms
upon which grants of land are offered by the Government are liberal. Seeds and seedlings are gratuitously distributed. The success of the tea growing experiments has been an established fact for the last twenty years; yet, up to this time, not more than half a dozen Europeans, and about as many Natives, have engaged in the cultivation, which does not extend beyond a few hundred acres. Want of capital is, undoubtedly, the main cause of so little having been done. The expense of clearing the virgin soil is very great, and the tea plant does not yield a return until the fourth year. The natives are too poor to bear the first expense, or to wait for the return. The Europeans who have entered upon the cultivation, are principally retired military or civil officers, whose means, in general, are not adequate to enable them to engage extensively in such undertakings. In Assam, where the tea plant was discovered growing indigenous, about the same time that experimental nurseries were established in the Himalayas, a company was formed within six years of the discovery, and its operations have extended to almost national importance. The Government nurseries, established in that part of the country, were made over to that company unconditionally; the success, which has followed their operations, is a fair criterion of what might be accomplished in the more favored provinces of the North-West.

10. Judging from the avowal of Mr. Mangles, it is quite competent for the Hon’ble Court to deal with this matter without further reference to the local authorities,—which, indeed, would only involve unnecessary delay, and preclude the promoters of the company, which I represent,
from availing themselves of the opportunity of a favorable state of the money market, to put forth their prospectus to the public. It would, moreover, have the injurious effect of leading the public to suppose that the East India Company was averse from promoting British enterprise in the east, and that they made avowals which they had no intention of fulfilling.

I have, &c.,

(Signed) H. C. WATTS.

62, Moorgate Street,

LONDON E. C.,

6th July, 1858.

To

H. C. WATTS, ESQUIRE.

Sir,

I have laid before the Court of Directors of the East India Company your letter, dated the 6th instant, in which you state that you have been engaged with several highly influential capitalists in London in forming a joint stock company for the purpose of cultivating tea in the Himalayan provinces of India; and you solicit a "concession of the existing tea plantations, factories, implements and establishments," on such conditions as the Court may consider necessary; and you further request that the Court will deal with the latter, without reference to the local authorities, in order to avoid delay, and to enable the promoters of the company, which you represent, to avail themselves of the opportunity of a favorable state of the money market, to put forth their prospectus to the public.
In reply, I am directed to inform you that the Court entirely concur in the opinion intimated in your letter, that the experimental cultivation and manufacture of tea in the Himalayan provinces of India, which have hitherto been conducted under the superintendence and at the expense of the Government, have exhibited results so favorable as to justify a confident expectation that the further prosecution of those measures may be undertaken by means of private enterprise, with every probability of a successful issue; and the Court of Directors are anxious to give their most efficient aid to any well considered project for carrying such an undertaking into operation.

The Court are, however, informed that various applications have been made to the local authorities, both by companies and private individuals, for the transfer to them of the whole, or part, of the tea plantations which have been established by the Government. It is, therefore, under these circumstances, impossible for the Court to entertain your request for a concession of the existing plantations, and they must refer you, on this point, as well as with regard to the terms on which any portion of the establishments and implements may be made over to the company which you represent, to the authorities on the spot,—assuring you, at the same time, that they will be prepared to confirm any reasonable arrangements which may be settled by the Local Government for carrying out an object which the Court consider to be of great national importance.

In respect to your remark, that the Government nurseries in Assam were made over to the Assam Tea
Company "unconditionally," I am directed to inform you that the statement is not correct. The Government of India were at that time permitted, under special conditions, to make over to the Assam Company a portion, not exceeding two-thirds, of the Government plantations, together with the establishments employed on them. The Court of Directors will be quite prepared to confirm any similar arrangements which may be made by the authorities in the North Western Provinces, after being satisfied that the parties, proposing to engage in the cultivation and manufacture of tea in those provinces, are in a position to pursue that object with a fair prospect of success.

I am, &c.,

(Signed) J. D. DICKINSON,
SECRETARY.

No. 406
1,881.

FROM
THE SECRETARY TO GOVT. PUNJAB
AND ITS DEPENDENCIES,

To
THE SECRETARY TO THE GOVT. OF INDIA,
FOREIGN DEPARTMENT.

Dated LAHORE, 11th June, 1859.

Sir,

In reply to your predecessor's letter, No. 33, dated 7th January last, I am now directed to submit, for the information of His Excellency the Governor-General in Council, the following account of the cultivation and manufacture of tea in the Himalayan provinces under the Government of the Punjab.
2. Experience has shown that, at a certain elevation, tea may be grown in the hill tracts of the Simla, Kangra and Huzara districts; and it may be inferred that the country, intervening between the two last named districts, which is under the government of the Maharaja of Cashmere, would be equally adapted to the nurture of the plant. In Huzara, however, although tea has been reared, no Government nursery has been established, and the character of the population is unfavorable to any experiment on a large scale. With regard to the Simla district, the extent of waste land, at the disposal of Government, is not yet precisely ascertained; but it is nearly certain that the area, fit for the culture of tea, is not large. The Kangra district, in truth, is the only one where sufficient land, the property of Government, and suitable for the growth of tea, is available for the establishment of a joint stock company, such as that alluded to in your letter under reply.

3. It is now some seven years since tea was first planted near the town of Kangra itself. There, however, the trial was not successful. Further experiments were then made at Nagrota, in the Kangra valley, about 8 miles from the town, and at Bhawârna. At both these places the plant flourished, and there was afterwards no doubt of the hill climate being favourable to its extensive growth. Now it happened that, close to Bhawârna, there was a tract of waste land, situated about N. latitude 32 degrees, and longitude 76 degrees 30 minutes, taking the name of Holta from a neighbouring village, and at least 4,000 or 5,000 acres in extent, which, being left uncultivated from superstitious motives by the natives, had been,
at the time of the revenue settlement, reserved as the property of Government. It was soon found that tea thrived as well here as at Bhawarna. Under the auspices of Lord Dalhousie, a Government plantation, under the superintendence of Dr. Jameson, was laid out. Year by year the cultivation was extended, until it now occupies 800 acres—bearing some five millions of plants. It is estimated that the produce of this year will amount to lbs. 26,000 of excellent tea, valued at rupees 52,000, or £5,200; and that, when in full bearing, the yield will increase to so large an amount as 1,50,000 Rs. The expenses are computed at rupees 16,000; there is, therefore, a very considerable profit, besides which, vast quantities of seeds and seedlings are distributed gratis to the native landholders of the district with the view of diffusing the culture of the plant.

4. The manufacture is conducted by Chinese, who have been specially hired; and, under their tuition, many natives of the hills also have become skilled in the business. The greater part of the tea manufactured during the last season, has been made over to the Commissariat department. At Dhrumsala itself, about 20 miles from Holta, is a smaller factory, and the land adjacent has been found peculiarly adapted for the finest sort of tea. Of the area about Holta, about 1,000 acres have been conditionally granted to Mr. Atherton, of the Bengal Civil Service, but the remainder is absolutely at the disposal of Government.

5. That the capital of a joint stock company might be invested in this land, with the object of rearing and manufacturing tea, with every prospect of success, the
foregoing recital will shew there is good reason to believe.

6. The question then arises, if it would be in any way detrimental to Government to transfer the plantations and factories, stock and block, to a company. Now, on this point, I am to observe that the original intention of Government seems to have been fulfilled. It has been proved that the climate and soil of the hills are congenial to the tea plant; that its manufacture can be carried on without difficulty; that the quality of the tea is good; that the natives of the vicinity are willing to cultivate, and able to manipulate it; that labor is abundant, means of transport available, and a sufficient market certainly open. As the experiment was never undertaken with any view of profit to the state, but rather with the object of displaying the capabilities of the country, and implanting a new product, the Lieutenant-Governor considers that the time has come when the Government may advantageously commit the management of the enterprise to the mercantile interest. But certain conditions must still be insisted on.

7. Letters,* expressing the opinions of Mr. McLeod, Financial Commissioner, and Dr. Jameson,—who has superintended the project from its commencement, are appended. The former has an intimate knowledge of the habits and feelings of the hill population; the latter, a practical experience of the measures by which they may be attracted to engage in the cultivation,
Both are agreed that the following stipulations should be made with the company:

Firstly.—The stock and block of the Government plantations to be taken at a valuation, and a certain number of shares in the joint stock to be reserved for parties in India who have previously made similar offers to those of the company.

Secondly.—The guarantee made by Government to zemindars cultivating tea to be maintained; viz., that they shall receive at the rate of 8 rupees per maund, for raw leaves, for a term of years.

Thirdly.—That the company shall engage to pay at the above rates, for a period of six years, to those zemindars to whom, during the past and present seasons, seeds have been distributed.

Fourthly.—That the company shall distribute, gratis, 100 maunds of seeds yearly, for the purpose of encouraging the cultivation among the zemindars.

Fifthly.—Where no advances of money have been paid to a zemindar, it shall be optional to him to discontinue the cultivation of tea, at his discretion. Where advances have been made, he is of course bound to repay them in raw leaves.

Sixthly.—The company should guarantee to the Chinese manufacturers the same terms on which they now work under Government.

Seventhly.—Land must only be rented or purchased from natives with their own consent.

8. On these terms, I am to state, the Lieutenant-Governor would gladly see the entire interest of the Go-
vernment, in the Holta plantations, transferred to a company.

9. It will be seen, however, from the report of the Financial Commissioner, that the vast extent of uncultivated land in the Kangra district, much of which is covered by forests, has not been reserved as the absolute property of Government. This question has been fully discussed by Mr. McLeod; and it is, therefore, needless to go again into the same detail. Suffice it to say, that the omission was made at the time of settlement, that the settlement has been confirmed by competent authority, and that there are, therefore, technical difficulties in the way of granting land, exclusive of claims on the part of native landholders. Consequently, in the event of the company desiring to occupy more land than is now at the disposal of Government, the Lieutenant-Governor would suggest that an agent should be deputed to select waste lands, which would be then made over by the district authorities, on such conditions and tenure as the incidents inherent in them will admit of.

10. The Lieutenant-Governor is himself convinced that the company will find it the most profitable and successful plan to have but little direct concern with the cultivation, and to confine themselves to advancing money to landholders—whilst they devote their principal attention to the manufacture of the tea leaves grown by the aid of their capital. On this plan, willing labor will be easily procured, and the growth of tea indefinitely extended.

11. One point, and that not the least important, has yet to be touched upon, and this is the character of
the company's agents on the spot. The confidence of
the hill people is easily won by kindness, but it is as ea-
sily lost by harshness, injustice, or insult. It behoves
the company, therefore, and especially at the commence-
ment, to choose such men for the conduct of their affairs,
as will conciliate the simple people with whom they have
to do, by the integrity both of their private and official
intercourse. The Government have been fortunate in
having for their agent Mr. Rogers, who is equally es-
teeemed by his employers and by the people; and whose
practical experience induces the Lieutenant-Governor to
recommend that his services be retained by the
company.

12. In this brief report, it has been practicable to
comprehend but a small portion of the valuable informa-
tion furnished by Mr. McLeod and Doctor Jameson; for
full details, I am to refer you to the letters of those
officers.

13. In conclusion, I am to add that Mr. McLeod
is about to visit England, and being long and inti-
mately acquainted with the Kangra district, may, with
great advantage, be consulted by the company regard-
ing the execution of their scheme.

I have, &c.,

(Signed) R. H. D. A V I E S,

Secy. to Govt. Punjab.
[ 15 ]

NO. 82.

FROM

W. JAMESON, ESQUIRE,

Superintendent Botanic Gardens,

North-Western Provinces,

To

R. H. DAVIES, ESQUIRE,

Secretary to the Govt. Punjab

and its Dependencies.

Dated Saharanpoor, 25th January, 1859.

SIR,

I have the honor to acknowledge receipt of your letter, No. 170, dated 20th instant, with enclosures, regarding the formation of a joint stock company in London, for the cultivation of teas in the Himalayan provinces of India; and, in compliance with the orders therein contained, I shall confine my remarks to the Kohistan of the Punjab.

2. By the operations carried on by Government in the Kohistan of the Punjab, but more particularly in the Kangra valley, for the last seven years, it has been proved that many tracts are admirably fitted for the cultivation of the tea plant; that the teas prepared have been pronounced by most competent authorities—the London tea brokers—and the Indian public—well fitted for the market; and that the cultivation can be profitably carried on.
3. Thus, the results obtained from the Kangra plantations, which will shortly be submitted in detail for the consideration of the Honorable the Lieutenant-Governor, show that the out-turn of teas last season was lbs. 13,190, and that the out-turn this season (1858) may be estimated at lbs. 26,000. I say may be estimated, as the sifting, &c., and packing, has not yet been finished, and the estimated yield can, therefore, only be an approximation. In addition to this quantity of tea, 270 maunds of tea seeds and two lakhs of seedlings have been distributed, *gratis*, to zemindars, to enable them to carry on the cultivation on their own account; and these results have been obtained at an expense of not more than 16,000 rupees. At the present moment the market value of teas in the North-West Provinces may be quoted at rupees 2 per lb. The value, therefore, of the teas alone prepared in Government factories in the Punjab this season, may be given at 52,000 rupees, which, when balanced against the expenditure, shews a credit in favor of the plantations of rupees 36,000. Nor have I given any credit to the plantations for the enormous quantity of seeds and large number of plants distributed, *gratis*, to the zemindars of the valley. This, therefore, proves the highly flourishing condition of the plantations. Moreover, there are upwards of 800 acres of land under cultivation, containing upwards of five millions of plants, the produce from which will annually greatly increase, and may be estimated next season at 40,000 lbs., and when in full bearing 150,000 lbs. It thus appears that the Kangra plantations are now paying all their expenses, distributing, *gratis*, on a large scale.
seeds and plants to the natives of the valley, and giving a high rate of interest for the money invested in them.

4. A company, now receiving the plantations and factories from Government at a valuation, would have no risk to incur, were their operations carried on with prudence and energy, and their capital applied to its legitimate object, viz., extension of tea cultivation in the Kohistan of the Punjab; as, with extended operations, the profits will be proportionally greater, even though the prices realized for the teas be greatly reduced by a large supply being thrown into the market.

5. In the Kohistan of the Punjab, there is a great opening for capital, and means are at once available for investing, profitably, a large sum of money; and if, after the success that has attended the cultivation of tea, Government be now prepared to make over their factories and plantations to a large and well organized company, they will, by so doing, in my humble opinion, as they have no desire to work the plantations on a great scale, be consulting the interests and welfare of the country; as capital, now available, would be of the utmost consequence in developing the cultivation, and making it of national importance. But before the plantations and factories, with their stock and block, be made over at a valuation to any company, it would be necessary to insist on certain special conditions being carried out, in order that the interests of the native landholders might be protected.

6. It would be necessary that the guarantees, made by Government with the zemindars, be faithfully carried out by the said company.
7. Many zemindars, as the Honorable the Lieutenant-Governor is well aware, have taken up tea cultivation on their own account, in order to sell the leaves to the factories at a valuation; and it has been guaranteed by the Government Officers that rupees eight per maund shall be given, for a term of years, for fresh and good leaves when brought to the factories. This rate, which I have proved can be easily paid, and at the same time allow a broad margin of profit to the manufacturers, even though the teas be sold at a very low rate, ought by the company also to be guaranteed for a certain number of years.

8. And, as during this season two hundred and seventy maunds of seeds, and two lakhs of plants, have been distributed to 69 zemindars in the Kangra valley, on the above specified conditions, and as in former years other zemindars have planted tea plants also on the above conditions, it would be just and fair that a guarantee be given by the company to purchase the leaves for six years at the above rate; and if any advances be made to induce others to enter on the cultivation, it ought also to be guaranteed that they be recovered from the zemindars in the form of raw leaves, and on the same terms. After six years, the officers of the company might make their own terms, as, no doubt, their experience will lead them to continue those made, it being their interest to do so in order to induce the cultivators to extend the cultivation by finding it profitable, or leading others, who have lands available, to take it up for the benefit of the company's factories.

9. But, that others may take it up with the same
prospect of success, it ought, secondly, to be guaranteed by the company, that seeds and plants be given gratis, and that 100 maunds be placed annually at the disposal of the district officer, free of charge, for distribution to zamindars; by so doing, distributing seeds through the district officer, the interests of natives would be protected, and they themselves would perceive that Government were still anxious to foster and encourage the cultivation.

10. It would be necessary to guarantee that any zamindar, receiving seeds and plants from the plantations in order to sell leaves to the company, ought to be allowed to discontinue the cultivation if no advances have been made to him, if from want of funds or any other cause he found it did not pay, or was desirous of cultivating other crops. If, on the other hand, advances have been made, the zamindars must first make good, by the delivery of a certain quantity of raw leaves, the amount advanced.

11. It would be necessary on the part of the company to guarantee to the Chinese tea manufacturers, now working in the Kangra valley factories, the same terms as have been granted them by Government, to induce them to remain in their employment.

12. The stock and block of the factories and plantations to be paid for at a certain valuation, to be fixed by parties appointed, one by the company and the other by Government; and, as several parties have offered in this country to purchase the plantations at a valuation, a certain number of shares in the company might be reserved for them.
13. By Government no other stipulations would be required, further than that the said company taking up lands on lease belonging to natives, must be led to understand that they can only do so with their consent and on their own terms.

14. By thus acting liberally, the capital of a company would become of the greatest consequence to the Kohistan of the Punjab. Labor is abundant and cheap, and the field of operations a wide one, and available for large capital; and all that is wanted to develop the resources of the country is money and hands to guide. But unless Government bind the company to act up to the guarantees, and have them stringently laid down, and thus protect the interests of the native community, tea, like indigo in many districts in Bengal, might become a misfortune, instead of a boon.

15. What is wanted generally through the Kohistan of the Punjab, are not European settlers or colonists, as already there is a dense but poor population, a vast number of whom have not the means of obtaining a livelihood, and who are willing and ready to work as tea cultivators for small wages—wages that would never support a European laborer. Moreover, out-door labor in this country, such as tea cultivation, is totally unfitted for the European constitution; and though a European can superintend others, he could not, at many seasons of the year, work with the spade or plough, as during the hot weather and rains, a time when his services would be most required in a tea plantation. The kind of persons most required, therefore, in the Punjab, are individuals representing a company, with large capital to work
up and develop the raw materials that abound; and if the company be careful in selecting their officers, and send only honest, sober, high principled men, and if they oblige them to bear in mind that the welfare of the natives, amongst whom they reside, is to be considered a point of primary importance when furthering the interests of the company, and in their dealings insist on their acting with honesty and probity, and allowing the natives to share in the profits of the cultivation by paying them a fair sum for their tea leaves, or lands when leased, and not, as in many places in Bengal with indigo, attempt to trick the natives to cultivate tea at a low rate by giving them small advances, when they could cultivate other crops with more advantage to themselves. If they do this, the high character that the European everywhere throughout the Kohistan of the Punjab now carries, will be maintained, and British capital and enterprise courted and encouraged.

16. As requested I return the original enclosures.

I have, &c.,

(Signed) W. JAMESON,

Superintendent Botanic Gardens,

North-Western Provinces.
FROM

D. F. McLEOD, ESQUIRE,

Finl. Commr. for the Punjab,

To

R. H. DAVIES, ESQUIRE,

Secretary to the Govt. Punjab and its Dependencies.

Dated Lahore, 9th May, 1859.

SIR,

I have the honor now to acknowledge the receipt of your letter, No. 169, of 20th January last, with enclosures, calling for a report on the subject of tea cultivation in the Kohistan of the Punjab, in connexion with proposals, submitted by Mr. H. C Watts, for the transfer to a joint stock company of two-thirds of the Government tea plantations and establishments, here and elsewhere, on certain conditions.

2. The only Government nurseries or establishments, at present existing in the Punjab, are in the Kangra valley,—the nurseries, with exception of two small plots of land at Bharwârna and Nagrota, and the manufactories, with exception of a small branch, one recently established at Dhurmsala, being exclusively confined to a village named Holta, situated on the slopes immediately at the foot of the Himalaya, at an elevation of about 5,000 feet above the sea, and at a distance of about 20 miles east of Kangra. As stated by Mr. Jameson, in the extract
quoted by Mr. Watts, tea has been tried, and found to thrive in Huzara, but no Government nursery has yet been established in that quarter.

3. On this point, therefore, the consideration of the question of transfer is practically limited to Holta; and here I would state that, as the control of the nurseries has never rested with the Financial Commissioner, my acquaintance with the subject has resulted entirely from my former connection with Kangra as Commissioner, which has led me at all times to watch the progress of the undertaking with lively interest.

4. The Holta nursery was established on a tract, containing at least 4,000 or 5,000 acres, which the superstitions of the people had led them, for many generations past, to leave waste; so that, when the settlement of the Kangra district was effected by Mr. Barnes, this tract was specially reserved. Sowings were first tried at Kangra itself, where, however, they did not thrive. They were next tried on plots of Government land at Nagrota, situated in the Kangra valley, at a distance from that town of about 8 miles, and at Bharwârna, of about 18 miles. The latter is situated close to Holta, and as the plant was found to thrive admirably in both the above villages, while no more land was available in them, the expediency of trying the Holta plain (so called) immediately suggested itself.

5. Here the plant was found to thrive with no less vigor than at Bharwârna; a small beginning only was made in the first instance; but more land has been broken up each year, until a large portion of the available waste has been covered with tea, to an extent which
the returns supplied to your office will doubtless show. As soon as the plants were somewhat advanced, Chinese manufacturers were introduced, with whom the people of the country were associated, and now a considerable number of the latter have become adepts at the manufacture of tea; though it is possible some of the more delicate processes, for the production of the finer varieties, may not have been communicated to them by the Chinese.

6. An application for a grant of 1,000 acres of the waste lands at Holta was made some time ago by Mr. H. Atherton, of the Bengal Civil Service; but the Government of India, in their Secretary's letter, No. 5,555, dated 7th November, 1856, intimated that, while there was every disposition on the part of Government to regard the application with favour, it could not be acceded to so long as he remained in the service. Since then, I understand that his application has been conditionally complied with, he having applied for his pension; and the correspondence connected therewith will doubtless be found in your office.

7. With this exception, I believe that Government is free and unfettered to make over the whole of Holta, with its plantations and establishments, as also the small nurseries at Nagrota and Bharwârna, to any party it pleases; and although the superintendent, Mr. Jameson, has been heretofore opposed to allowing our few native growers of tea to manufacture for themselves, I understand he is altogether in favor of the transfer of the nurseries, factory and establishments, to European capitalists of substance and respectability, who would not be
likely, by producing an inferior or adulterated article, to bring the produce of these parts into disrepute.

8. That such an arrangement would be highly advantageous, and calculated to give a vast stimulus to the production of tea in this quarter, I have myself no doubt; provided only the company were very careful in the selection of persons to superintend their operations. The people of these hills are an inoffensive, timid race, who will be found most tractable if treated with kindness and gentleness; but more easily repelled by violence, or rendered suspicious and distrustful by want of consideration and fair dealing, than any people with whom I am acquainted; so that this matter of selection is a vital one.

9. The present Overseer, Mr. Rogers, one of the band whom General Havelock collected round him in Her Majesty's 13th Regiment, has won, in a remarkable manner, the confidence and regard of the entire population, by his just and conciliatory demeanour and the purity of his life, to which I attribute, in no small degree, the remarkable success which has attended the Holta plantations; but were a person of an opposite character to be placed in his situation, a prejudice would at once be excited against the undertaking, the people would be scared, and difficulties of all kinds would speedily be experienced.

10. Some stipulations should at the same time be made with any party to whom the nurseries and establishments might be transferred, for fulfilling the terms entered into by Government with the Chinese manufacturers, as well as for giving supplies of seeds or seedlings to those
who might desire to cultivate the plant; but these are
details which could best be arranged by Mr. Jameson, the
Superintendent, after the measure shall have been deter-
mined on.

11. I have mentioned above that a small factory
was lately established at Dhurmsala by Government. This
was done primarily for the encouragement of a single
producer, a Rajpût of royal descent, in my own service,
by name Miân Têk Singh, who has established a tea plan-
tation of about 100 acres in the vicinity of that place.
As Dhurmsala is 20 miles distant from Holta, it would
not perhaps be worth while for the company to take over
this factory; yet, it would be matter for regret, if it were
abandoned, as the spread of tea planting in that quarter
is entirely dependent on its continuance. Têk Sing’s
plantations are yielding some 20 or 25 maunds of leaves
this year, and will yield a much larger quantity next,
while others are following his example.

12. A considerable number of plants, I may men-
tion, have been planted on my own grounds at Dhurm-
sala, at an elevation of about 6,000 feet above the sea.
From them two or three lbs of tea have this year been
manufactured at the above factory, and it is stated to be
of the very first quality,—thus realising the anticipation
long since entertained by Mr. Jameson, that, within cer-
tain limits, the higher the elevation at which the plant is
produced, the finer will be the aroma of the leaves.

13. The statements and calculations contained in
the letter of Mr. Watts, and in the prospectus which
accompanied it, appear to me to be generally very
correct and reasonable, and based upon careful enquiry
and good information. The second of the facts, however, given in the prospectus, as those upon which the scheme is mainly founded, is not at present true, as regards the Kohistan of the Punjab,—viz.—"That land for the cultivation of tea may be procured in almost unlimited quantity, and at the most moderate rate in these provinces;" and as this is obviously a point of vital importance to all who may enter upon the proposed undertaking, it is necessary that I explain fully how matters stand.

14. When applying, on behalf of the Revd. Mr. Procknow, for a grant of land at Kotgurh, of Simla, in my letter, No. 501, of 17th November, 1856, I forwarded original correspondence, from which it appeared, on the showing both of the Deputy Commissioner and of Mr. G. Campbell, that, at the time of settlement of the Simla district, the Government right to dispose of waste lands, in excess of the wants of the people, had been reserved. When, therefore, I learned from the index of correspondence submitted by the Commissioner Cis-Sutlej States, that an application from a Mr. Fleming, of Simla, for a piece of waste land on which to cultivate tea, had been negatived, on the ground that Government had reserved no rights to waste lands, I was much surprised, and at once made enquiries from the Commissioner, Mr. Barnes, on the subject.

15. I annex an extract, paras. 1 to 6, of a letter from him, dated 23rd November last, No. 304, which describes the real state of the case, as regards the Simla district. The remainder of his letter contains a remonstrance against the apathy of the Deputy Commissioner of Simla in this matter, which I do not think it necessary
to transcribe on the present occasion; and subsequent to the date of his letter, further correspondence has passed on the subject of ascertaining what extent of waste land exists in the Simla district, for which purpose the Surveyor General is about to supply a copy of his map of that region, which will shortly be issued. This it does not seem necessary to forward. The conclusion, however, arrived at, is that the amount of waste land available, in suitable localities, will not prove to be considerable; but that whatever may be required of any superfluous wastes, it will be practicable to appropriate and grant to intending tea planters, though it may perhaps be found expedient or necessary to transfer it burdened with a small annual payment to the proprietors of the estate to which it properly belongs, in recognition of their proprietary right.

16. I may here observe that I have adverted in the first instance to the district of Simla, because, after leaving the territories subordinate to the Lieutenant-Governor of the North-Western Provinces, it is the first hill district, and the first district containing tracts suitable for tea culture, which occurs. Next to it, and in immediate juxta-position, is the district of Kangra; and on the west boundary of Kangra, the submontane territory of the Maharajah of Jummoo commences, extending to the boundary of the Huzara district, and the villages annexed to Murree, which originally appertained to Huzara. As, therefore, the wild character of the tribes inhabiting that region renders it improbable that tea nurseries could at present be advantageously established there, even if land be available, which I doubt, it may be considered that an examination of the resources of the Simla and Kangra
districts practically exhausts, for the present, the question of lands under the Punjab Government which can be rendered available for tea.

17. Having, then, explained the state of the case, as regards Simla, I proceed to Kangra, which district contains, without doubt, by far the most important and most promising tea tracts in the Punjab; and here, it must be admitted, in limine, that, at the time of settlement, which was made by Mr. Barnes, no reservation of the Government right to superfluous waste lands was made. This was, I now think, an omission; but it was not noticed, nor, in fact, apprehended by me as Commissioner, when submitting Mr. Barnes' report; nor by the late Board of Administration when sanctioning it, although Sir John Lawrence, who was then a member of that Board, was familiar with the Kangra district, and had himself made the first summary settlement of a large portion of it.

18. The Board, however, in their letter to Government, No. 60, dated 17th January, 1852, which was approved by Government letter, No. 218, dated 13th February, 1852, and communicated to all Commissioners in the Punjab by Circular No. 15, dated 1st March, 1852, distinctly provided that all superfluous waste should be declared the property of Government, which has accordingly been done in all the "Bâr" tracts which form the centres of the several Doabs in the plains. For facility of reference, a portion of para. 9 of the Board's letter is transcribed in the margin; and where the instructions conveyed in it
Note. It is worthy of remark that the tract to which attention is specially directed, in para. 7 of the Government reply under the designation of "the districts from Chumba to Kunawur" is precisely that now under consideration; and although the subject then more especially discussed was that of foreign timber, yet the right of Government interference was clearly communicated, as respects that tract.

have from oversight not been carried out in any settlement, it may, I think, be a question how far the tacit approval of details, conveyed by a general sanction of that settlement, can be held to supersede those deliberate instructions.

19. Much of the details of the Kangra Settlement was completed by Mr. Barnes previous to the issue of the above instructions, but it was not finally closed until long afterwards; so that it cannot be said they did not apply to it.

It appears, at the same time, from paras. 416 and 417 of his report, of which extracts are annexed, that he did not himself consider the people to possess any inherent right in unappropriated wastes; while, as remarked by Major Lake, we have, in fact, asserted and enforced our right to manage these, whether forest or grazing land.

20. I annex copies of the letters* noted in the margin, which, though forming a portion only of the correspondence that has passed, will suffice to convey Major Lake's opinions and my own on the subject generally; and taken in connection with previous correspondence therein referred to, which is recorded in your own office, sufficiently explain

Commissioner's letter to my address, No. 376, dated 23rd December last.
the existing state of matters. As the case now stands, the local authorities consider their hands to be entirely tied in the matter of complying with applications for waste land, as the application even of the provisions of Section 8 of Regulation VII. of 1822, by which superfluous waste may be assigned to other parties than the original proprietors, on payment of a proprietary percentage or fee, is a process which should properly be resorted to at the time of settlement only.

21. Although I was unable to submit a report on the subject formally, previous to the departure of Sir John Lawrence; yet, as suggested by Major Lake, I solicited his opinion on the point; and he stated that if a handsome percentage on the assessment were allowed to the proprietors, the allotment to other parties of superfluous waste would, in his opinion, be admissible and advantageous.

22. My own view of the matter entirely accords with that of Major Lake, viz., that the people of these hills are as yet unconscious of any proprietary title to unappropriated waste; that whatever title they may now in fact possess, has been created by ourselves at the time of settlement; and, in my letter, No. 557, dated 29th December, 1856, submitting a proposal for a grant of land to the Kotgurh Mission, in the valley of Kôt, in the Kangra district, I stated to what extent I considered that the recorded settlement proceedings had committed us to a recognition of the title.

23. Under any circumstances, it is clear that an authoritative enunciation of the course to be pursued is requisite, before the local authorities can act in this mat-
ter, as the late Chief Commissioner's instructions—conveyed in his Secretary's letter to the Commissioner, Trans-Sutlej Division, No. 2,235, dated 24th October, 1856, virtually preclude them at present from entertaining applications.

24. The course, then, which I would recommend, is that some discretion be allowed to them; that they be authorized to entertain applications, and to dispose of them on their merits, submitting propositions for grants only where they are convinced, that it will be to the advantage of all parties that the grant be made, allowing a proprietary fee when the village owners advance a claim, and the settlement record of the village bears them out in it, but refraining from the authoritative suggestion of such claims where not advanced or established by the settlement record.

25. I have not annexed to Major Lake's letter, accompanying, a copy of the tabular statement to which it gave cover, but the following is an abstract of the most important portions of the information conveyed in it:

<table>
<thead>
<tr>
<th>Name of Tehsido or Pargannah.</th>
<th>No. of villages or Taluqs</th>
<th>Area in Acres.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Cultivated</td>
</tr>
<tr>
<td>Kangra,</td>
<td>12</td>
<td>9,289</td>
</tr>
<tr>
<td>Nadon,</td>
<td>12</td>
<td>45,555</td>
</tr>
<tr>
<td>Nurpur,</td>
<td>5</td>
<td>5,383</td>
</tr>
<tr>
<td>Harripur,</td>
<td>3</td>
<td>7,528</td>
</tr>
<tr>
<td>Khil,</td>
<td>3</td>
<td>1,189</td>
</tr>
<tr>
<td>Total,</td>
<td>35</td>
<td>68,990</td>
</tr>
</tbody>
</table>

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26. As stated by Major Lake at the close of para. 3 of his letter, the above contains only a few selected villages, while the whole waste of the district is given by him as 41,57,382 acres; though even this is a mere estimate, probably greatly below the truth; and although, as shown in the above, the greater portion is entered in the settlement records as barren and unfit for cultivation, I have no doubt whatever that a very large part, probably not much less than a half, will be found capable of bearing tea plantations with profit. The whole of the land at Dhurmsala on which my own tea seedlings have been planted, was previously considered wholly barren and worthless; and the quantity of such land available all along the range is almost unlimited.

27. It would be difficult to find anywhere in a tropical region, a tract of country more admirably suited in every way for the location of enterprising Europeans than the Kangra portion of the Himalaya; and while analogous lands in the Dehra and Kumaon districts have been freely made available, it is earnestly to be hoped that no insuperable obstacle will be found to exist to their being made available likewise here.

28. I have but one remark to make in conclusion, which is, that the plan which the Company propose to adopt of making advances to cultivators who will consent to raise tea, and supply the Company with leaves, is unquestionably that which is most likely to ensure a rapid extension of their operations, with the hearty consent and co-operation of the people; and if carried out judiciously, it might render the Company in a great measure independent of special grants of land, save for
the erection of buildings, formation of nurseries for seeds, and for other purposes not calculated to require the occupation of a large area.

29. The more wealthy and enterprising, however, of the native tea growers, judging from the wishes already expressed by them, will probably desire to manufacture for themselves, as being much more profitable than the sale of raw leaves; and whatever conditions may be entered into with any Company, care ought, I think, to be taken that no obstacles be thrown in the way of their realizing so commendable a wish. That the number of such persons is now rapidly on the increase I stated in paras. 89 and 90 of my Revenue report, dated the 12th of February last, which, as they exhibit the state of progress in the Kângra valley in this matter, I here subjoin.

I have, &c.,

(Signed) D. F. M O L E O D,

Finl. Commr. for the Punjab.

Extract Paras. 1 to 6, of a Letter from Commissioner and Superintendent, Cis-Sutlej States, to Financial Commissioner, Punjab, dated 23rd November, 1858, No. 304.

In reply to your letter, No. 2,037, dated 18th May, relating to an application for land for planting tea, preferred by Mr. Fleming of Simla, I have the honor to submit, in original, the further correspondence that has taken place on this subject. The original application and my reply thereto is also forwarded. I re-
gret the delay in replying to your letter above quoted, but you will observe that the Deputy Commissioner of Simla, has only just sent in his letter, dated 17th instant.

2. It is certainly correct, as you state, that Mr. Campbell declared that all lands, in the Simla hills, in excess of the reasonable wants of the zemindars, had been reserved for Government. But, so far as relates to a distinct and recorded stipulation of the fact, the assertion is not correct. Undoubtedly, by regulation and theory, the Government are entitled to divide off and make separate arrangements for the cultivation of any waste land, not only in the hills but every where else, which may be in excess of the reasonable wants of the zemindars laying claim thereto. The only consideration in such case will be, to assign some small proprietary allowance to the nominal owners. There is, therefore, no doubt, that, if waste lands were abundant, the Government would have an undoubted right to take possession of any tract, after leaving an ample margin for the requirements of local communities; and to assign the same to any other lessee. But, as I said before, there was no assertion of such rights at settlement, and there was no special reservation of Government lands, as distinct from lands held by the resident population. Such reservations were made in parts of the Hooshyarpoor hills by Mr. Christian, but no where else, that I know of;—though, as in the case of Holta tract near Kangra, the Government right was asserted whenever there was reasonable cause for applying the principle.
3. Lord William Hay's statement, with regard to the British spots of territory in the Simla hills, is to some extent correct. In the pergunnahs of Bughaut and Burrowlee, there is absolutely no land which can be declared beyond the reasonable wants of the people. The hill cantonments make large demands for grass and fuel, which these wastes, limited as they are, supply. The people divide off the hill side, upon which the grass has been preserved, into strips, determined by the extent of their rights in the village; and a boundary line is laid down between each such share. The portions containing brushwood or timber are scarce, and these again are virtually taken possession of by Government, for the people are not allowed to cut green wood, nor to gain any profit from the produce, which is appropriated for the use of cantonments. Such domains are few and limited. The ground is not calculated for tea plantations, being for the most part rocky and precipitous. A small Government establishment takes care of these tracts, and is paid from the proceeds at the discretion of the Deputy Commissioner.

In Kotgarh, the case is different; although the Government territory is very small, yet the proportion of forest land is greater than in Burrowlee and Bughaut. Mr. Procknow has here a grant of 400 acres, and Mr. Berkeley has a tea plantation, in which, I believe, are comprised the lands formerly occupied by the Goorkah detachment stationed at Kotgarh, when the opposite side of the river Sutlej belonged to Maharajah Runjeet Singh. Here there is no demand for grass, &c., by cantonments or British colonies, and doubtless there would be found much land,
in excess of the reasonable wants of the people, which might be marked off as Government demesnes. But Kotgurh is remote and isolated, the carriage of produce to market would be a considerable enhancement of the expenses, and therefore land in such a quarter is not in demand. Mr. Fleming's application was for land between Simla and Kussowlie.

5. Kôt Khaie is still more remote. The neighbourhood is famous for its iron ore, and is largely inhabited by iron smelters, who use up an enormous amount of fuel under their present rude system. I believe that they require entire command of the jungles, which, therefore, can scarcely be said to exceed their reasonable demands. Land, moreover, in this quarter is not in request.

There remains the recent acquisition of Nalagurh. I have only a superficial knowledge of this pargunnah, but I am doubtful whether any land will prove suitable and available for tea cultivation. But in this pargunnah, the settlement has yet to be made, and if there be any such tracts, you may depend upon it, I will take steps to secure them for Government.
No. 2,010.

FROM

W. GREY, ESQUIRE,
Secretary to the Government of India,

To

R. H. DAVIES, ESQUIRE,
Secretary to the Government Punjab.

Dated Fort William, 3rd October, 1859.

SIR,

With reference to your letter noted in the margin,* I am directed to forward a copy of a communication addressed to the Government of the North-Western Provinces, and to request that instructions may be given to Mr. Jameson, with respect to the Government tea plantations within the jurisdiction of the Punjab Government, similar to those conveyed regarding the factories and plantations in the North-Western Provinces.

2. It is recommended in your letter that the following stipulations should be attached to the sale of the plantations in the Kangra valley:

First.—The stock and block of the Government plantations to be taken at a valuation, and a certain number of shares in the joint stock to be reserved for parties in India who have previously made similar offers to those of the company.

Secondly.—The guarantee made by Government to zemindars cultivating tea to be maintained, viz., that they shall receive at the rate of eight rupees per maund for raw leaves, for a term of years.
Thirdly.—That the company shall engage to pay at the above rates for a period of six years to those zemindars to whom, during the past and present seasons, seeds have been distributed.

Fourthly.—That the company shall distribute, gratis, 100 maunds of seeds yearly for the purpose of encouraging the cultivation among the zemindars.

Fifthly.—Where no advances of money have been paid to a zemindar, it shall be optional to him to discontinue the cultivation of tea at his discretion; where advances have been made, he is of course bound to repay them in raw leaves.

Sixthly.—The company should guarantee to the Chinese manufacturers the same terms on which they now work under Government.

Seventhly.—Land must only be rented or purchased from natives with their own consent.

3. I am desired to notice briefly the view which is taken by Government of each of the above conditions.

4. If the plantations are offered, as proposed, to fair competition in one or more lots, there appears to be no occasion for the first condition that shares should be reserved for parties in India.

5. The second and third conditions must apparently be insisted on, if definite agreements have been entered into with the zemindars; and the fourth condition, regarding the gratuitous distribution of seeds, also appears desirable.

6. The necessity for the sixth condition, relating to the Chinese manufacturers, would appear to depend upon circumstances which are not stated. If the ques-
tion is to be one merely between the new proprietors and the Chinese, it will probably be better to leave them to settle it themselves. If, however, the Government is under any contract with the Chinese, it will be advisable to require the new proprietors to take up the engagement, but it is presumed that the consent of the Chinese manufacturers will be requisite to the transfer.

7. The fifth and seventh conditions do not seem to the Governor-General, in Council to be appropriate. They merely declare rights of the zemindars, which the proprietors will be bound by the law to observe, and no conditions on such points, attached to the purchase, would be likely to have much influence in making the proprietors guide themselves justly in their dealings with the natives, if they are not induced to do so by a regard to their own interests, or by higher motives.

I have, &c.,

(Signed) W. GREY,

Secretary to the Government of India.

FROM

W. GREY, ESQUIRE,

Secretary to the Government of India,

TO

G. COUPER, ESQUIRE,

Secretary to the Government of N. W. P.

Dated Fort William, the 3rd October, 1859.

Sir,

With reference to your letter, No. 1,367, Home Department, dated the 26th of July last, I am directed to request that Mr. Jameson may now be asked to prepare and furnish such a descrip-
five statement of each of the Government tea plantations and factories within the jurisdiction of the North-Western Provinces as may be embodied in a public advertisement, stating at the same time his opinion as to the upset price which should be attached to each. In fixing the value of each plantation with its factory, Mr. Jameson will be at liberty to avail himself of any assistance that may offer, but it does not appear to the Governor-General in Council necessary formally to associate any other person with Mr. Jameson in order to make the valuation. A map should be furnished, shewing the whole tract of country supposed to be available for tea plantation, marking the position of the Government factories, and indicating, approximately, by different colors, the land absolutely at the disposal of Government, and the land which is not so.

2. The Governor-General in Council acquiesces in the proposal to retain in the hands of Government, at least one of the plantations, in order that the supply of seeds and plants, to those who have already embarked in the cultivation, may be continued for some time longer; and he would wish Mr. Jameson to consider carefully whether the retention of the one factory in Dehra Dhoon will completely provide for this object.

3. From the apprehensions which are expressed on the subject of a monopoly, and from what is stated by Mr. Jameson in the 2nd para. of his letter No. 352, dated the 22nd of June, it would appear to be contemplated that, along with the Government factories and plantations, the entire area of land available for tea cultivation is also to be assigned away to the purchasers. The Go-
vernor-General in Council does not, however, understand why this should be the case. Such an extent of fresh land only should be made over to each purchaser, in addition to that already under cultivation, as may seem to the local Government to be expedient, with reference to the ascertained means of the company, or individual, purchasing, and whatever additional waste land is so granted, should be given under some reasonable conditions as to clearance. Waste land not at once taken up will remain, as at present, available for any persons who may desire to embark in the cultivation of tea. In this way, and by continuing to distribute seeds and plants to those who have already engaged in the business, or who may hereafter take up fresh land for the purpose of doing so, the Government will most effectually guard against any injurious monopoly.

4. The Governor-General in Council fully concurs in the opinion expressed by Mr. Jameson, that there is room for many companies, and that were a monopoly given to a single company, it would tend to retard the cultivation; and in this view the sale of the factories in several small lots, as proposed by Mr. Jameson, in the 10th para. of his letter dated the 22nd June, appears to His Excellency in Council to be on the whole the most advisable. Several persons, it appears, have already been induced to commence the cultivation on their own account, and have invested a considerable amount of capital, and it seems in every respect desirable to afford encouragement to the establishment of numerous plantations on a moderate scale, rather than to promote such a project as that represented by Mr. Watts,—which demands the con-
cession to one company of all the Government plantations situated east of the Jumna, and of such portion of those to the west of that river, as shall make up two-thirds of the whole.

I have, &c.,

(Signed) W. G R E Y,

Secy. to the Govt. of India.