

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No.

198

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Dated

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1858

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Fort Saint George, Financial Consultation, 23rd March 1858.

No. 1. From J. W. BREEKS, Esq., Secretary Mint Committee; to T. PYCROFT, Esq.,
Chief Secretary to Government of Fort Saint George, dated 28th November 1857,
No. 283.

SIR,

1. I have the honor, by desire
From the Acting Mint Master, dated 9th July 1857, No. 73. of the Mint Committee, to forward
To do. do. „ 16th „ „ „ 176. for submission to Government the
From do. do. „ 19th Novr. „ „ 226. correspondence noted in the margin.

2. On the 9th of July the Acting Mint Master wrote to the Committee and enclosed a petition from the Straw and Charcoal Contractor praying for indemnification for certain loss sustained on his Contract. The Acting Mint Master concluded his letter with a recommendation that a grant of 1,000 Rupees should be made to the Contractor by way of compensation.

3. The Committee in their reply, dated 16th July, communicated in a general way their disapproval of such appeals and did not see anything in the circumstances of the Mint case to induce them to make it an exception.

4. Colonel Cotton, however, has again addressed the Committee on the subject in his letter dated 19th Instant, and has brought forward other arguments which confirm him in the opinion that some compensation should be granted to the Contractor.

5. The chief point urged in this last letter is that by making remissions in cases of actual loss far more moderate terms can be obtained than can otherwise be expected. This may be true in some respect, but the Committee consider that it might be very well left to competition to bring down the terms. They think moreover that not only will every Contractor, whatever his terms, try to take advantage of this liberal mode of working; but that a door will be opened thereby to speculation, and many will be induced to tender for Contracts who are without ordinary means of executing them.

6. As the question however is one, which in the Acting Mint Master's opinion will affect the working expenses of the Mint, and as he is convinced on examination of the rates of the Mint Contracts that the very lowest were established by Colonel Smith, and that these rates can only be kept on by granting compensation in certain cases where actual loss has been sustained, the Committee are unwilling to oppose a request so urgently made, and would therefore submit the question to Government, and solicit the favorable consideration of it on the grounds that the Acting Mint Master as the working Officer best understands the principle of surest operation on which the Mint can be conducted, and that no one has the true interests of the Mint more at heart than he has.

Fort Saint George, Financial Consultation, 23rd March 1858.

7. The sum asked for by Colonel Cotton is Rupees 1,000, as compensation for loss in the Contract ending 28th February 1857. The last occasion when compensation was granted, was in the year *1854.

From Lieutenant Colonel F. C. COTTON, Engineers, Acting Mint Master;

To G. L. PRENDERGAST, Esq.,
" S. D. BIRCH, Esq.,
" W. H. BAYLEY, Esq. } Mint Committee,
dated 9th July 1858, No. 73.

GENTLEMEN,

Para: 1st. The accompanying Petition having been sent to me, by the Contractor supplying Straw and Charcoal for the Mint, I do myself the honor to forward it for your consideration.

2nd. I have no doubt that the Contractor lost money by three items of his Contract, and I cannot say that he did not lose so much as he states. In a Petition sent to me some time ago, his losses were declared to be much greater than this, but on enquiry I satisfied myself that his Statements were then untrue, and though I had to admit that his Contract had been a loss to him, I could not allow that the balance against him was correctly stated in his Petition, which was in consequence returned to him.

3rd. As now represented I think that the loss said to have been sustained upon the Straw supplied is not exaggerated, and the loss upon the Charcoal can only be in a certain degree overstated, which being the case I am induced to forward the Petition, and as I feel sure that the Government would not wish to take the articles supplied, at less than their value, I beg to recommend that an allowance of 1,000 Rupees may be made to the Contractor, who does not appear ever to have made any considerable sum by Contracts with the Government, for the supply of the Mint, even in those years when the prices were most favorable for him.

From C. VEERABUDRA CHETTY, Contractor; to Lieutenant Colonel F. C. COTTON, Acting Mint Master, dated 28th June 1857.

HONORED SIR,

With due submission I most respectfully beg to enclose herewith three Statements in detail, shewing the actual loss I suffered during the period of my Contract in 1856-57, amounting to Rupees 1,844-14-0 and humbly solicit you will be pleased to take my case into your kind consideration and obtain for me the sanction from the proper authority that some ample compensation may be allowed me for the loss, by so doing I shall ever feel grateful to your honor.

Fort Saint George, Financial Consultation, 23rd March 1858.

A. STATEMENT shewing the Contract and Market rates of Charcoal and Straw.

Years and Months.	Quantity of sifted Charcoal supplied to the Mint.	Amount of Contract value at 15 Parrahs per 3½ Rupees.		Rate of unsifted Charcoal provided in the market in each month.	Market value of unsifted Charcoal.		Quantity of straw supplied to the Mint at 700lb per 3½ Rupees.	Contract value at 700lb per 3½ Rupees.		Market rate of straw prevailing in each month.	Market value.	
		Rupees.	A. P.		Parrahs.	Rupees.		A. P.	Rupees.		A. P.	
1856	March.....	759	4 1	13	876	1 2	33,175	165	14 0	600	193	8 4
"	April.....	503	8 5	11	686	10 2	35,300	176	8 0	550	206	7 3
"	May.....	975	5 1	11	1,330	0 0	40,699	203	7 11	500	284	14 3
"	June.....	744	9 0	11½	971	2 9	40,500	202	8 0	500	283	8 0
"	July.....	1,021	8 5	10	1,532	4 9	43,750	218	12 0	500	306	4 0
"	August.....	1,067	11 7	10½	1,525	5 4	42,769	213	13 6	500	299	6 1
"	September.....	981	13 10	10½	1,472	12 9	41,265	206	5 2	500	288	13 8
"	October.....	784	14 10	10	1,177	6 4	53,831	269	2 5	500	342	9 10
"	November.....	781	10 7	10	1,172	8 0	58,725	293	10 0	500	411	12 0
"	December.....	530	9 7	13	568	8 0	58,900	294	8 0	600	343	9 4
"	January.....	369	9 7	14	424	7 4	58,900	294	8 0	600	343	9 4
1857	February.....	260	10 0	13	279	4 0	53,200	266	0 0	600	310	5 4
"	Total	8,781	3 0		12,016	6 7	561,014	2,805	1 0		3,614	11 5

(Signed) C. VEERABUDRA CHETTY, Contractor.

MADRAS,
28th June 1857.

Fort Saint George, Financial Consultation, 23rd March 1858.

B. ABSTRACT STATEMENT shewing the Particulars of Profit for the Horse Gram, &c., supplied to the Mint from March 1856, to April 1857.

Year and Months,	Number of Marcal's of Horse Gram.	Value of Horse Gram as per contract at Rupees 192 per Garce.		Market rate Horse Gram per each month.	Value of Horse Gram as per market rate.		Number of small firewood.	Value of small firewood as per Contract rate.		Market rate of small firewood per 1,000	Value as per Market rate.		Number of small Gunny Bags.	Value of small Gunny Bags as per Contract rate.		Number of large firewood.	Value of large firewood as per Contract rate.		Weight of Tamarind.	Value of Tamarind as per Contract rate.		Number of Sops of Paddy husks.	Value of Paddy husks as per Contract rate.		
		Rs.	A. P.		Rs.	A. P.		Rs.	A. P.		Rs.	A. P.		Rs.	A. P.		Rs.	A. P.		Rs.	A. P.		Rs.	A. P.	Rs.
1856	March.....	416	199 15	2 175	182 3 11	9750	43 14	0	41 7 0	200	8	0	0	0	150	7 8	0	121 18	0	6	0	460	13 12	7	
"	April.....	417	200 8	3 150	156 10	0 8750	39 6	0	41 3 0	2200	88	0	0	0	225	11 4	0	180 43	0	9	0	200	5 15	9	
"	May.....	446	214 6	11 189	211 1 5	8700	39 2	4	36 15 7	3000	120	0	0	0	0	0	0	43 43	0	1	5	190	5 11	0	
"	June.....	427	205 3	2 192	205 3 2	10500	47 4	0	42 0 0	1000	40	0	0	0	225	11 4	0	43 6	0	0	3	120	3 9	5	
"	July.....	535	237 0	6 175	234 4 6	14500	65 4	0	61 7 6	2000	80	0	0	0	120	6 0	0	25 25	0	0	0	190	5 11	0	
"	August.....	480	230 10	2 157	189 3 1	14500	65 4	0	65 4 0	1000	40	0	0	0	120	6 0	0	25 25	0	0	12	244	7 4	10	
"	September.	460	223 3	2 157	181 2 0	10000	45 0	0	40 0 0	1000	40	0	0	0	135	6 12	0	18 18	0	0	9	308	9 14	3	
"	October.....	533	235 13	0 157	209 13 10	15500	69 12	0	65 14 0	300	12	0	0	0	162	8 1	7	43 43	0	1	5	250	7 7	10	
"	November.	570	273 9	7 164	234 6 7	20500	92 4	0	82 0 0	5000	200	0	0	0	125	6 4	0	25 25	0	0	12	230	6 14	1	
"	December.	551	264 7	8 157	216 15 3	18000	81 0	0	76 8 0	0	0	0	0	0	100	5 0	0	25 25	0	0	12	210	6 4	7	
1857	January....	589	282 11	6 140	206 2 4	6500	29 4	0	29 4 0	100	4	0	0	0	0	0	0	34 34	0	1	0	150	4 7	10	
"	February..	532	255 5	9 133	176 14 2	14000	63 0	0	61 7 6	3590	143	9	7	100	5 0	0	0	0	0	0	4	4	150	4 7	10
Total.....		*5,959	2,862 14 10		*2,404 0 3	1,51,200	*680 6 4		*639 6 7	19390	775 9	7	1462 73 1	7321 9 10	42882 86 4	8									

† I have left out in mentioning the Market value of the small articles, because they were almost agree to the Contract rates.

(Signed) C. VEERABUDRA CHETTY, Contractor.

* Profit in Horse Gram, &c.,..... 458-14-7
† Ditto in small firewood..... 40-15-9

Total... 499-14-4

MADRAS,
28th June 1857.

Fort Saint George, Financial Consultation, 23rd March 1858.

ABSTRACT STATEMENT shewing the Profit and Loss of the Charcoal and Straw, &c., supplied to the Mint from 1st March 1856 to 28th February 1857.

Articles.	Total supplied from March 1856 to 28th February 1857.	Market value.			Contract value.			Amount Profit.			Amount Loss.		
		Quantity.	Rs.	A. P.	Rs.	A. P.	Rs.	A.	A.	Rs.	A. P.		
Charcoal Parrahs.....	37,634	12,016	6	7	8,751	3	0	0	0	0	3,235	3	7
Straw Pounds.....	5,61,014	3,614	11	5	2,805	1	0	0	0	0	809	10	5
											4,044	14	0
Amount of Loss as per Statement A.....													
Deduct Profit in Horse Gram &c., as per													
Statement B, Rupees..... 499 14 4 or..... 500 0 0													
Supposed value of Rejected Charcoal of 9,714 Parrahs													
at 20 per 3½ Rupees..... 1,700 0 0													
Total Loss 1,844 14 0													

MADRAS,
28th June 1857.

(Signed) C. VEERABUDRA CHETTY, Contractor.

(True Copy.)

(Signed) R. E. MASTER, Secretary Mint Committee.

From J. W. BREEKS, Esq., Secretary Mint Committee, to Lieutenant Colonel F. C. COTTON Engineers, Acting Mint Master, dated 16th July 1857, No. 176.

SIR,

I beg to acknowledge the receipt of your letter, dated 9th Instant, No. 73, forwarding a Petition from the Mint Contractor praying for compensation for loss stated to have been sustained by him in the supply of straw &c., to the Mint. The Mint Committee observe that you recommended an allowance of 1,000 Rupees to be made to the Contractor to indemnify him for his loss. They regret that they cannot accede to your recommendation: the mere fact that the Contractor has lost upon his present contract does not of itself appear to the Committee to afford any ground that would warrant their applying to Government to afford him compensation; nor does the fact, of the Contractor's "not having appeared ever to have made any considerable sum by his Contracts with Government" (on which, you seem to have grounded your recommendation that he should be presented with a 1000 Rupees) appear to the Committee to be sufficient, certainly so much so as to induce them to support this appeal.

Of late years compensation has been admitted once or twice for losses similarly sustained, and the precedent once established every year brings similar applications, which the Committee consider have a very bad tendency and induce speculators and others, to the exclusion of the honest and substantial Contractor, to tender below the real values, hopes by the accident of extraordinarily low prices, or eventually by compensation, to make all square.

Financia Depart^{ts}

N^o 563.

From The Secretary. Anti-Slavery Committee
Dated 28th November 1857.

For Orders

Col^l Cottons proposal is no doubt
opposed to the treatment which
contractors who have sought to
exploit. but under his former
tenure I think his request
may be acceded to.

St. W. but is a
questionable
proceeding

well
The purchase of land for the poor is a
by the poor people & for the poor people.

220 The Registrar of the Court of Chancery
 The Office of the Registrar of the Court of Chancery
 1858

No 190-

The fore will not, under all the cir-
 -cumstances, object to pay to the
 straw and charcoal contractor

to the Mint compensation for the loss
 which ^{he} is stated to have sustained
 in fulfilling his Contract. They therefore
 authorize the payment to him of R1000

1834 De la Roche
 from the 25th March 1858
 the very kind Committee
 to the Chief Clerk to pay to

Dated 28th November 1857.

Recd - do -

With 3 encs. No 283.

Subscribed consideration

for compensation to the Mint
 Contractor for the expenses by
 him in his Contract ending 28th

July 1857.

Under the circumstances
 set forth in the No 283

March's letter of the 19th inst
 with an order No 283

one thousand Rupees recom-
 -mended by Col Cotton. They
 cannot however subscribe to
 that Officer's views in respect
 to the allowing of compensation
 for a kept loss in the performance
 of contracts. The correct

principle is don't less that even-

uated by the Mint Committee viz to
 insist on contracts being strictly carried out
 on their terms & to trust to competition to lower
 tender - The present grant of compensation
 must be regarded as a special case

Mint Committee. Ant. Genl. and Ant. Genl. Dated 22nd

had not this piece of
 work been better
 up well.

1858 Nov 24th 1858