

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No.

383

Press
Mis.

Dated

2 . 8 . 1860

B.no. 7-8

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Not to be folded or roughly handled

*Proceedings of the Madras Government, Financial Department,
2nd August 1860.*

No. 7. Read the following letter from W. HUDLESTON, Esq., Secretary to the Civil Fund, to T. PYCROFT, Esq., Chief Secretary to Government, Fort Saint George, dated 14th July 1860, No. 196.

With reference to the correspondence noted in the margin* I am directed by the Managers of the Civil Service Annuity Fund to submit for

* From Government, dated 12th May 1860, the consideration and orders of Government, the

To	dg.	23rd	do.	do.	No. 141.	No. 210.	accompanying letter from Mr. J. Goldingham, dated
From	do.	23rd	do.	do.	„ 231.		3rd May 1860, claiming a refund of the surplus
To	do.	8th	June	1860,	„ 159.		subscriptions at his credit beyond the half value
							of his annuity on retirement on 1st May last.

2. It will be observed, that Mr. Goldingham claims that the value of his annuity as contrasted with the amount of his subscriptions on 17th June 1853, the date of the passing of the new Rules, shall be calculated *exclusively* of the value of the additional and special advantages of "quarterly payments and payments to date of decease," which were not included in the first values of annuities under the old Rules of 1825 but were obtainable by subscribers on an additional but *optional* payment.

3. Under the new Rules of 1853 and the new and higher table of valuation of annuities then adopted at the instance of the Home Government, the value of these additional advantages is included with that of the annuity proper, and in lately calculating the state of the individual accounts of subscribers on 17th June 1853 before the Rules were adopted, to ascertain who was entitled to claim the benefit of the legal opinion taken by the Home Government, and communicated to the Managers with the Government Proceedings of 12th May 1860, the values of the annuities were calculated according to the old Rules, but *inclusively* of the additional benefits, and thus calculated, it was found as already reported in my letter of 23rd idem, that only Sir V. Stonhouse, Mr. G. S. Hooper, and Mr. J. A. Hudleston had any surplus at their credit beyond the half values of their annuities on 17th June 1853.

4. As however the purchase of the additional advantages was *optional* under the old Rules the Managers are of opinion that their value should be *excluded* in framing the calculation of the values of individual annuities at the passing of the new Rules, which will thus be reduced in amount, and the operation of the legal opinion on which the Home Government have determined to act, will include Messrs. Goldingham and Underwood as well as the gentlemen whose names were formerly reported, while the surplus at the credit of these last gentlemen on 17th June 1853 will be somewhat larger than was formerly stated, and the surplus interest at 5 per cent. to the date of payment will have to be calculated on the larger amount.

5. An amended statement drawn out according to this altered mode of valuation, accompanies this letter, and if Government concur in the Manager's opinion of the proper course to be adopted in framing the calculation, it is requested that this statement, the simple interest in which has been calculated up to 31st instant, may be substituted for that enclosed in my letter of 23rd

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May last. It has been carefully ascertained, that no further claims can be advanced under this interpretation of the legal opinion.

6. The Managers request authority to pay to Sir V. Stonhouse's Agents the difference between the surplus on 17th June 1853 as now shown, and that which has been already refunded to them, and they also request instructions as to the course to be adopted with reference to the other gentlemen similarly circumstanced, whether they are to be informed that the amount of their respective excess subscriptions is similarly at their disposal, whether it should be at once paid to their Agents in India or whether renewed applications from them should be required in the first instance. They have all claimed the refund of their surplus subscriptions at some time or other.

7. Mr. Goldingham, it will be seen, also raises a question, as to the date on which the new Rules are to be considered as having come into operation, claiming a later date than that of 17th June 1853 when the vote of the Service was finally closed. It may here be remarked that the expression used in the legal opinion is "*the time of the passing of the new Rules*" but the Trustees do not think that there can be any doubt, that the Rules came into operation from the date on which the vote of the Service was decided, viz., the 17th June 1853.

On the 21st idem, the result of the reference to the Service was reported to Government, and no further communication was received from them on that part of the subject.

The annuities which were offered for acceptance in September of the same year, and which commenced from 1st May 1854, were valued according to the new and higher rates.

On 22nd June 1854, the Government communicated to the Managers the reply of the Home Government to their detailed report on the Despatch proposing the new Rules, and in that reply it was directed, that the new Rules should have *retrospective* effect from 1st May 1850 so far as the enhanced valuation of the annuities under the new scheme was concerned, the fund being allowed credit for the additional sums which could not be recovered from those subscribers who had taken annuities between 1st May 1850 and 1st May 1853. This ruling cannot of course in any way prejudice the claims to a refund under the present legal opinion, as until the passing of the new Rules, the purchase of the additional benefits was optional, and the right to claim an annuity at the old valuation was incontestable. The above facts however suffice in the Manager's opinion to prove, that no later date than 17th June 1853 can be taken as that from which the new Rules came into operation.

8. In conclusion, I am directed to state that both Messrs. Goldingham and Underwood were present at the Meeting of 17th June 1853, and voted in favor of the adoption of the new Rules, as did all the subscribers present on that occasion

From J. GOLDINGHAM, Esq., to W. HUDLESTON, Esq., Secretary to the Civil Fund,
dated 3rd May 1860.

I observe that a legal opinion has been taken by the Right Honorable the Secretary of State for India in Council on the several claims that have been advanced to a refund of the surplus payments above the half value of the annuity, and that the title of subscribers is declared to be admissible, with some qualification, independently of the effect of the new Rules passed in 1853.

*Proceedings of the Madras Government, Financial Department,
2nd August 1860.*

No. 8. ORDER THEREON, 2nd August 1860, No. 383.

Resolved, that the foregoing letter and its enclosures be forwarded, in reference to previous correspondence, to the Secretary of State for India, for his consideration and orders—whether, under the circumstances explained, the claim of Messrs. Goldingham and Underwood to refund of the surplus amount of their Subscriptions be admissible; and if it be, whether the surplus is to be calculated up to the 17th June 1853 or to the date of their retirement from the Service. The Secretary of State will be requested to cause the conclusion arrived at in Mr. Goldingham's case to be communicated to that gentleman who is in England.

2. It will at the same time be pointed out to the Home Government that Messrs. Goldingham and Underwood were both present at the Meeting of 17th June and voted in favor of the adoption of the new Rules.

3. With regard to paragraph 6 of the above letter, the Government would not authorize any further payments being made to Sir V. Stonhouse's Agents until the point involved in the present reference, and that lately made respecting Sir V. Stonhouse himself be decided.
To Secretary of State, 8th June, No. 12 of 1860.

4. The Trustees will be so good as to apprise Messrs. Goldingham and Underwood of the reference which the Government propose to make in their case.

(Signed) T. PYCROFT,
Chief Secretary.

Exd. F. Cartledge.

I shall be obliged therefore by your directing my account with the fund to be carefully made up de novo, in order that it may be seen whether any surplus, above the half value of an annuity at my age at the time of the passing of the new Rules, stood at my credit. I do not consider the Rules to have been finally passed at the meeting of the subscribers when the votes of the Service, pro or con., were recorded. A later date must be taken as the date on which the Rules in question came into operation, viz., that on which the Despatch of the Honorable the Court of Directors, in reply to the communication made to them notifying the concurrence of the Service in those Rules, was received by the Madras Government. A fairer date probably would be that of the final intimation made by the Madras Government to the Trustees of the Civil Fund in pursuance of the final Despatch from England. Under the circumstances of the case, justice obviously demands that the latest date should be assumed. Till then sanction cannot be considered to have been finally given to the operation of the new Rules.

I was born as you are aware on the 22nd October 1800. The papers which I received from you, as Secretary of the Civil Fund, on the occasion of my acceptance of the annuity, are not at present at hand, but so far as my recollection bears me out, I am under the impression that the amount of subscriptions at my credit at the date indicated exceeded the half value of the annuity which would have been payable to me at the age I had then attained.

Accordingly I beg that the surplus subscriptions at my credit on the 30th April 1860, with interest at 6 per cent. to the date of payment, may be made over to Messrs. Arbuthnot & Co., my Agents at Madras.

The foregoing request is based on the view that a surplus was due to meet the date mentioned. Should it be otherwise, I still consider my claim well founded, as the legal opinion, to which I have alluded above, does in fact set aside the new Rules altogether, so far at least as regards the title of subscribers under discussion. I can hardly suppose that in a case like the present the Government would allow the new Rules to be set aside for the benefit of some subscribers only, particularly as I should probably be almost the only Member of the Service shut out from that benefit. Should the Trustees of the Civil Fund differ from me in this view, I beg that the matter may be referred for the decision of the Madras Government and eventually, if necessary, for that of the Right Honorable the Secretary of State for India in Council.

I have transmitted copy of this communication to Messrs. Arbuthnot & Co., and have requested them to depute a good Accountant to verify my account with the fund. Considering the large sum at issue I trust the Trustees will not object to this arrangement.

My address in England is to the care of Messrs. Coutts & Co.

P. S.—My account will of course be made up without including the optional sum to be paid under the former Rules for quarterly payments.

(True Copy.)

(Signed) W. HUDLESTON,
Secretary to the Civil Fund.

STATEMENT showing the surplus at credit of Members beyond the half value of their Annuities (exclusive of the special advantages of quarterly payments, &c.) under the old Rules of 1825, on 17th June 1853, (the date of the passing of the new Rules) with simple Interest at 5 per cent. per annum from that date to 31st July 1860, and also the amount of the excess at their credit under the new Rules of 1853, on the date of their succession to Annuities, with simple Interest at 5 per cent. per annum from date of retirement to 31st July 1860.

Under the old Rules of 1825.

No.	Particulars.	ANNUITANTS.						Total.	Remarks.
		Mr. J. A. Hudleston.	Sir T. V. Stonhouse.	Mr. G. S. Hooper.	Mr. J. Goldingham.	Mr. W. E. Underwood.			
1	Age on 17th June 1853.....	54 years.	54 years.	55 years.	52 years.	49 years.	C. R. A. P.		
2	½ value of Annuity at that age, exclusive of special benefits as above.....	47,003 12 5	47,003 12 5	46,167 12 0	43,611 14 9	50,922 15 7	2,39,710 3 2		
3	Accumulated subscription at credit on that date.....	54,677 4 3	72,093 2 7	75,298 3 1	50,041 14 2	55,067 3 11	3,07,177 12 0		
4	Surplus at credit beyond ½ value on that date.....	7,673 7 10	25,089 6 2	29,130 7 1	1,429 15 5	4,144 4 4	67,467 8 10		
5	Simple Interest on last amount at 5 per cent. per annum from 17th June 1853 to 31st July 1860...	2,732 6 6	8,933 15 0	10,372 14 4	509 2 11	1,475 11 4	24,024 2 1		
6	Total of items 4 and 5...	10,405 14 4	34,033 5 2	39,503 5 5	1,939 2 4	5,619 15 8	91,491 10 11		
Under the new Rules of 1853, which included the value of the special benefits in that of the Annuity proper.									
7	Year of retirement, and age at do.	1st May 1855 56 years.	1st May 1856 58 years.	1st May 1860 62 years.	1st May 1860 59 years.	1st May 1860 56 years.	Total.		
8	½ value of Annuity at do....	50,413 8 0	48,527 8 0	44,467 0 0	17,551 0 0	50,413 8 0	2,41,372 8 0		
9	Accumulated subscription at credit at do.	62,085 3 7	95,005 11 6	1,28,394 2 10	90,775 15 6	95,544 7 6	4,72,705 8 11		
10	Surplus at credit beyond ½ value at do.	11,671 11 7	47,378 3 6	83,927 2 10	43,224 15 6	45,130 15 6	2,31,333 0 11		
11	Simple Interest on last amount at 5 per cent. per annum from date of retirement to 31st July 1860...	3,063 13 3	10,067 13 11	1,049 1 5	510 5 0	564 2 2	15,285 3 9		
12	Total of items 10 and 11 ...	14,735 8 10	57,446 1 5	84,976 4 3	43,765 4 6	45,695 1 8	2,46,618 4 8		

Note.—The amounts in this and the following column will have to be readjusted according to the date of final payment, if such be made.

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FORT SAINT GEORGE,
CIVIL FUND OFFICE,
14th July 1860.

(Signed) W. HUDLESTON,
Secretary

Financial Department.

Proceedings of the Madras Government.

Read the following letter from the Secy. to the Civil Fund.

(Dated 14th July 1860. No. 196)

Order thereon. 2 August 1860. No. 383.

H. S. W.
G.
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Resolved, that the foregoing letter and its enclosures be forwarded, in reference to previous correspondence, to the Secretary of State for India, for his consideration and orders—whether under the circumstances explained the claim of Messrs. Goldingham and Underwood to refund of the surplus amount of their subscriptions be admissible, and if it be, whether the surplus is to be calculated up

up to the 17th June 1853 or to the date of their retirement from the Service. The Secretary of State will be requested to cause the

2 It will at the same time be pointed out to the Home Lords that Messrs Goldingham and Underwood were both present at the Meeting of 17th June and voted in favor of the adoption of the new Rules.

3 With regard to para 6 of the above letter, the Lords ^{would} ~~not~~ ^{not} authorize any further payments being made to Sir V. Stonhouse's Agents until the point involved in the present reference, and that lately made ^{about} ~~about~~ respecting Sir V. Stonhouse himself, be decided.

4 The Trustees will be so good as to apprise Messrs Goldingham and Underwood of the reference which it is proposed to make in this case. J.P.

Conclusion arrived at to the case in the Goldingham case. - viz that the further an who is in England. -

12 Copies. Esd.

To Secy. of State 8 June N^o 12 of 1860.

To the Trustees of the Civil Fund.
Disptⁿ 8.

Chas. L. Long 210. 21 Aug 5
No 20 of 1860.

Pro of Aug 5
Financial No 20 Re 1860

Replies to 24. 7. How much

No 383

1860 of 1860.

Forwarded to the Govt.
of the 21st of Aug 1860.
No 39.

Proceedings of the 21st

of 21st Aug 1860

No 571.

Bringing that the
lottery from the day to
the Civil War of 1860.
We have and its pro-
= sure he forwarded
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be admissible.