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MADRAS RECORD OFFICE

Government of Madras

Public Works DEPARTMENT

G.O. No.	366 (2)	Press
B.P. No.		Mis.
Dated	11. 2 -	18 76.

Not to be folded or roughly handled

*Proceedings of the Madras Government, Public Works Department,
11th February 1876.*

No. 165. Read the following endorsement of the Chief Engineer for Irrigation, dated Camp at Red Hills, 3rd February 1876, No. 150 :—

From R. G. MACDONALD, Esq., Examiner of Guaranteed Railways and Irrigation Accounts, Madras, to Lieutenant-Colonel J. MULLINS, R.E., Chief Engineer for Irrigation and Joint Secretary to Government, Public Works Department, dated Madras, 24th January 1876, No. 97 I.

I HAVE the honor to return the original papers detailed in the margin upon the subject of the leave allowances, &c., granted by the Board of Directors of the Madras Irrigation and Canal Company to Mr. Badham, their late Chief Accountant, Letters from the Chief Engineer and Manager, Madras Irrigation and Canal Company, No. 132, dated 29th November 1875, and No. 1, dated 4th January 1876.

and of the payments made to that gentleman upon the termination of his engagement.

2. Mr. Badham left his duties in India and proceeded to England on sick certificate on the 25th January 1874. The amounts paid to him on account of this period of absence from duty are as follow :—

	RS.	A.	P.
Paid in India for January and February 1874 ...	1,215	0	0
Less salary and allowance for twenty-four days of January 1874, spent on duty ...	619	5	8
	595	10	4

Paid in England as per Board's returns—

	£	s.	d.
In February 1874 ...	25	0	0
„ May „ ...	173	10	0
„ July „ ...	40	0	0
„ September „ ...	106	13	4
„ October „ ...	25	0	0
„ January 1875 ...	150	0	0
„ February „ ...	100	0	0
„ April „ ...	40	0	0
„ June „ ...	256	13	0
916 16 0 = at 2s. per Rupee...	9,168	2	8
	9,763	13	0

This sum appears to be made up of the following items :—

	RS.
Full salary without allowance for one month under Company's Rule 11	750
Half salary without allowance for five months	1,875
One-third salary without allowance for four months	1,000
Full salary for six months from 25th November 1874, under Board's order as per Secretary's letter, No. 9, dated 12th March 1876, while under notice of termination of Agreement	4,500
Allowance for journey from Kurnool and passage from Madras to England made as per Board's Resolution, dated 15th June 1875, £10 and £68 at 2s.	780
	8,905

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It would thus appear that, even according to the Company's views of what was due to Mr. Badham, there has been an overpayment of Rupees 858-13-0. It will be observed that the Directors furnish no particulars of the sum of £178-13-0 included in the final settlement on account of salary.

3. The following items standing upon the Indian books against Mr. Badham have not been recovered from him :—

	RS.	A.	P.
Hire of bullocks in Kurnool...	...	...	...
Do. tonjon in Nellore ...	...	...	...
Amended account of travelling expenses ...	...	...	...
Hire of conveyance in Kurnool ...	...	...	...
Do. vehicle ...	...	...	...
Paid for extra copyists ...	...	...	...
Total ...	272	14	0

4. It is now necessary that Government should pass orders regarding the adjustment of the payments to Mr. Badham, aggregating Rupees 9,763-13-0, and the items which have not been recovered from him, amounting to Rupees 272-14-0, in addition. The Company state that the final settlement with Mr. Badham had the approval of the Secretary of State for India; but no intimation to this effect has been received from the Secretary of State as far as I have been advised. Even assuming that the final settlement received the Secretary of State's sanction, it does not follow that he authorized all the payments to Mr. Badham on account of leave and the retrenched items as well to be debited to the Company's Revenue Account, which is practically transferring them to the Government. It is open to question whether the Company might not have avoided the necessity for any payments to Mr. Badham in addition to the first three items of leave allowances aggregating Rupees 3,625.

5. The amount of Rupees 6,138-13-0, which they have paid in addition, and the sum of Rupees 272-14-0, which they have failed to recover, should, it is thought, not be readily admitted to the Revenue Account. The Company might be asked to show cause why these sums should not be disbursed from funds in which Government is not interested. If, however, it be thought advisable to pass the charges to the Revenue Account without further delay, it is necessary that the payments, aggregating Rupees 10,036-11-0,* should be formally sanctioned and authorized to be debited to General Management Revenue.

From A. J. DODSON, Esq., Manager of the Madras Irrigation and Canal Company, to Lieutenant-Colonel J. MULLINS, R.E., Chief Engineer for Irrigation and Joint Secretary to Government, Fort St. George, dated Kurnool, 29th November 1875, Finance No. 132.

I HAVE the honor to inform you that the Secretary, in his letter No. 26, of 24th September 1875, writes as follows with regard to the final settlement made with Mr. C. A. Badham :—
"With reference to the sum of £256-13-0 paid to Mr. Badham, the explanation is this :—
Mr. Badham claimed on various accounts as being due to him a balance of £702-13-0, and as the Board disputed his right to that amount he placed the matter in the hands of his Solicitors, who

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11th February 1876.*

threatened legal proceedings for its recovery. In this state of things the Board considered the matter, and under the advice of their Solicitor and with the concurrence of the Ex-officio Director who was as usual present at the Board Meeting, authorized the payment of the £256-13-0 in full discharge of all claims by Mr. Badham, and the Solicitors of the latter, after negotiation, accepted that amount upon the stated terms, and Mr. Badham gave a full discharge."

The account therefore now stands as follows :—

	RS.	A.	P.
Items already standing in the books as paid to Mr. Badham ...	7,301	10	8
Additional award of the Board of Directors ...	2,566	8	0
To be charged to General Management ...	9,868	2	8

I would also mention that the Board had before them when making the award full details of all items found standing against Mr. Badham in the Company's books except his personal account. These were sent to the Secretary with this office letter No. 43, of 4th December 1874, and acknowledged by him in his No. 1 of 1st January 1875, when he stated that full explanation would be obtained from Mr. Badham.

I beg the sanction of the Madras Government to make the consequent adjustments in the books, by debiting General Management with the above amount, and crediting the various items either standing against Mr. Badham, or to which sanction has hitherto been deferred, awaiting complete investigation and final settlement.

From J. H. LATIHAM, Esq., Chief Engineer and Manager of the Madras Irrigation and Canal Company, to Lieutenant-Colonel J. MULLINS, R.E., Chief Engineer for Irrigation and Joint Secretary to Government, dated Kurnool, 4th January 1876, No. 1.

In continuation of my letter, No. 132, of 29th November 1875, I have the honor to say that the Secretary in his Finance letter, No. 30, of 3rd December 1875, writes as follows with regard to the compromise made with Mr. Badham :—

"I send you an extract from the Proceedings of the Board regarding the compromise made with Mr. Badham, with the full concurrence of the Secretary of State, given through his Director Mr. Thornton."

At a Meeting of the Board of Directors of the Madras Irrigation and Canal Company, held on Tuesday the 15th June 1875,

Read (*inter alia*)—

"A correspondence relating to the settlement of Mr. Badham's salary account and a claim made by him for a balance of £700, viz. :—

- "(1.) Letter dated 7th May 1875, from Mr. Badham to the Secretary.
- "(2.) " " 10th May 1875, from Messrs. Lewin and Co., (Mr. Badham's Solicitors.) to the Secretary.
- "(3.) " " 19th May 1875, from Messrs. Lewin and Co., to the Secretary.
- "(4.) " " 20th May 1875, from the Secretary, to Messrs. Lewin and Co.
- "(5.) " " 21st May 1875, from Messrs. Lewin and Co., to the Secretary.
- "(6.) " " 24th May 1875, from the Secretary, to Messrs. Lewin and Co.
- "(7.) " " 5th June 1875, from Messrs. Lewin and Co., to the Secretary, together with the account referred to therein.
- "(8.) " " 9th June 1875, from Messrs. Lewin and Co., to the Secretary.
- "(9.) " " of same date from Mr. Badham to the Chairman.
- "(10.) " " dated 10th June 1875, from the Secretary, to Messrs. Lewin and Co."

It was unanimously resolved—

"The Board having taken into consideration the foregoing correspondence connected with Mr. Badham's claim on the Company, and being influenced by a desire to deal with his case on a liberal footing, determine as follows :—

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"(1.) On the subject of salary—that the Board are willing to allow as the balance due to him the sum of one hundred and seventy-eight pounds thirteen shillings (£178-13-0).

"(2.) His claim for deputation allowance during a portion of the period when Mr. Latham was in charge of the management, and drawing full salary for the office of Manager—the Board cannot admit.

"(3.) In respect to India travelling allowances, the Board do not consider they are strictly liable for the payment which he claims, but they are willing to grant him the sum of ten pounds (£10) as representing the cost of conveyance from Kurnool to Madras, which is the usual allowance for the journey.

"(4.) They are further willing, though they do not consider themselves liable for the amount, to include sixty-eight pounds (£68), the amount which would have been received by him for passage to London if the determination of his agreement had taken place in India instead of this country.

"In proposing the foregoing settlement of Mr. Badham's account on a basis which they regard as in excess of his legal claims, the Board desire it to be understood that the same is made without prejudice, and subject to his accepting it in full satisfaction of all his claims on the Company.

"(True Extract.)

"(Signed) J. WESTWOOD,
"Secretary."

No. 94.

REFERRED to the Government Examiner for information as to the details of the sum of Rupees 9,868-2-8 paid to Mr. Badham and for any remarks he may wish to offer.

(Signed) JOHN MULLINS, Lt.-Col., R.E.,
Chief Engineer for Irrigation.

SUBMITTED for the information and orders of Government.

2. The transactions between the Board of Directors and Mr. Badham, late Chief Accountant, appear to have been greatly mismanaged. Mr. Badham left India sick, and was not therefore entitled to his travelling expenses and passage. To entitle him to any passage money it was necessary that he should have returned to India, resumed his work, and had his engagement with the Company terminated here. The giving Mr. Badham six months' notice of the termination of his engagement after ten months' sick leave and with full pay, while another officer was performing the duties of the Chief Accountant in India, was a waste of money. Mr. Badham should have been required to return to India to serve out the notice time.

3. The Secretary to the Board states that the compromise made with Mr. Badham had the "full concurrence of the Secretary of State given through his Director, Mr. Thornton." Mr. Thornton may very properly have concurred as to its not being advisable to resist Mr. Badham's claim in a Law Court, for it is not only possible but probable that the acts or omissions of the Board had rendered a successful resistance unlikely; but it by no means follows that the Government should be called upon to find the money to adjust this expenditure, a very large portion of which was over and above the amount to which Mr. Badham was fairly entitled. This office has received no intimation that the Secretary of State has approved the admission to

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11th February 1876.*

the accounts rendered to Government of the large amount for which there has been no value received.

4. It will be seen further from the letter of the Examiner of Accounts, that he is unable to give, either from the papers now submitted or from the accounts, the items making up the difference between Rupees 8,905 and Rupees 9,763-13-0, and it appears to be necessary that the Board should furnish a complete statement of all the payments made to Mr. Badham since he left India, and explanation of the way in which the amount has been determined.

5. In addition to the amounts above referred to their remain unadjusted in the Indian accounts Rupees 272-14-0 on account of charges made by and paid to Mr. Badham contrary to the rules. This amount should, it is considered, continue to be shown under expenditure disallowed by Government.

(Signed) JOHN MULLINS, Lt.-Col., R.E.,
Chief Engineer for Irrigation.

No. 166.

ORDER THEREON, 11th February 1876, No. 366.

IRRIGATION, No. 17.

Establishment.

BEFORE passing orders on these papers the Chief Engineer and Manager, Madras Irrigation and Canal Company, will be requested to obtain from the

Board of Directors of the Company a statement of all sums paid to Mr. Badham, late Chief Accountant, since he left India at the beginning of 1874, together with information as to the accounts on which such payments were made, and as to the rules by which they were covered.

2. All charges supported by the Company's Leave Rules, and by the terms of the Agreement with Mr. Badham, will be admitted, but all expenditure not so supported will remain disallowed until the orders of the Secretary of State on a complete review of the circumstances may be received.

(True Extract.)

Major-General, R.E.,
Secretary to Government.

To the Chief Engineer and Manager, Madras Irrigation and Canal Company,
" Chief Engineer for Irrigation.
" Government Examiner of Accounts.

Exd. S. T. Austin.
Spare Copies

Badham



N^o 150

Submitted for the information and orders
of Government.

The transactions between the Board
of Directors and Mr. Badham, late Chief
Accountant, appear to have been greatly
mismanaged. Mr. Badham left India
sick and was not therefore entitled to
his travelling expenses and passage. —
To entitle him to any passage money
it was necessary that he should have
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and had his engagement with the
Company terminated here. The giving
Mr. Badham 6 month notice of the
termination of his engagement after
10 months sick leave and with full pay,
while another officer was performing
the duties of the Chief Accountant in
India was a waste of money. Mr.

Badham

Badham should have been required to return to India to serve out the notice time.

2 The Secretary to the Board states that the compromise made with Mr. Badham had the "full concurrence of the Secretary of State given through his Director Mr. Thornton." Mr. Thornton may very properly have concurred as to its not being advisable to resist Mr. Badham's claim in a Law Court, for it is not only possible but probable that the acts or omissions of the Board had rendered a successful resistance unlikely, but it by no means follows that the Government should be called upon to find the money to adjust this expenditure, a very large portion of which was over and above the amount to which Mr. Badham was fairly entitled. This Office has received no intimation that the

the Secretary of State has approved the admission to the accounts rendered to Government of the large amount for which there has been no value received.

3 It will be seen further from the letter of the Examiner of Accounts that he is unable to give, either from the papers now submitted or from the accounts, the items making up the difference between Rupees 8,905 and Rupees 9,763-13-0, and it appears to be necessary that the Board should furnish a complete statement of all the payments made to Mr. Badham since he left India, and explanation of the way in which the amount has been determined.

Para 3 of
Examiner's
letter.

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on account of charges made by and paid
to Mr. Padham contrary to the rules.

This amount should, it is considered,
continue to be shown under expenditure
disallowed by Government.

Camp at the }
Red Hills }
3^d February 1876 }
Lieut. Col. Rk.
Chief Engineer for Irrigation.

To
The Secretary to Government
P.W.D.

Per 11th Feb 76 B.N. 165

FORMER CASES.

Current No. of 187
 " " " " " "

M. WORKS FORM No. 3.

Current No. 939

From

The Chief Engr for
 Irrigation.

No. 150

Dated 3

Recd. 5

Feb.

1876

Subject:

Submit for information
 & orders of Govt papers
 regarding Mr. Madhavi's case
 & allowances; with note.

LATER CASES.

Current No. of 187
 " " " " " "

ENCLOSURES. 7

From

to

"

"

"

"

"

"

Orders and Proceedings in file.

Depart- ment.	No.	Date.	ENDORSEMENTS.		
			Depart- ment.	No.	Dated.

GB No 366 11.2.76

No 366

P. H. W. P.

Proceedings of the Madras Government
 Dated 11th Feb 1876
 Read the following.

From

The Chief Engr for Irr (H. L. No 150 of 3rd Feb 1876)

Before passing orders on
 these papers, the Chief
 Engineer and Manager
 Madras Irrigation and Canal
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 to obtain from the Board
 of Directors of the Company
 a statement of all sums
 paid to Mr. Badham, late
 Chief Accountant, since he
 left India at the beginning
 of 1874 together with in-
 formation

N. 165

air 7-2-76.

information as to the ac-
counts on which such
payments were made, and
as to the rules by which
they were covered.

2 All charges sup-
ported by the Company's
leave rules, and by the
terms of the agreement with
Mr. Badham will be ad-
mitted, but all expendi-
ture not so supported will
remain disallowed until
the orders of the Secretary
of State on a complete
review of the circumstances
may be received.

Mr. 3/2

G.W.

To The Chief Clerk & Manager
M. D. & Co.

do for irrigation
Govt. Examiner of accounts

* With 7 Orig. Enclosures
Recd 24-2-76

3
5
7
Office 17

934
Govt. of 1876 Madras.

PUBLIC WORKS.

To

Ch. Eng. & Manager
M. J. & Co.
12/12/76

Dated

Issued

Recd.

Encl.

G. O. 11 Feb 1876, No. 366.

Nos. 165-166

Mr. Bradham, late Chief Ac.
- Contract Madras M. Co -
The Chief Eng. & Manager Madras
M. Co. requested to obtain
from the Board of Directors of
the Company, a statement of
all sums paid to — since
he left India at the beginning
of 1874, with information as to
the accounts & rules on which
the same were made.