

21-4-13  
CONFIDENTIAL.

Revenue (1898) Department.

MISCELLANEOUS SERIES.

G.O., No. 3495

*Confidential*

DATED 20<sup>th</sup> Sept

[Despatch Abstract.]

In the morning, <sup>with the remarks</sup> Mr. Willock, I.C.S. to  
represent the Vizianagaram Zamindari  
in any Prop. which may be introduced  
in England re: the mining concession  
granted to Mr. Turner.



# BACK PAPERS.

| G.O. | No. | Department. | Date. | G.O. | No. | Department. | Date. |
|------|-----|-------------|-------|------|-----|-------------|-------|
|      |     |             |       |      |     |             |       |

# FURTHER PAPERS.

| G.O.             | No. | Department. | Date. | G.O. | No. | Department. | Date. |
|------------------|-----|-------------|-------|------|-----|-------------|-------|
| 4063<br>11-10-98 |     |             |       |      |     |             |       |

No 19.

*Sanathana Revenue*  
office, Vizianagram  
12<sup>th</sup> July 1898

From,

W. A. Willock Esq.  
Collector and Guardian  
Vizianagram zamindary

To,

Honble Mr. G. S. Forbes C. S.  
Revenue Secretary to the Government  
Fort St. George, Madras.

Sir,

I have the honor to report with reference to  
G. O. No 2398 dated 4<sup>th</sup> June 1898 that I learn that the  
arrangements for settling my differences with  
Mr. H. G. Turner regarding the Mining Concession  
granted to him by the late Maharajah of Viziana-  
gram by arbitration are progressing though it is  
possible that the deed of reference may not be  
ready for signature before my arrival in England  
on the furlough which I intend to apply for very  
shortly.

I think therefore that it is time that I should  
ask Government for orders on the following points  
connected with placing the case before the arbitra-  
tor, Sir C. Turner.

It will be necessary that the case should be  
in charge of some one at home with full authority  
to take any action which may be necessary and  
I think that I should be entrusted with this duty  
under a power of attorney from my successor. If  
so, I imagine that I shall be entitled to be remun-  
-nerated by the Estate for the work which I do for it  
while



while in England. It is desirable that something should be settled on this point before I leave as I am anxious that Mr. Turner and his friends should understand my position exactly before the case comes before the arbitrator.

Two courses seem to be open.

1. I might be sent home on special duty at the expense of the Estate.
2. A fixed sum might be determined on as remuneration for my services.

I do not think that the first course would be desirable. It would be very expensive if the arbitration were delayed in any way and might lead me to hesitate as to assenting to adjournments if further evidence were required. I do not think that the decision could well be pronounced under 4 months from the date of my departure from India as Commissions to take evidence will have to issue. If it occupied this time the cost to the Estate would be

|                                   |                    |
|-----------------------------------|--------------------|
| Salary at Rs 2000 for 4 months    | Rs. 8,000          |
| Travelling expenses say           | 1,500              |
| Pensionary and leave contribution | 2,000              |
| <b>Total</b>                      | <b>Rs. 11,500.</b> |

As I would be on furlough (of which I have a good deal to my credit) if I were not on special duty most of this would go to Government instead of to me. It appears to me therefore that the second course is the more desirable one. I do not think that it will be necessary to apply to the Government of India on the subject at present as I shall be perfectly satisfied if Government will merely express its intention of making the application in due course and fix the amount which it considers reasonable. Should it be

necessary for me to return to India in connection with the arbitration the amount might be regarded as liable to revision.

I value the claim which I make on Mr. Turner as follows. It is practically the demand which I made on him in the correspondence which led to the arbitration. I take the value of the shares at par as they have been paying 10 % for some years past and capitalize his royalties at 10 times their present <sup>yearly</sup> value.

1. Money advanced to Mr. Turner and not accounted for say Rs. 1,20,000 — £ 8,000
2. £ 10,000 worth of shares transferred without consideration — " 10,000
3. £ Dividends on the last mentioned item — " 3,000
4. Royalties on "Gold Metallic ores" say — " 2,000
5. value of land bought for the mines by the Estate — " 1,000
6.  $\frac{1}{2}$  of £ 43,000 of Shares — " 21,500
7. " " £ 20,000 of Debentures — " 10,000
8. " " £ 5,000 of Shares or cost — " 2,500
9. " " £ 1,000 Cash — " 500
10. " " value of plant, buildings &c say — " 1,000
11. First half of capitalized value of an income of £ 5000 per annum from royalties (say £ 50,000) — " 25,000
12. Second half of Do — " 25,000
13. Dividends on No 6. interest etc. — " 15,500

**Total £ 125,000**

The recovery of items 1, 2, 3, 4, 5 is almost certain and there is a very fair prospect of a favourable decision with regard to all the others, except possibly No 12. It would fall to Mr. Turner's share on the supposition that he and the late

Maharajah



4  
Maharajah were equally interested in the undertaking but I claim it on the ground that he never risked his own money in opening up the business as he was bound to do.

I enclose a copy of the opinion of Counsel as to the possibility of challenging the validity of the concession "ab initio" from which it will be seen that the Estate has a strong case. Mr. Turner is now being forced into arbitration on more favourable terms as suggested by Counsel. Their remarks on the point are directed against the arbitration deed as amended by Mr. Turner which was then before them and which seriously restricted the scope of the enquiry.

I have the honor to be

Sir,

Your most obedient servant

W D Webb

Collector and Guardian  
Vizianagram Zamindari

You are requested to advise the present representatives of the Maharajah.

1<sup>st</sup> Whether the transaction under the Agreement of 16<sup>th</sup> February 1891 is open to any objection on the part of the successors of the Maharajah and if so on what ground or whether even assuming the transactions might have been challenged originally it is not now too late by reason of the lapse of time and the interest on the part of others which has in the meantime arisen?

2<sup>nd</sup> Whether under the lease of 3<sup>rd</sup> March 1893 the lessees are liable to pay royalty in respect of Manganese or whether the royalty is limited to Gold metal only as contended for by Mr. Turner

3<sup>rd</sup> Whether the Agreement of 21<sup>st</sup> February 1895 between the late Maharajah and Mr. Turner and the subsequent transfer of 10,000 shares in the Mining Company can be upheld by Mr. Turner and if not the grounds on which the transactions may be challenged?

4<sup>th</sup> Whether the Agreement of 8<sup>th</sup> February 1896 between the late Maharajah and Mr. Turner and the resulting lease of 17<sup>th</sup> June 1896 are open to any objection on the part of the late Maharajah's successors and if so the ground on which the transaction may be impeached?

5<sup>th</sup> Whether having regard to the fiduciary and confidential relations which appear to have existed between the late Maharajah and Mr. Turner the latter can be called



upon to account for the large sums of money received by him from time to time from the Maharajah, and apparently without adequate consideration. 6thly If you come to the conclusion that the transactions above referred to or any of them may be challenged what proceedings do you suggest should be taken by the successors of the late Maharajah and against whom?

7thly Should it in the circumstances be deemed advisable to make further efforts to refer the question to Arbitration are you able to advise the adoption of the Agreement of Reference as varied on behalf of Mr. Turner. Lastly To advise the successors of the Maharajah generally as to their position and as to the steps which in your opinion it will be advisable for them to adopt.

### Opinion

First. We are of opinion that the agreement of the 16th February 1891, and the lease granted pursuant thereto, is open to objection on the part of the successors of the Maharajah, on the ground of the fiduciary relation subsisting between the Maharajah and Mr. Turner, until a short time before the date of the agreement and the undue influence which appears to have been exercised by Mr. Turner over the Maharajah. The result of an action on those grounds must depend upon the evidence found available after full discovery has been obtained. We are of opinion that it is not now too late to challenge the transactions in question, either by reason of the lapse of time, or the interest acquired by the Company if it can be shown that the Company had notice of the circumstances which raise the equity.

Secondly. We are of opinion that upon the true construction of the lease of the 3rd March 1893 and having regard to all

the provisions thereof, the lessees are liable to pay royalty thereunder in respect of Manganese, and that the royalty is not limited to gold metal alone.

Thirdly.

We are of opinion that the agreement of the 4th February 1895 and the subsequent transfer of 10,000 shares, may be challenged on the same grounds as are referred to in our answer to the first question.

Fourthly.

We are of opinion that the Agreement of the 8th February 1896 and the resulting leases, are open to objection on the part of the Maharajah's successors on the same grounds as are referred to in our answer to the first question.

Fifthly.

We are of opinion that Mr. Turner can be called upon to account for the moneys received by him from the Maharajah without adequate consideration, on the same grounds as are referred to in our answer to the first question.

Sixthly.

As Mr. H. G. Turner is now resident in England, an action may be commenced against him here to have the Mining Concessions and leases granted pursuant thereto set aside, or in the alternative to set aside the Agreement for transfer of the shares, and the Agreement by which the Maharajah surrendered his interest in the renewed concession of the 8th February 1896, and also for an account of all moneys received by Mr. Turner from the Maharajah without adequate consideration and also by way of alternative relief for a declaration that royalty is payable on Manganese ore under the lease of 3rd March 1893 and an account of the amount due on account of such royalties. To such an action Mr. A. W. Turner and the Mining Company should be made parties. If it should be decided to take

proceedings



proceedings in India, the advice of an expert in Indian law should be taken.

Seventhly - We do not think in the circumstances that it would be advisable to make further efforts, in the first instance, to refer the questions that have arisen to arbitration. It is of the utmost importance to the case of the Maharajah's successors to obtain the fullest discovery possible and we think that this could be more effectively obtained in an action to which Mr. A. W. Turner and the Company would be parties than in an arbitration with Mr. H. G. Turner alone.

Lastly - We are of opinion that a strong procedure should, in the first instance, be adopted by the successors of the Maharajah as we think that this may very likely lead to an advantageous compromise or arbitration on more favourable terms being ultimately arrived at.

(Sgd) William Latham  
( " ) Felix Cassel.

Lincoln's Inn  
26<sup>th</sup> May 1898.

Trin City  
W & W Moly  
Collector & Guardian  
Kyanayun Lunday



Copy

Questions submitted to

Mr Latham Q.C. and

M<sup>r</sup>. Cassel and their

Joint Opinion thereon

dated 26<sup>th</sup> May 1898

x<sup>d</sup>.

Freshfields & Williams

Colacumund  
22 Aug 1898  
My dear Father

letter of the 17<sup>th</sup> July referring to  
the letter to be written to counsel  
Tennant to come to a settlement  
with the Viceroy's agent, Malabar,  
are somewhat changed by his withdrawal  
from arbitration and I will now  
be necessary to institute proceedings  
against him. I have consulted the  
Advocate-General about this and  
he is decidedly of the opinion that  
action should be taken in an  
English Court rather than in an  
Indian one.

Should this even actually come  
to a trial it will attract a  
good deal of notice and I am  
therefore anxious to make my own



Copy

Questions submitted to  
Mr. Latham Q.C. and  
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Joint Opinion thereon  
dated 26<sup>th</sup> May 1898

x<sup>d</sup>

Freshfields & Williams

Colacomb  
22 Aug 1898

My dear Sir

With regard to my

letter of the 17<sup>th</sup> July referring to  
the letter to be taken to Court  
I am to come to a settlement  
with the Vice-Chancellor Estlin, Mr. Allen  
are somewhat changed by his withdrawal  
from arbitration and it will now  
be necessary to institute proceedings  
against him. I have consulted the  
Advocate General about this and  
he is decidedly of the opinion that  
action should be taken in an  
English Court rather than in an  
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Should this case actually come  
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dated 26<sup>th</sup> May 1898

x<sup>d</sup>

Freshfields & Williams

personal position as strong as possible.  
I shall be one of the principal  
advisers and may be questioned  
as to the arrangement under which  
I am managing the business and  
it is very ~~desirable~~ desirable that I should  
guard against the possibility of  
suggestions that I am personally  
interested in the matter. I therefore  
venture to point out the necessity  
of a definite arrangement being  
made about remuneration before  
I take any action. I think it  
very desirable that my dear  
friends at home should know  
exactly what the arrangement  
is as soon as the matter begins  
to attract attention which will  
immediately after my arrival  
allow me to suggest that  
at a decision would be  
how I would  
be sent home  
on special duty

for a Government position on what  
the consequence to the estate  
would be if I were the ruler  
from a special duty in the  
interests instead of taking the  
matter into which on further. A  
go about dealt with the question  
on either of these lines and needed  
the fact that it did so would  
make my position perfectly satisfactory  
as for the amount fixed that  
is a matter about which I am  
indifferent.

Yours truly

W E Gladstone

now  
I am  
in my own



Copy

Questions submitted to  
Mr. Latham Q.C. and  
Mr. Cassel and their  
Joint Opinion thereon  
dated 26<sup>th</sup> May 1898

Yd.

Freshfields & Williams

Colacomb  
22 Aug 1898

My dear Sir

In reply to my

letter of the 17<sup>th</sup> July referring to  
the letter to be written to Lord  
Tenterden to come to a settlement  
with the Vice-Chancellor, Malleson  
are somewhat changed by the withdrawal  
from arbitration and it will now  
be necessary to institute proceedings  
against him. I have consulted the  
Advocate-General about this and  
he is decidedly of the opinion that  
action should be taken in an  
English Court rather than in an  
Irish one.

Should this case actually  
be a trial it will attract  
great deal of notice and  
therefore answer to me.

Yd.  
I am  
very an



No.

From W Willock, Secy of Ngianapaur  
Lauri

Dated 12 July 1898.

FOR ORDERS.

There are two main questions  
(1) Whether W Willock shd  
be appointed, under a power  
of Attorney from the Secy of  
the Lauri who may succeed  
him when he goes on furlough,  
to have full authority to  
act for the estate in the  
Arbitration proceedings  
with Mr Lamer.

This seems to  
be most desirable

(2) How shd W Willock, if so  
appointed, be remunerated  
for his services.

There are two suggestions  
offered by him:

- (a) That he shd be sent  
home on special duty at  
the expense of the State,
- (b) That a fixed sum

This is essential for the  
proper conduct of the  
arbitration.

MS. B. 1.



2  
Mr. be settled for his services

FOR ORDERS.

Mr. Willock gives reasons for preferring the latter course. If this is agreed to he will be quite satisfied if Govt will merely express "its intention of making the application [to the Govt of India] in due course, & fix the amount which "considers reasonable"

Mr. Willock appends a valuation of the claim the estate makes against Mr. Lamer's ~~claim~~. But it is quite impossible to criticize this. The opinion of Counsel on the position generally forms an enclosure of the letter.

18/7/98

The latter proposal is obviously the better. In due course Govt will make appln to India for sanction to pay a lump sum to Mr. W. as remuneration for his services. The amount cannot be determined till the arbitration is closed.

It is known what Mr. W.'s services have been.

At 19.7.98  
And without at the present time.  
At 19/7/98  
A. H.

Settled in formal that Govt accept Mr. Willock's proposal to fix a special remuneration for his services to the estate while at home or furlough on the basis of sec. 103 of the C.S. Regulations.

The difference between his furlough pay and Rs 2000 a month to be charged to the estate, ~~including~~ <sup>including</sup> travelling expenses in <sup>England</sup> will be paid by the estate.

The estate will also pay the usual contributions on pensionary account, it is presumed.

D.F. 16/9/98

Office  
please draft on the papers put up

18/9/98



To Secretary

Please see draft order ~~put up~~ below.

2. Para 3 of the draft order. - Mr. Willock's leave allowance during furlough would be £ 250 a quarter, equivalent to Rs 1,250 a month (exchange being <sup>taken at</sup> £ 1 = Rs 15). [Art. 346(a)-(i) of the Civil Service Regulations]. The difference between this and Rs 2000 the rate of special remuneration under Art. 103 being Rs 750, the sanction of the Govt of India appears to be necessary to its payment under Art. 91(c).

3. Para 4 of the draft Order. - Reference is solicited to Art. 835(a) of the C. S. R. which states "during which (i.e. privilege leave) contribution calculated on the share of the leave allowances payable by the foreign body must be paid in the same manner as if the officer were on duty". The new mention of a privilege case and the fact that

during furlough the absence allowance is paid by Govt appear to show that no pensionary contribution will be required from the estate during Mr. Willock's leave. It is desirable, however, to make sure whether it is so.

The A.C. will determine this point.

It necessary

+ referred to me

4. Mr. Willock's letter No. 19 of 12.4.98 has not been registered, and only the first sheet of it is put up. For orders whether it may be registered or read at the head of G.O. In that event it is requested that the remaining sheets may be sent into the office.

KQ  
17/4/98

Issue draft as altered

S. H. 4/4/98



Sp. stamp  
20/9/98

Tel. done  
20/9/98

Tel. to Mr. Gillman <sup>order</sup>  
Please forward <sup>direct</sup> (to) Mr. Willock  
(a) power of attorney giving  
him full authority to  
represent the estate in  
any legal proceedings  
at law or otherwise  
undertaken in England  
regarding <sup>the</sup> mining concessions.

S/K  
i/j

G.O. Memo. 3795 d/20<sup>th</sup> Sept 98.

~~The Govt. is pleased to~~  
appoint Mr. Willock, I.C.S. to  
will be authorized to  
represent the Viziamagham  
Zamindari in any proceedings  
which may be instituted in  
England regarding the mining  
concession granted to Mr. Turner.  
The Acting Collector of the  
Zamindari will <sup>without delay</sup> forward to  
Mr. Willock a power of attorney  
giving him full authority to act  
for the estate in such proceedings.

2. For Mr. Willock's  
services to the Zamindari while  
in England on furlough ~~the~~  
the Govt. authorizes the part of his  
special remuneration ~~to be~~  
paid on the basis of Art. 103 of  
the Civil Service Regulations,  
the difference between <sup>remuneration</sup> ~~the~~ and  
his absentee allowance <sup>on furlough</sup> ~~to be~~  
being charged to the  
estate. He will also bear his  
necessary travelling expenses  
in England.

3. On the termination



~~of the Propo, the amount of the special remuneration will be determined and Application~~  
will be made to the Govt of India for sanction to ~~this~~ payment.

4. The Accountant General will be requested to be good enough to state whether any contribution should be paid by the estate on account of Mr. Willock's pension during the period of his leave.

KD  
17/9/98

20/9/98

To

The Colls of the Vizianagaram Zamindari  
Mr W. A. Willock, Esq. I.C.S.  
The Accountant General.

(From Orders)

Checked  
20/9/98

When given for copying \_\_\_\_\_  
When copied \_\_\_\_\_  
When examined \_\_\_\_\_  
When signed \_\_\_\_\_

189

READ AGAIN G.O., No.  
189

DATED

CURRENT No.

ENCLOSURES TO G. No.

ORDER OF GOVERNMENT

LETTER OF GOVERNMENT.

STATEMENT WITH DITTO.

PAPERS NOT FILED UP, BEING WANT FOR DESPATCH  
IN ORIGINAL.

N.B.—

A = Copy in full.  
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