

# MADRAS RECORD OFFICE.

Government of Madras.

*of* Financial DEPARTMENT.

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| G.O. No. | 496 | Press<br>Mis. |
| Dated    | 5-9 | 1889          |

B. No. 3-5

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Not to be folded or roughly handled

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*Proceedings of the Madras Government, Financial Department,  
from 3rd to 9th September 1859.*

Read the following papers—

No. 3. From S. D. BIRCH, Esq., Bombay; to the Chief Secretary to Government, Fort Saint George, dated Bombay, 15th August 1859.

I do myself the honor of acknowledging the receipt of copy of Resolution of Government in the Financial Department, dated 30th July 1859, No. 425, forwarding certain papers on the subject "of the defalcation in the General Treasury for any observations I may have to make upon them," and calling upon me to explain why the 531½ Madras Pagodas referred to, were not sent to the Mint, when that was directed to be done, by order of Government, dated 13th February 1858, No. 91.

2. I regret extremely that a reference of this nature should have been rendered requisite after a charge of 12 years' duration, during the whole of which period the Government have sustained no loss whatever, either by Forgery, or the want of due precaution, and in which time the Treasury was twice made over to other officers—one occasion being no later than September 1856, it is most mortifying that such an occurrence as that referred to, should be supposed to have taken place.

3. So far as my own individual responsibility in the matter goes, I can assert most positively, that if the coins are missing they could not possibly have been abstracted whilst in my custody, whether during the time they were in the Grand Magazine, or, as is supposed, in the Inner Current Cash Godown, no one could have had access to them, except, not only in my own presence, but in that of two or three other persons. Some little importance appears to be attached to the fact that the items of which the Deposit were composed, were "in a Common Treasury Box very slightly secured." I do not believe myself that it was secured at all, nor under the circumstances I have stated, could there be more necessity for securing these items, than there was for securing the 3 or 4 lac of Rupees which were generally placed, in the outer Godown, in Bags. The lock was not wrapped in cloth and sealed up, because it belonged to an inner door, the outer door of communication being sealed up by the Cash-keeper.

4. The Box was delivered to the Cash-keeper at his own request on the 4th June, to enable the Shroffs to complete a remittance of Uncurrent Coin to the Mint, which had been some time in preparation, and if I remember rightly, the call for which had been repeated.

5. I have assumed that every effort has been made to trace out these Coins, and without success. I cannot however help indulging the hope that some mistake has been made, and think it not at all improbable that they have become mixed up with other Uncurrent Gold Coins which were, about the time the Deposit was examined and reported upon, placed in a small Iron Chest which happened to be empty, in the Grand Magazine. I would beg to suggest that these should be carefully examined and traced out.

6. I am called upon to explain why these 531½ Madras Pagodas were not sent to the Mint when that was directed. I beg respectfully to point out that the resolution of Government does not direct the transmission of these coins, but grants the authority for its being done. As no gold coin has however for some years been melted up at the Mint, it would have been but little use to have sent them there at that time.

7. I cannot conclude this letter without doing what I conceive to be but a simple act of justice to the Shroffs concerned in the matter, especially to Balagooroonathum. I have known and worked with them for many years, and have always had occasion to place the greatest trust in their honesty and integrity. The Shroff named has been for a long time, the Mint remittance Shroff, and has always been remarkable for the careful and complete manner in which his work has been done, and if the defalcation does exist, I feel bound to express my opinion that he must be the victim of others.

No. 4. From G. L. PRENDERGAST, Esq., Accountant General; to the Chief Secretary to Government, Fort Saint George, dated Pater's Gardens, 13th August 1859, No. 160.

1. With reference to the concluding part of my letter, dated the 25th ultimo, No. 130, I have the honor to report, for the information of Government that the Acting Sub Treasurer, and

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the Mint Master were severally addressed by me on the subject of the Gold Pagodas which were missing in the General Treasury. The former officer was requested to state on what grounds, the Shroffs from whom the recovery of the value of the Pagodas in question has been effected, had for believing that they were base coins: whether there were any other authentic Memorandum or information forthcoming to shew that these were base or rejected coins, besides the statement of the Shroffs concerned, and why the Uncurrent Coins alluded to in the above order of Government were not, until lately, forwarded to the Mint Master for re-coinage, the instructions from this office to do so having been issued so far back as the 23rd February 1858.

2. The Mint Master was requested to state whether there were any instances of Uncurrent Coins sent to the Mint as genuine or without any note of their being "base" or "rejected," proving on assay to be base. From the reports received from both these officers I have gathered the following.

3. The Acting Sub Treasurer states that the Shroffs merely suppose "that the missing Pagodas were neither current nor Uncurrent gold, but coins of mixed metal, because in the same box in which the missing Pagodas were said to be kept, there was a bag of "rejected" Madras Pagodas," that this plea has been disallowed for reasons stated in his report recently submitted to Government, and that the Shroffs having no other alternative, have submitted to the decision of the Acting Sub Treasurer. This decision was no doubt grounded on the opinion expressed in my letter to his address, dated the 9th ultimo, No. 296, copy of which was forwarded to Government with my memorandum, dated the 20th of the same month, No. 115.

4. As regards the last question the Sub Treasurer states that it cannot be precisely ascertained why the coins were not sent to the Mint immediately after the receipt of the instructions of this office, or even when a remittance of Uncurrent coins was sent to the Mint on the 25th November 1858. It would appear that the letter from this office was with the late Cash keeper, whose duty it was to have attended to the instructions: that the present Cash keeper succeeded on the 21st February last, and that on the next occasion that Uncurrent coins were sent to the Mint the coins in the box of deposits were also despatched. The Sub Treasurer farther states that the instructions of this office, above alluded to, were brought to the notice of the present Cash keeper for the first time when the Uncurrent coins were being put up for transmission to the Mint on the 31st May 1859, and they were carried out without further delay.

5. The Mint Master reports "that there are no instances on record at the Mint, of Uncurrent coins stated to be genuine or received without note of their being base or rejected," having on assay proved to be base.

6. Under the above circumstances, and for the reasons stated in Mr. Balmain's letter of the 11th ultimo, No. 323, copy of which was furnished to Government on the 20th idem, it appears to me that the recovery has been effected from the proper parties and at the correct rate.

7. I enclose an original\* petition from the Shroffs, dated the 23rd ultimo, praying that the recovery may be made at a lesser rate than  $3\frac{1}{2}$  Rupees the Pagoda, with Mr. Waterfield's remarks thereon.

8. As directed in the 2nd paragraph of the order of Government dated 23rd Ultimo, No. 405, I have issued a Circular letter to all Officers having charge of Treasuries to state, as early as possible, whether there are any, and what, sums, or any property or uncurrent coins, in deposit in their Treasuries which have not been brought to account; shewing their respective amounts, the date of the original deposit, and the object of it, and so soon as replies are received, the necessary report will be made to Government.

From the Shroffs of the General Treasury; to W. Balmain, Esq., Acting Sub Treasurer.  
&c. &c. &c. dated 13th July 1859.

In obedience to your orders written upon the letter of the Accountant General having reference to the Madras Pagodas said to have been missing from the General Treasury, we the undersigned Shroffs of the establishment, beg with every respect and submission to bring to your kind notice that we have agreed to make good the loss.

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It is not, we are sorry to say in the recollection of any one of our Shroffs that from what place these coins were received, but we are led to suppose that they would  
\* 15th June 1859. not have been Current nor Uncurrent gold, but coins of a mixed nature similar to the 14 pieces loaded with lead and sent\* to the Mint Master which were in the box wherein also the bag of Madras Pagodas was stated to be.

The Accountant General has stated that the value of these coins should be reckoned at the same rate at which such Pagodas may at any time have been reported by the Assay Master. The coins of this description do not appear to have ever been forwarded to the Assay Master and their value is not therefore ascertained.

Under these circumstances we are at a loss to fix any rate of per centage upon the coins and therefore request you will kindly be pleased to submit this to the Accountant General supported with your favorable remarks thereon, and thus put us in possession of his final orders whereby a reduced rate of exchange may be fixed, tending to our advantage without any loss to Government.

The 14 Pagodas to which the Petitioners refer are noted in the list as "Rejected" and "Base." No such remark is applied to the missing coins, 108 other coins of the same list entered in the same way without any description are stated by the Mint Master to be of standard fineness. The same must therefore, I think, be held to apply to the coins in question, and the value must be made good *without delay* at the usual rate of Rupees  $3\frac{1}{2}$ . The petition of the Shroffs shall however be reported to the Accountant General.

(Signed) W. WATERFIELD,  
Acting Sub Treasurer.

22nd July 1859.

No. 5. ORDER THEREON, 5th September 1859, No. 496.

Resolved, that a copy of Mr. Birch's letter be forwarded to the Acting Sub Treasurer, and that he be requested to ascertain and report whether the missing Uncurrent gold coins have been put away in the manner suggested in paragraph 5.

(Signed) T. PYCROFT,  
Chief Secretary.

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Ordered to be on printing  
the receipt of a reply from  
Mr. Smith to the reference  
made to him under  
date 30<sup>th</sup> Oct 1860.

J.P.

And sent

Received  
of the  
J.P.

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Financial Department

Proceedings of the Madras Government.

Read the following letters:

From the Accountant General. — (Here enter 13<sup>th</sup> Aug<sup>r</sup> 1859, No. 160.)  
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W

JP

To the Asst Sub Treasurer. Dated 8<sup>th</sup>

W. H. Birch  
order

W. H. Birch

Pres: of Govt of Ill-  
Financial 1857 Sept 15

18496.

Proceedings of Govt

March 5<sup>th</sup> Sept 1857

No 429

Creating the school  
copy of the Board's letter  
on the subject of the defec-  
tation in the General  
Inquiry Bureau as  
forwarded to the Acting  
Superintendent and that  
he be requested to as-  
= certain & report whether  
the necessary documents  
and have been submitted  
in the manner suggested  
in para 5.