

(1) Number of pages 20.

(2) Date of repair 5-7-37

(3) Initials of the Referencer AK

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No.	532	Press
		Mis.
Dated	21-7-	18 62.

67-68 11/12

Not to be folded or roughly handled

*Proceedings of the Madras Government, Financial Department,
21st July 1862.*

No. 67. Read the following letter from H. A. MANGLES, Esq., Acting Accountant General; to the Acting Chief Secretary to Government, Fort Saint George, dated 5th July 1862, No. 91.

Book and Adjustment Department.

With reference to paragraph 2 of Government Resolution, No. 395, dated 24th May 1862, I have the honor to forward copy of a letter from the Collector of Malabar, regarding the removal of the Hoozoor Treasury from Calicut to Cochin, with the remarks of the Board of Revenue thereon.

2. In the paragraph above referred to, Government observe, that, "it will be necessary to retain a local Treasury at Calicut, for the payment of official salaries, &c., but for this purpose, probably, a Taluq Treasury will be sufficient." As pointed out, however, by the Collector in the second paragraph of his letter, the Account Department of his District must still remain at Calicut, so that, no material reduction could be made in his Office, even were it considered advisable to remove the Hoozoor Treasury to Cochin.

3. The application of the Directors of the Bank, that the Hoozoor Treasury should be removed from Calicut to Cochin, would appear, at first sight, to be nearly a request, that the Bank should be allowed to conduct the Treasury business of the Government in Malabar, on much the same terms as those granted to them at Madras. Such however, would not, in reality, be the case. All the heavy disbursements of the District would continue as at present to be made at Calicut, for which purpose, a large cash balance and Establishment must always be kept up at that place. By acceding to their request, the Branch at Cochin could not, in consequence of its distance from Calicut, act as Bankers for the Government, or perform similar duties to those undertaken by the Bank here, but would merely receive and take charge of the surplus cash balance of the District, during certain seasons of the year, when it was not required at Calicut. But looking at the amount available for Bills in Malabar for the last three years, I find, that the average has been about seven lacs, but during the same period an average of 15 lacs per annum has been drawn, so that, the deficiency of 8 lacs to make up the amount required by the commercial public for their transactions in the District, has been met, year by year, by remittances from other Treasuries; so that, in point of fact, there is no surplus balance available for transfer to Cochin, without inconveniencing that portion of the public, who have hitherto availed themselves of Bills on Calicut.

4. The Collector, in his letter, states fully, his reasons for objecting to the transfer, and the Board of Revenue coincide with him, in his opinion.

5. With regard to the 3rd paragraph of the Board's remarks, that the Collector's suggestion of having a Branch Bank at Calicut, would appear to be deserving the attention of the Board of Directors, I would beg to draw the attention of Government to paragraph 52 of a letter, No. 55, purporting to have been written by the Secretary of State for India, to the Governor General of India, and published in the public papers, in which, he observes "without absolutely interdicting the transfer of the balances and business of local Treasuries to any Branches of the Bank of Bengal, I desire that no arrangements of that nature, be sanctioned without previous reference to me."

6. Though it is not distinctly specified in the above letter, yet I infer that the restriction of the transfer of balances and business of local Treasuries, is equally applicable to this Presidency, as to Bengal.

Proceedings of the Board of Revenue, dated 26th June 1862.

From G. A. BALLARD, Esq., Collector of Malabar; to W. HUDLESTON, Esq., Secretary to the Board of Revenue, Fort Saint George, dated Calicut, 9th June 1862, No. 112.

With reference to the correspondence noted in the margin, and to the inquiry of Government

Proceedings of Government, Financial Department, 24th May 1862, No. 395. Acting Accountant General to Collector of Malabar, dated 28th May 1862, No. 640.

as to whether there is any objection to the Huzur Treasury being at once removed from Calicut to the Branch Bank at Cochin, I have the honor, as requested by the Acting Accountant General, to submit my views on the subject; I will consider whether 1stly, the Government, officially and

directly; and 2ndly, the public generally, are likely to gain or lose by such an arrangement.

*Proceedings of the Madras Government, Financial Department,
21st July 1862.*

2. The transfer of the Account Department from a central position like Calicut to Cochin, situated quite out of the Malabar District, is out of the question. This Department and the Establishment necessary to conduct its duties must be maintained at Calicut. The only saving therefore that would be effected in the cost of establishment at Calicut, by the transfer of the cash balances to Cochin, would be the pay of a Shroff or two, and that of the few guards whose services might be dispensed with. The Taluk remittances would have a greatly increased distance to travel however; and unless the Bank undertook the cost of their carriage and guard *en route*, the paltry saving above noticed, would be far out-balanced. The inconvenience of such distant remittances would be extreme, especially as between 30 and 40 miles of the route would lie through foreign country.

3. As regards the public convenience. The funds available at the Calicut Treasury have generally been fully and readily taken up here. The remittances of Specie to the Presidency of late years have never been large even before the construction of the Railway commenced. Whilst the Railway was under construction, all money was taken up by the Company; and now that the Railway is opened, and the Traffic of the district has increased and is increasing so greatly, there is no doubt but that more money than we shall be likely to be able to render available would be readily taken by the Mercantile community in this vicinity. I see no reason why the supply should be withdrawn to their great inconvenience, and transferred to another place. Whilst the Railway Company monopolized the bills, the general public had to put up with the inconvenience, but it was for their best interests that the Railway operations should be assisted in every way. There appears to me no call to set aside their convenience now.

4. A glance at the subjoined table of Exports and Imports of the Ports of Malabar in 1861-62, may assist consideration of this subject:--

	Goods.			Treasure.			Grand Total.
	Imports.	Exports.	Total.	Imports.	Exports.	Total.	
	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Cannanore.....	17,45,990	17,40,365	34,86,355	8,91,263	1,96,451	10,87,714	45,74,069
Tellicherry	19,48,068	23,41,307	42,89,375	6,30,271	61,000	6,91,271	49,80,646
Kalai.....	2,18,158	61,949	2,80,107				2,80,107
Vadagara.....	4,34,222	13,24,592	17,58,814	79,300		79,300	18,38,114
Koilandi.....	2,05,688	1,64,012	3,69,700	30,625		30,625	4,00,325
Calicut.....	28,22,859	27,90,353	56,13,212	9,32,761	1,48,250	10,81,011	66,94,223
Tanur.....	28,293	3,26,010	3,54,303	6,000		6,000	3,60,303
Ponani.....	2,44,491	11,30,657	13,75,148	11,000	105	11,105	13,86,253
Charakad.....	45,983	1,21,810	1,67,793				1,67,793
Cochin.....	31,02,405	57,62,235	88,64,640	11,81,787	2,12,641	13,94,428	1,02,59,068
Total.....	1,07,96,157	1,57,63,290	2,65,59,447	37,63,007	6,18,447	43,81,454	3,09,40,901

Calicut may be taken as a convenient centre of the first 8 Ports, the value of its own trade being Rupees 56,13,212 and of the aggregate Rupees 1,75,27,014 per annum. Cochin as the centre of the two last only, the value of its own trade being Rupees 88,64,640, and the aggregate Rupees 90,32,433 only.

The cash balances at so distant a place as Cochin, would be of little use to the large Mercantile community here, and to the northward.

5. I am strongly of opinion therefore that, both as regards Government and the public, the transfer of the District Treasury hence to Cochin, would be highly objectionable.

6. I may avail myself of this opportunity briefly to consider the effect of a Branch Bank established at Calicut.

7. If such a Bank were merely to occupy an analogous position to that which the Branch at Cochin now holds, *i. e.*, if the whole monetary transactions are to be checked and reviewed in the Collector's Office, the present Account Department of this Office would be in no way eased of its labors.

*Proceedings of the Madras Government, Financial Department,
21st July 1862.*

But if the Collector's Office had merely to satisfy itself that the amount of revenue payable throughout the District, had been paid under the proper heads, and to draw on the Bank for salaries, money required for Public Works, &c., whilst the Bank accounted directly with the Accountant General for its custody of the revenues it received and the regulation and responsibility of bill transactions rested solely between the Bank and the Central Account Office; a considerable reduction of the Account Department of the Collector's Office might certainly be made.

Saving some reduction of establishment however, I am not aware of any direct advantage that would accrue to Government by the arrangement.

8. But undoubtedly the establishment of a Branch Bank of Madras at this place, would greatly facilitate private transactions throughout the District, and the scheme would be well worthy of encouragement on that account. Without the advantage of banking for Government, I do not think a Branch Bank here, would have a chance of succeeding. Whether, with that advantage, it would meet with success, is a question which the Directors must determine: but if there is any likelihood of its paying, I should be very glad to see it established.

Forwarded to the Acting Accountant General with reference to paragraph 2 of the Order of Government in the Financial Department, No. 395, dated 24th May 1862.

The Board agree with the Collector that there would be no advantage either to the Government or to the public, in removing the Huzur Treasury from Calicut to the Branch Bank at Cochin.

The Collector's suggestion in paragraph 6 *et seq* of having a Branch Bank at Calicut, would appear to be deserving of the consideration of the Bank Directors.

(A true Copy and Extract.)

(Signed) C. G. MASTER,
Acting Sub-Secretary.

To H. A. Mangles, Esq.,
Acting Accountant General.

(A true Copy and Extract.)

(Signed) H. A. MANGLES,
Acting Accountant General.

No. 68. ORDER THEREON, 21st July 1862, No. 532.

A copy of the Acting Accountant General's letter will be communicated to the Directors of the Madras Bank, who will be informed that under the circumstances therein stated, the Governor in Council is not prepared to sanction the removal of the Hoozoor Treasury from Calicut to the Branch Bank at Cochin.

2. Should the Directors desire to establish a Branch Bank at Calicut, as suggested by the Collector of Malabar, their proposal will be submitted for the orders of the Secretary of State, with reference to the orders conveyed in paragraph 32 of his Despatch to the Government of India, under date the 8th April last, directing that no arrangement for the transfer of the balances and business of local Treasuries to any branches of the Bank of Bengal (which instructions it is presumed equally apply to the Bank of Madras) should be sanctioned without previous reference to him.

(Signed) A. J. ARBUTHNOT,
Acting Chief Secretary.

Exd. F. Cartledge.

Revenue Department.

Proceedings of the Board of Revenue
dated 26th June 1862.

Read the following
From

W. Ballard Esq^r,
Collector of Malabar.

W. Middleton Esq^r,
Secretary to the Board of Revenue.

Fort Saint George.

Sir

With reference to the correspondence noted in
the margin, and to the inquiry of Government as to the
whether there is any objection to the Revenue
being at once removed from Calicut to the branch
Bank at Cochin. I have the honor, as requested by
the acting Accountant General, to submit my views
on the subject. I will consider whether the
Government, officially and directly, and 2^{ndly} the
public generally, are likely to gain or lose by such an
arrangement.

Pro. of Govt. Secy. to Govt.
24th May 1862 N^o 395
As Acct. Genl. to
Coll^r of Malabar
dated 28th May 1862
N^o 640.

2 The transfer of the account Department
from a central position like Calicut to Cochin, situated
quite out of the Malabar District is out of the question.
This department and the establishment necessary
to

to conduct its duties must be maintained at Calicut. The only saving therefore that would be effected in the cost of establishment at Calicut, by the transfer of the cash balances to Cochin, would be the pay of a shroffs order, and that of the few guards whose services might be dispensed with. The Taluk remittances would have a greatly increased distance to travel however; and unless the Bank undertook the cost of their carriage and guards en route, the paltry saving above noticed, would be far outbalanced. The inconvenience of such distant remittances would be extreme, especially as between 30 and 40 miles of the route would lie through foreign Country.

3. As regards the public convenience. The funds available at the Calicut Treasury have generally been fully and readily taken up here. The remittances of specie to the Presidency of late years have never been large even before the construction of the railway commenced. Whilst the Railway was under construction, all money was taken up by the company; and now that the railway is opened, and the traffic of the district has increased and is increasing so greatly, there is no doubt but that more money than we shall be likely to be able to render available would be readily taken by the Mercantile Community in this vicinity. I see no reason why the supply should be withdrawn to their great inconvenience, and transferred to

to another place. Whilst the Railway Company transmits the bills the general public had to put up with the inconvenience, but it was for their best interests that the Railway operations should be assisted in every way. There appears to me no call to set aside their convenience now.

4. A glance at the subjoined table of exports and imports of the ports of Malabar in 1861/62, may assist consideration of this subject.

	Goods			Treasure			Grand Total
	Imports Rs.	Exports Rs.	Total Rs.	Imports Rs.	Exports Rs.	Total Rs.	
Cannanore	17,45,990	17,40,365	34,86,355	8,91,263	1,96,451	10,87,714	45,74,069
Tellicherry	19,48,068	23,41,307	42,89,375	6,30,231	61,000	6,91,231	49,80,646
Kalai	218,158	61,949	280,107	"	"	"	280,107
Vadagura	4,34,222	13,24,592	17,58,814	79,300	"	79,300	18,38,114
Koilandi	2,05,688	164,012	3,69,700	30,625	"	30,625	4,00,325
Calicut	28,22,859	27,90,353	56,13,212	9,32,761	14,82,500	24,15,261	80,28,473
Tanur	28,293	3,26,010	3,54,303	6,000	"	6,000	3,60,303
Ponnai	2,44,491	11,50,657	13,95,148	11,000	105	11,105	13,86,253
Churakad	45,983	1,21,810	1,67,793	"	"	"	1,67,793
Cochin	31,02,405	57,62,235	88,64,640	11,81,787	31,26,411	43,08,198	1,32,72,838

Total 1,07,96,157 1,57,63,290 2,65,59,447 37,63,007 6,18,447 43,81,454 3,09,40,901

Calicut may be taken as a convenient centre.

of the first 8 Ports, the value of its own trade being
Rupees 5613212 and of the aggregate Rupees
17527014 per annum. Cochin is the centre of the two
last only. The value of its own trade being Rupees
8864640 and the aggregate Rupees 9032433 only.

The cash balances at so distant a
place as Cochin, would be of little use to the large
mercantile community here, and to the northwards.

5 I am strongly of opinion therefore that,
both as regards Government and the public, the transfer
of the district treasury hence to Cochin, would be
highly objectionable.

6 I may avail myself of this opportunity
briefly to consider the effect of a branch Bank
established at Calicut.

7 If such a Bank were merely
to occupy an analogous position to that which the
branch at Cochin now holds, i. e. if the whole
monetary transactions are to be checked and
reviewed in the Collector's Office, the present
account department of this Office, would be in
no way eased of its labors.

But if the Collector's Office
had merely to satisfy itself that the amount
of revenue payable throughout the district,
had been paid under the proper heads,
and to draw on the Bank for salaries,
money.

money required for public works, &c. whilst the Bank
accounted directly with the Accountant General
for its custody of the revenues it received and the
regulation and responsibility of all transactions
rested solely between the Bank and the central
account Office, a considerable reduction of the
account department of the Collector's Office,
might certainly be made.

Saving some reduction of
establishment however, I am not aware of any
direct advantage that would accrue to Govern-
ment, by the arrangement.

7 But undoubtedly the establish-
ment of a branch Bank of Madras at this
place, would greatly facilitate private trans-
actions throughout the district, and the scheme
would be well worthy of encouragement on that
account. Without the advantage of banking
for Government, I cannot think a branch Bank
here, would have a chance of succeeding. Whether,
with that advantage, it would meet with
success, is a question which the Directors must
determine, but if there is any likelihood of
its paying, I should be very glad to see it
established.

Calicut
9 June 1862

Phare, &c.
Signed / G. H. Ballard
Collector

Forwarded to the Acting Accountant
General with reference to para: 2 of the Order
of Government in the Financial Depart-
ment No 395, dated 24th May 1862.

The Board agree with the collector
that there would be no advantage either to the
Government or to the public, in removing the
Huzar Treasury from Calcutta to the Branch
Bank at Bockin.

The collector's suggestion
in para: 6 et seq of having a Branch Bank
at Calcutta, would appear to be deserving of
the consideration of the Bank Directors.

(A true Copy & Extract)

Signed J. H. Mather,
Ag. Sub-Secretary

To

M. A. Mangles Esq^{re},

Acting Accountant General.

(A true Copy & Extract)

M. A. Mangles
Acting Accountant General.

Wm. H. Mather

Book and Adjustment Department.

N^o 91

Fort Saint George,
Accountant General's Office,
5 July, 1862.

From
To

The Acting Accountant General,
The Acting Chief Secretary

to Government, Fort Saint George.

Sir,

With reference to para: 2 of Government Resolution N^o 395, dated 24th May 1862, I have the honor to forward copy of a letter from the Collector of Malabar, regarding the removal of the Hoogoor Treasury from Calicut to Cochin, with the remarks of the Board of Revenue thereon.

2. In the para: above referred to, Government observe, that "it will be necessary to retain a local Treasury at Calicut, for the payment of official salaries, &c. but for this purpose, probably, a Salug Treasury will be sufficient." As pointed out, however, by the Collector in the second paragraph of his letter, the Account department of his district must still remain at Calicut, so that, no material reduction could be made in his Office, even were it considered advisable to remove the Hoogoor Treasury to Cochin.

3. The application of the Directors of the Banks, that

the

Printed in the Collection
of the
532

File 1528
No 532

the Hoagor Treasury should be removed from Calicut to Cochin, would appear, at first sight, to be merely a request, that the Bank should be allowed to conduct the Treasury business of the Government in Malabar, on much the same terms as those granted to them at Madras. Such however, would not, in reality, be the case. All the heavy disbursements of the district would continue as at present to be made at Calicut, for which purpose, always cash balances and Establishment must always be kept up at that place. By acceding to their request, the Branch at Cochin could not, in consequence of its distance from Calicut, act as Bankers for the Government, or perform similar duties to those undertaken by the Bank here, but would merely receive and take charge of the surplus cash balance of the district, during certain seasons of the year, when it was not required at Calicut. But looking at the amount available for bills in Malabar for the last three years, I find, that the average has been about seven lacs, but during the same period an average of 15 lacs per annum has been drawn, so that, the deficiency of 8 lacs to make up the amount required by the commercial public for their transactions in this district, has been met, year by year, by remittances from other Treasuries. So that, in point of fact, there is no surplus balance available for transfer to Cochin,

without

without inconveniencing that portion of the public, who have hitherto availed themselves of Bills on Calicut.

4- The Collector, in his letter, states fully, his reasons for objecting to the transfer, and the Board of Revenue coincide with him, in his opinion.

5- With regard to the 3^d para. of the Board's remarks, that the Collector's suggestion of having a Branch Bank at Calicut, would appear to be deserving the attention of the Board of Directors, I would beg to draw the attention of Government to para. 52 of a letter No 55, purporting to have been written by the Secretary of State for India, to the Governor General of India, and published in the public papers, in which, he observes "without absolutely interdicting the transfer of the balances and business of local Treasuries to any Branch of the Bank of Bengal, I desire that no arrangement of that nature, be sanctioned without previous reference to me."

6- Though it is not distinctly specified in the above letter, yet I infer that the restriction of the transfer of balances and business of local Treasuries, is equally applicable to this Presidency, as to Bengal.

I have the honor to be,
Sir,

Your obedient servant,
R. M. Mungler
Acting Accountant General.

Compd. for
Calicut M. D. M.

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following
letter from the Acting Account-
-ant General.

(Here enter 5th July 1862 N^o. 91.)

Order thereon 21st July 1862 N^o. 532

A copy of the Acting
Accountant General's letter
will be communicated to the
Directors of the Madras Bank,
who will be informed that
under the circumstances therein
stated, the Governor in Council
is not prepared to sanction the
removal of the Hozyor Treasury
from Calicut to the Branch
Bank at Cochin.

2. Should the Directors
desire to establish a Branch
Bank at Calicut, as suggested
by the Collector of Malabar, their
proposal

100 = 24 Rs 07/62
the 39.5.
103 1707.

Final 1862
22
The Acting Accountant General

To the Acting Chief Secretary
to Government

91.

Dated 5th July 1862

At no 532
10337
Encl.

Respectfully we have 2 of Govt. Resolution
of 29th Feb 1862 - 100/1862 and from
Copy of a letter from the Collector
of Malabar, regarding the removal
of the Hozyor Treasury from
Calicut to Cochin, with the
sanction of the Board of Revenue
therein.

proposal will be submitted
for the orders of the Secretary
of State, with reference to the
orders conveyed in para 32 of
his despatch to the Government
of India under date the 8th April
last, directing that no arrange-
ment for the transfer of the
balances and business of
local Treasuries to any
branches of the Bank of
Bengal (which instructions
it is presumed equally apply
to the Bank of Madras) should
be sanctioned without previous
reference to him?

YR

The Directors of the Madras Bank.
Accountant General.

11 C. L. & O.

Sept 22nd

3
5

5 mil
in the 800
Coll^{ns}

x2
S

Swick
1862. Department.

No. 532

PROCEEDINGS OF GOVERNMENT.

Dated 21 July 1862.

*Communicating copy of a
letter from the 1st Assistant
Genl to the Director of the
Bureau of Indian Affairs
informed that under the
circumstances herein stated
this land is not prepared
to sanction the removal of the
Neosho Agency from
Lafayette to the Osage at
Larkin*