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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 357	Press
57-59	Mis.
Dated 27-5-1863.	

57-59

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Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department,
27th May 1863.

Read the following papers :—

No. 57. From P. GRANT, Esq., Collector of Coimbatore; to the Honorable A. J. ARBUTHNOT, Chief Secretary to Government, Fort Saint George, dated Ootacamund, 30th April 1863, No. 41.

I beg to forward, for the information of Government, a copy of a letter addressed by me to the Acting Accountant General regarding the cashing of Currency Notes presented at the Ootacamund Treasury.

2. The subject is an important one in its bearing on the commercial interests of the eastern part of Wynad, the Neilgherries, and a large portion of the low country of Coimbatore and Mysore, and the commerce of the many European and Native residents at Ootacamund and the other Hill stations.

From P. GRANT, Esq., Collector of Coimbatore; to H. A. MANGLES, Esq., Acting Accountant General, Fort Saint George, dated Ootacamund, 30th April 1863, No. 23.

I have received your predecessor's letter of the 14th instant, No. 7,534, stating that in this District the average re-issue of Notes for the last six months is Rupees 26,000 per mensem, or in round numbers about 1,000 per day exclusive of Sundays, and that to this extent I would be justified in cashing Notes under the restrictions now in force.

2. In reply, I beg to inform you that with a view to meet the wants of the public within the limit prescribed, and with reference to the local circumstances of each station, I have apportioned the 1,000 Rupees between the Huzoor Treasury at Coimbatore and the Taluk Treasury at Ootacamund, by allowing 200 Rupees to the former, and 800 Rupees to the latter. The cashing of Notes at the other Treasuries in the District has been altogether put a stop to.

3. It will appear from the marginal Memorandum that the issue of Coin for Notes at the

	Paper Currency received.	Paper Currency issued.
January	69,060	49,730
February	78,020	40,810
March	80,470	25,720
	<u>2,27,550</u>	<u>1,16,260</u>
Average per month	75,850	38,753

Ootacamund Treasury has amounted to Rupees 2,27,550 during the last three months, or 75,850 per month on the average; while the re-issue of Notes during the same period has amounted to Rupees 1,16,260, or 38,753 per mensem. A large portion of the amount issued was drawn by Coffee planters and other European settlers, whose names with the

average amount drawn by each person are given in the enclosed Memorandum.

4. The inconvenience to the public since the restriction on the cashing of Currency Notes, has been great, and has been the subject of loud complaint on the part of both Europeans and Natives. The planting interests of many of the permanent residents on the Hills are now very extensive. I should say that on the Coffee Estates, on and around the Hills some 60,000 Rupees are expended monthly, and for this money the various planters look to the Ootacamund Taluk Treasury, to get their Currency Notes and Bills of Exchange cashed.

5. All the European families from Calcutta, Bombay and the various stations in this Presidency, as well as the Officers on private and sick leave, bring with them Currency Notes, which they expect to get cashed at once on presentation, so that their disappointment on finding that such cannot be done, can be easily imagined, and it does not allay their feelings to tell them that Government is not bound to cash Currency Notes except at Madras.

6. Every Tuesday large markets are held at Ootacamund and Coonoor, and it is estimated that on that day 20,000 Rupees worth of articles at least are sold by the low country dealers, who bring them up the Coonoor and Seegoor Ghauts. These people may be remarked have taken from the Ootacamund Treasury within the nine months not less than Rupees 26,820 worth of Copper and 51,510 Rupees worth of small Silver.

7. In fact, from a combination of circumstances, the trade on and in connection with the Neilgherries is most active, and I submit that if it possibly can be done, Currency Notes should

*Proceedings of the Madras Government, Financial Department,
27th May 1863.*

be received and cashed at the Ootacamund Taluq Treasury to an unlimited extent, a slight percentage to cover the expenses of carrying Silver from the Coimbatore Huzoor Treasury to the Hills, might be charged—to this no one would object. The Currency Notes which accumulated at Ootacamund might be transmitted to Madras to be re-issued in exchange for money paid there, in view to cash to a like amount being made probable at the Ootacamund Treasury to meet expenditure on the Hills.

8. Adverting to the last paragraph of the letter under reply, I beg to inform you that I have no reason to think that the Coin monthly sent up to the Hills is in any way withdrawn from circulation by being hoarded up or made into jewels. On the contrary the greater part of it finds its way back to the low country.

(True Copy.)

(Signed) P. GRANT,
Collector.

Memorandum showing the names of the several parties to whom Cash was paid for Currency Notes at the Talook Treasury at Ootacamund from January to March 1863 inclusive.

	RS.
Mr. J. Ouchterlony...	20,000
Mr. A. R. W. Lascelles...	25,000
Mr. J. McIver...	9,000
Mr. Stanes...	5,000
Colonel Cooper...	3,000
Mr. McKenzie...	11,000
Colonel Scott...	3,000
Captain Godfrey...	5,000
Mr. Fletcher...	7,000
Mr. Hayne...	4,000
Mr. Begbie...	2,000
Mr. Brown...	7,000
Mr. Hall...	20,000
Reverend Mr. Whitehouse, Secretary Lawrence Asylum...	10,000
Mr. Schimdtt...	5,000
Mr. Leggatt...	4,000
Parsee Shop-keepers...	7,000
Other European Gentlemen...	39,000
Native merchants and others...	1,86,000
	41,550
	2,27,550

COIMBATORE COLLECTOR'S OFFICE,
ON CIRCUIT, OOTACAMUND, 30th April 1863.

(True Copy.)

(Signed) P. GRANT,
Collector.

(Signed) P. GRANT,
Collector.

No. 58. From Messrs. FISCHER, & Co. at Salem; to A. J. ARBUTHNOT, Esq., Chief Secretary to Government, Fort Saint George, dated Salem, 6th May 1863.

We have been getting our remittances from Madras to a considerable extent for commercial purposes by means of Government of India Notes which we cashed at the Salem Treasury, and relying upon the faith of Government, we lately wrote to Messrs. Shand & Co., to send us funds by the same means to meet contracts for cotton in the Coimbatore country to a large amount, and they have been doing so. The first 4 remittances of theirs have been duly honored; but to our astonishment the 5th for 30,000 Rupees was dishonored on the 4th instant, as I suppose will be 2 more of which we have received advice for 20,000 and 30,000 Rupees respectively. To how much loss and inconvenience this refusal on the part of Government to keep faith with the public, and to cash their own Notes must subject us may be readily conceived. We cannot keep our engagements with the ryots with whom we have contracted for their produce, we lose time,

*Proceedings of the Madras Government, Financial Department,
27th May 1863.*

and we have run the risk of getting up the Notes from Madras, and we shall have to run the risk of sending them back—and all this at a time that the Government have 6 lacs of Rupees in the Salem Treasury. The only reason assigned for the Deputy Collector in charge of the Treasury for dishonoring the Government Notes, is, that it is the order of the Accountant General. We beg to protest against the conduct of the officials we have named above, and to appeal to Government to rectify what cannot but be some error or other and to save us from the serious consequences of it.

No. 59. ORDER THEREON, 27th May 1863, No. 357.

The Governor in Council would wish to have the opinion of the Acting Accountant General on the suggestion made in paragraph 7 of the letter addressed to that Officer by the Collector of Coimbatore, under date the 30th ultimo.

2. The Acting Accountant General will also favor Government with his opinion on the complaint made by Messrs. Fischer & Co., in their letter of the 6th instant, wherein it is stated that the Officer in charge of the Treasury at Salem declined to cash Currency Notes at a time when the cash in the Treasury amounted to 6 lacs of Rupees.

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

Exd. T. McMootry.

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 Gumbatore Collectors
 Office Cotacmunda
 30th April 1863

From
 T. Gant Esq.
 Collector of Gumbatore

To H. A. Maugles Esq.
 Acting Assistant General
 Fort St George

Sir

I have received your predecessor's
 letter of the 14th Instant No 534 stating
 that in this district the average re-
 = issue of notes for the last six months
 is Rupees 26000 per mensem or in
 round numbers about 1000 per day
 exclusive of Sundays, and that to this
 extent I would be justified in cashing
 notes under the restrictions now in
 force.

In reply, I beg to inform you that
 with

with a view to meet the wants of the public within the limit prescribed, and with reference to the local circumstances of each station, I have apportioned the 1000 Rupees between the Muzoor Treasury at Coimbatore and the Palug Treasury at Ootacamund, by allowing 200 Rupees to the former, and 800 Rupees to the latter. The cashing of notes at the other Treasuries in the District has been altogether put a stop to.

3. It will appear from the marginal Memorandum that the issue of Coin for notes at the Ootacamund Treasury has amounted to Rupees 227550 during the last 3 months, or 75850 per month on the average; while the re-issue of notes during the same period has amounted

Paper Currency Notes	Paper Currency Notes
Jan'y. 69060-40730	Jan'y. 69060-40730
Feb'y. 78020-40810	Feb'y. 78020-40810
March 80470-25720	March 80470-25720
227550-116260	227550-116260
Average for month	75850 35753

to Rupees 116260, or 35420 p. m. A large portion of the amount issued was drawn by coffee planters and other European settlers, whose names with the average amount drawn by each person are given in the enclosed memorandum.

4. The inconvenience to the public since the restriction on the cashing of currency notes, has been great, and has been the subject of loud complaints on the part of both Europeans and natives. The planting interests of many of the permanent residents on the hills are now very extensive. I should say that on the coffee estates, on and around the hills some 60000 Rupees are expended monthly, and for this money the various planters look to the Ootacamund Palug Treasury, to get their currency notes and

Bills

Bills of Exchange Cashed.

5 All the European families from Calcutta, Bombay and the various Stations in this Presidency as well as the Officers on private and sick leave bring with them Currency notes, which they expect to get cashed at once on presentation, so that their disappointment on finding that such cannot be done, can be easily imagined, and it does not allay their feelings to tell them that Government is not bound to cash currency notes except at Madras.

6 Every Tuesday large markets are held at Ootacamund and Coonoor, and it is estimated that on that day 20000 Rupees worth of Articles at least are sold by the low country dealers, who bring them up the Coonoor and Seepoor

Shants

11 90
Shants. These people may be remarked have taken from the Ootacamund Treasury within the last 9 months not less than Rupees 26820 worth of Copper and 61510 Rupees worth of small silver.

7 In fact from a combination of circumstances the trade on and in connection with the Nilgherries is most active, and I submit that if it possibly can be done, currency notes should be received and cashed at the Ootacamund Taluk Treasury to an unlimited extent, a slight percentage to cover the expenses of carrying silver from the Coimbatore Huzoor Treasury to the Hills might be charged to this no one would object. The currency notes which accumulated at Ootacamund might be transmitted to Madras to be re-issued in exchange for money paid there, in view to cash to a

like

like amount being made probable
at the Oolacumund Treasury to meet
expenditure on the hills.

8 Adverting to the last para of the
letter under reply I beg to inform you
that I have no reason to think that
the coin monthly sent up to the hills is
in any way withdrawn from circulation
by being hoarded up or made into
jewels. On the contrary the greater part
of it finds its way back to the low
country.

I have the honor to be

Sir,

Your most obedient servant

/Signed/ P Grant

/True Copy/ Collector

R. Grant

Collector

3/17/1861

Cambatore Collectors
Office on Circuit
Cotacorend

From 30th April 1863

P. Chaut Seps
Collector of Cambatore

To The Honorable A. C. S. B. S. B. S.
Chief Secretary to Government

Mr. Seps to forward for the information
of Government a copy of a letter
addressed by me to the Acting Accountant
General regarding the lacking of
currency notes presented at the Cotacorend
Treasury.

2 The subject is an important one
in its bearing on the commercial
interests of the Eastern part of
Ceylon, the Highlands and a large
portion of the low Country of
Cambatore and Negombo, and the

Commerce

1863 Report
of the Collector
of Cambatore
to the Government
General
Cotacorend
P. Chaut Seps
Collector of Cambatore

J. H. S. S.
No 338

Commerce of the many European
and Native Residents at Ostacum
and the other Sea Stations.

Have the honor to be

Yr.
Your most obedient servant

A. Hunt
Collector

49
W. H. Hunt

Crinibator Collector's Office
on present Octacumund
30th April 1863

Signed P. Grumb
Cater
(Trucco)

Prue
Collector

No: 27 April 13 0296

sent 19 June

57.

[illegible]

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following letter
From the Collector of Coimbatore. (Here enter 30 April 1863 N^o 41)
Messrs. Fisher & Co. Salim - (" " 6 May 1863 N^o 346)

Order thereon 27th May 1863. N^o 357

The Governor in Council would wish to have the opinion of the Acting Accountant General on the suggestion made in para^g of the letter addressed to that Officer by the Collector of Coimbatore under date the 30th ultimo.

2 The Acting Accountant General will also favor Govt. with his opinion on the complaint made by Messrs. Fisher & Co. in their letter of the 6th Instant, wherein it is stated that the Officer in charge of the

1863 Report
See letter from the Collector of Coimbatore dated 30 April 1863 No 41

Enclosed showing the names of the several parties whose work was paid for currency notes at the various branches of the currency branch of the Madras Bank.

27 May 1863
No 338

the Treasury at Salem
declined to cash currency
notes at a time when
the cash in the Treasury
amounted to 6000 of
Rupees.

A/R

17th 1870

To The Accountant General.
with Miss Fischer
His letter - to be act^d } dupd-27

Ant. J. J. J.

21.7

Admiral respecting the
request of the British
in charge of the
treasury to cash
Treasury Notes at a
time when the cash
amounted to six
hundred of dollars.

57-57

Ant.

1863. Department.

No. 357.

H. S. 385-1/63
810-1/63

PROCEEDINGS OF GOVERNMENT,

Dated 27 May 1863-

Opinion of the
Accountant General as to
on the suggestion of
the Collector of Customs
to allow of currency
Notes being received
& cashed at the Port.
Command Treasury to an
unlimited extent also on
the complaint of Messrs
Tucker & Co of London.