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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 117 Press / Mis.

33-36

Dated 12. 3. 1867.

16/17

33-36

Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department,
12th March 1867.

Read the following papers :—

No. 33. From the Officiating Commissioner for Coorg, to the Chief Secretary to Government, Fort Saint George ; dated Camp Codlipett, 31st January 1867, No. $\frac{561}{3}$.

I have the honor to annex, for the information and favorable consideration of His Excellency the Governor of Madras in Council, an extract from a Memorial which has been submitted to me by a highly respectable and influential Deputation of the European Coffee Planters in Coorg under the presidency of Captain R. N. Taylor, who did me the honor to wait upon me during my recent visit to Mercara.

2. One of the chief difficulties with which the Planters of the British Province of Coorg have to contend is the comparative scarcity and consequent cost of silver, and they are of course most keenly alive to, and deeply interested in, all questions connected with the supply of money in their local markets, wherewith to enable them to carry on and continue their operations in Coorg.

3. The Right Honorable the Governor in Council will perceive from the enclosed extract from their address that the Coorg Planters are most anxious that a portion of the surplus treasure, which is said to be at present lying idle in the Government Treasury at Mangalore, may be made available, under such restrictions as the Government may be pleased to direct for their assistance, in their present exigencies, which are, more especially at this season of the year when they have to make large payments for labor in the Province, very pressing.

4. It is believed that the surplus treasure at Mangalore is generally conveyed at considerable cost by Steamer and Railway from that station to Madras, and that the Government would not be prepared to view unfavorably an application which would admit of the money being made available for expenditure in the neighbourhood of the Treasury in which it is now collected, provided that its equivalent can be paid in to the Government Treasury in Madras, and the cost of its transfer in bulk be saved to the State.

5. Having had some conversation on the subject with the members of the Deputation, I ascertained from them that they would be willing to pay a premium of one per cent. for the accommodation, which it is calculated will more than repay the Government for the cost of transport of the specie from Mangalore to Mercara, giving in exchange for the money bills payable to the Accountant General in Madras bearing the above rate of premium. It is calculated that the actual cost of conveyance for the treasure will be 8 Annas per cent., and that the remaining 8 Annas will more than cover the cost of Police guards, risk of conveyance, &c., and other charges incidental to its transport.

6. At present the rate of exchange ruling in the local markets is from 1-8-0 to 2 Rupees per cent., and the relief, therefore, to the Coorg Planters will be considerable if the Right Honorable the Governor in Council will be pleased to grant the prayer of their Memorial, and direct the transfer of a portion of the funds now available at Mangalore to the Mercara Treasury for the purpose above indicated. I would beg to recommend that as the measure must be considered as a tentative one, and as the value of silver in the local markets may be lowered to a certain extent by its adoption, leading to a fall in the exchange, the sum which may be remitted, in conformity with the present application of the Planters to the Mercara Treasury, may, in the first instance, be restricted to from 2 to 3 lakhs of Rupees, which it is computed will be sufficient to meet the probable demand for the next six months or so.

7. I have informed the Planters that I can hold out no hope of their being able to obtain the privilege of cashing, from the above source, the Government Currency Notes in their possession, as I presume that it will not be legitimate to levy any premium on such transactions, as the Government are, I believe, bound to pay the full value at par of their own paper in Currency Notes, and the arrangement would, therefore, not only be unremunerative, but entail loss on account of the cost of transport of the silver which might be thus exchanged.

8. In conclusion, I need hardly state that the actual revenue of the small Province of Coorg collected in the local treasury is barely sufficient to defray the charges of the Civil and Military establishments, including a Regiment of Native Infantry, and to provide for the comparatively large outlay, amounting to 2 lakhs of Rupees, in the Public Works Department.

EXTRACT.

"The subject of the supply of money has often been discussed before, and although Mr. "Bowring was good enough to give us such assistance as lay in his power, our difficulties in this "matter have not decreased. Owing to the peculiar nature of the supply and demand for silver "in our principal towns, depending on the one hand almost entirely on importation from distant "places at great risk and inconvenience, and on the other upon the amount of labor actually em-"ployed at various times; owing also to the somewhat anomalous position of the Government in "having a currency of its own which it is unable to meet, it has been found that a Banking "establishment here, from the great risks and expenses attending the importation of silver, could "not exist without charging very high rates of discount; and it is found that at times the supply "of silver in our markets is so low and of such value as to render Bills, Cheques or Currency "Notes almost inconvertible. Looking at the report of the Currency Commissioners, and at the "fact that neither Currency Notes nor gold are a legal tender, it seems to us that if it can be "shown that the Government, having to make a remittance in silver, at a heavy cost, to Madras "from the District of South Canara, would, by sending that silver to Coorg, easily dispose of it in "exchange for bills payable to the Accountant General in Madras, or for its own Paper Currency "without any cost whatever (the charges of transit being borne by the purchasers of the silver), "this assistance might be given without departing from any Government principle, and with great "advantage to the people of Coorg.

"We understand that there is a very large sum lying ready for remittance to Madras in "the Treasury at Mangalore, and if you see no objection, we would request you to apply to the "Madras Government for a portion of this sum to be sent to Mercara at once, and permit its "distribution here upon such terms as will cover all costs and charges to which the Government "may be put in its transport."

(True Extract).

(Signed) C. SAUNDERS,
Officiating Commissioner.

Referred to the Accountant General for report.

FORT SAINT GEORGE,
25*th February* 1867.

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

No. 34. From the Accountant General, Madras, to the Chief Secretary to Government, Fort Saint George; dated Fort Saint George, 4th March 1867, No. 415.

Budget and Resource Department.

In acknowledging the receipt of your docket, dated the 25th ultimo, forwarding for my remarks a letter from the Officiating Commissioner of Coorg, dated the 31st January last, I have the honor to state that the subject therein referred to, namely, the supply of funds to the Planters of Coorg from the surplus balances of the Mangalore Treasury, has already received my attention, on a representation made on the same subject through the Collector of South Canara by the Firm of Messrs. McMinn & Co.

2. On perusal of the annexed copy of the correspondence which passed on that occasion, it will be observed that I offered to place the whole of the surplus funds at that time in the Mangalore Treasury at the disposal of Messrs. McMinn & Co., on the condition—

1.—That the amounts taken up by them should be re-paid at Madras, with a premium of half per cent.; and,

2.—That the cost and risk of the remittance should be borne by Messrs. McMinn & Co., and not by the Government.

3. The above conditions do not, however, appear to have met with the approval of the Planters, as Messrs. McMinn & Co. subsequently reported that, having been unable to enter into a satisfactory arrangement with them, they should not require any funds from the Mangalore Treasury. But it seems to me that these terms are as favorable as any which the Planters have a right to expect, for it clearly forms no part of the duty of Government to move funds at its own

risk, merely to suit the convenience of private parties; and the charge of 8 Annas per cent. premium was made with a view to cover the difference of cost between a remittance sent from Madras to Bombay, and that of a remittance from Mangalore to Bombay, the surplus funds of the Western Coast Treasuries having of late been required for the latter Presidency.

4. It also appears to me that the Planters have somewhat exaggerated the difficulty of obtaining money in Coorg, as my bills on Mangalore have for some weeks past been selling at par, and it is surely just as easy for the Planters to make a remittance from Mangalore to Coorg, as it would be for Government, the cost being in both cases the same, namely, about 8 Annas per cent.

5. If I were sure that no further remittances from this Presidency to Bombay would be required for some time, I should have no doubt as to the expediency of complying with the Planters' request, as the surplus of the Mangalore Treasury might unquestionably be laid down at a less cost in Coorg than at Madras. But as the probabilities are that Bombay will very shortly require aid from this Presidency, I do not think that it would be wise to empty any of the Western Coast Treasuries at the present time.

From the Collector of South Canara, to the Accountant General, Fort Saint George; dated Mangalore, 12th July 1866, No. 423.

I have the honor to forward for your favorable consideration and orders a letter* addressed to me by Mr. Fowler of Messrs. McMinn & Co., Merchants at this Port, and who have also a very extensive Agency in Coffee estates in the Coorg and Munzerabad Districts.

* Dated 10th July 1866.

2. I can, from my own knowledge, bear my personal testimony to the very great inconvenience experienced by Planters and others at Mercara in the procuring of cash for their working operations, and, so far as my limited knowledge of the matter enables me to offer an opinion on the subject, it would seem to me that the Government would positively be a gainer by having the same amount of money paid into the Treasury at Madras instead of having the treasure shipped from this Port with all the cost and risk of carriage. The Planters would also be perfectly willing to pay a moderate permium for the accommodation, and looking to the large number of coolies from this District, who derive a livelihood from working on the Coffee estates above the ghauts, I trust I shall be excused for again bringing this subject under your notice.

3. The Officers of Government can, of course, have nothing to do with the carriage or custody of cash from this to Mercara, and the Planters must, of course, make their own arrangements with the Police like other individuals.

4. You are aware that, at present, there is a surplus of Rupees 3½ lakhs in this Treasury, and which has been ordered to be remitted to Coimbatore when the season opens, but from the month of January the collections will again commence, and there is not, therefore, to be any deficiency of cash in this Treasury.

From J. FOWLER, Esq., to the Collector of South Canara; dated Mangalore, 10th July 1866.

I am induced to draw your attention to the great want of a regular method of obtaining specie in Coorg, in the hopes that you will recognize the difficulties under which the Coorg Planters labor at present, and exercise all the means in your power to induce the Government to consider the boon that would be conferred on the Coorg community, by permitting the Mangalore Treasury to be the medium through which to obtain a regular monthly remittance of money here, in lieu of a similar amount paid in at the head Treasury at Madras.

2. At present the only means of obtaining Rupees in Coorg is through the Natives of the bazaar, they cashing our Cheques—too often charging an exorbitant rate of discount. Frequently, the source fails to meet the requirements of the Planters, and business receives a severe check in consequence. The latest news from Mercara report that, at present, no money at all is to be obtained, and the results may be easily comprehended. When the payment of the laborers on the numerous Coffee estates has to be put off till fortuitous circumstances enable the Planter to pro-

cure Rupees, not only is the influence of the master over the servant decreased, but the servant himself at times suffers actual want, and the friendly feeling that should exist between the employer and employed is naturally diminished. It often happens that two successive delays in the payment of the laborers cripple the whole season's programme of work, the Planters' plans are frustrated, and a general feeling of discontent is engendered.

3. The plan I propose to obviate the difficulties above-mentioned would entail no expense on Government, but, on the contrary, would be advantageous to it, saving the expense that is at present incurred in shipping away the excess of money from Mangalore to Madras.

4. I would suggest that, on one of the Madras Banks paying into the Madras Treasury the sum required monthly by the Planters of Coorg, a Treasury order be granted, and the Mangalore Treasury be authorized to cash the draft on presentation here; and further that, in consideration of Mercara being only a few days journey from here, the Government give an efficient guard of Police as escort to protect the money on its way to Mercara, the Planters, of course, paying all the cost of such a guard and transport.

5. The money required monthly in Coorg during the wet months may be estimated at Rupees 30,000 per mensem, and the amount needed in the dry months and crop time at from Rupees 50,000 to 70,000 a month.

6. Trusting you will give the matter the consideration it deserves, and favor me with as early a reply as possible.

From the Accountant General, Madras, to the Collector of South Canara; dated 19th July 1866, No. 1585.

Budget and Resource Department.

In reply to your letter, No. 423, dated 12th instant, forwarding copy of one from a portion of the Firm of Messrs. McMinn & Co., applying for regular supplies of cash from your Treasury in lieu of sums to be paid into the Madras Bank, I have the honor to state that I am not prepared to engage to place any specific amount monthly at the disposal of the Firm, but I shall always be glad to accommodate them to the extent that may be available on application to be made direct to this Department with a tender of the cash to be paid into the Bank. In the present instance, if you will be good enough to inform me what portion of your surplus of 3½ lakhs Messrs. McMinn & Co. will require during the next three or four months, I shall probably be able to grant supply bills for the amount on Mangalore at a premium of half per cent., the surplus of the Salem and Madras Treasuries being available for remittance, when necessary, to Coimbatore.

2. It must be distinctly understood, however, that Government will not undertake the carriage or custody of, or be responsible in any way for, the money withdrawn from your Treasury.

No. 35. From the Accountant General, to the Chief Secretary to Government, Fort Saint George; dated Fort Saint George, 8th March 1867, No. 419.

Budget and Resource Department.

Since addressing you on the subject of the funds required by the Planters of Coorg from the Mangalore Treasury in my letter, dated 4th instant, No. 415, I have been informed by a telegram from the Comptroller General that a specie remittance will have to be sent from this Presidency to Calcutta and not to Bombay. The whole of the surplus funds now lying in the Mangalore Treasury are accordingly now available for remittance to the Bank or elsewhere, and I have the honor, therefore, to suggest that the Planters may be called upon to state what amount they will be prepared to take up before the setting in of the monsoon when the Coast is closed, and whether they would prefer receiving the money from the Mangalore Treasury at par, or from the Mercara Treasury at a premium of one per cent. Should the Planters accept the latter terms, it must be on the distinct understanding that, as the Government for their convenience incur the risk and expense of moving the money from Mangalore, they must be prepared to take up the whole of the money so moved, and it will be necessary, therefore, for them to estimate as closely as possible their probable wants.

2. As the season for moving funds from the Western Coast Treasuries is fast passing away, I beg that the Commissioner may be requested to lose no time in communicating with the Planters on the subject.

———

No. 36. To the Officiating Commissioner of Coorg, dated Fort Saint George, 12th March 1867, No. 117.

In acknowledging the receipt of your letter of the 31st January last, forwarding an extract from a Memorial addressed to you by the Planters in Coorg requesting a supply of money from the Mangalore Treasury, I am directed to transmit to you the annexed copies of letters on the subject from the Accountant General, and to request that you will be good enough to ascertain and inform this Government what sum the Planters will be prepared to take up before the setting in of the monsoon, and whether they would prefer receiving the money from the Mangalore Treasury at par or from the Mercara Treasury at a premium of one per cent. On the receipt of your reply, either by letter or telegraph, the Accountant General will be directed to send the necessary instructions by telegraph to the Officer in charge of the Treasury at Mangalore.

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

Exd. J. Tulloch.

General No. 561 } 1866/67
Finl. " 3 }

Coorg Commissioner's Office

1

From

The Offg. Commissioner
for Coorg.

To

The Chief Secretary
to the Government of Fort St. George

Dated, Camp Codlipett 31st January 1867

Sir.

I have the honor to annex for the information and favorable consideration of His Excellency the Governor of Madras in Council an Extract from a Memorial which has been submitted to me by a highly respectable and influential Deputation of the European Coffee Planters in Coorg under the Presidency of Captain R. N. Taylor who did me the honor to wait upon me during my recent visit to Mercara

ii

One of the chief difficulties with which the Planters of the British Province of Coorg have to contend is the comparative scarcity and consequent cost of silver, and they are of course most keenly alive to and deeply interested in all questions connected with the supply of money in their local Markets, wherewith to enable them to carry on and continue their operations in

in Coorg.

iii The Right Honble the Governor in Council will perceive from the enclosed Extract from their address that the Coorg Planters are most anxious that a portion of the Surplus Treasure, which is said to be at present lying idle in the Government Treasury at Mangalore, may be made available, under such restrictions as the Government may be pleased to direct for their assistance, in their present exigencies, which are, more especially at this season of the year when they have to make large payments for labor in the Province, very pressing.

iv It is believed that the surplus Treasure at Mangalore is generally conveyed at considerable cost by Steamer and Railway from that Station to Madras, and that the Government would not be prepared to view unfavorably an application which would admit of the money being made available for expenditure in the neighbourhood of the Treasury in which it is now collected, provided that its equivalent can be paid in to the Government Treasury in Madras, and the cost of its transfer in bulk be saved to the State.

v Having had some conversation on the subject with the Members of the Deputation I ascertained from them that they would be willing to pay a premium of one per cent for the accommodation, which it is calculated will more than repay the Government for the cost of transport of the Specie from Mangalore to Mercara, giving in exchange for the money, Bills payable to the Accountant General in Madras bearing the above rate of Premium. It is calculated that the actual cost of conveyance for the Treasure will be 8 annas per cent, and that the remaining 8 annas will more than cover the cost of Police Guards, risk of Conveyance &c. and other charges incidental to its transport.

vi At present the rate of Exchange ruling in the local markets is from 1/8 to 2 Rupees per cent, and the relief therefore to the Coorg Planters will be considerable if the Right Honble the Governor in Council will be pleased to grant the Prayer of their Memorial, and direct the transfer of a portion of the Funds now available at Mangalore to the Mercara Treasury for the purpose above indicated. I would beg to recommend that as the measure must be considered as a tentative one, and as the value of Silver in the Local Markets may be lowered to a certain extent by its adoption, leading to a fall in the Exchange, the sum which may be remitted in conformity with the present application of the Planters to the Mercara Treasury, may in the first instance be restricted to from 2 to 3 Lakhs of Rupees, which it is computed will be sufficient to meet the probable demand for the next 6 months or so.

vii I have informed the Planters

that I can hold out no hope of their beingable to obtain the privilege of cashing, from the above source, the Government Currency Notes in their possession, as I presume that it will not be legitimate to levy any Premium on such transactions, as the Government are I believe bound to pay the full value at par of their own paper in Currency Notes, and the ar= =rangement would therefore not only be un= =remunerative, but entail loss on account of the cost of transport of the Silver which might be thus exchanged.

viii In conclusion I need hardly state that the actual Revenue of the Small Province of Coorg collected in the Local Trea= =sury is barely sufficient to defray the charges of the Civil and Military Establish= =ments including a Regiment of Native Infantry, and to provide for the comparatively large outlay amounting to 2 Lakhs of Rupees in the Public Works Department.

I have the honor to be

Sir

Your most Obedt Servt

Chas Saunders

Offg Commissioner

BJW

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Extract

"The subject of the supply of money
"has often been discussed before, and although
"Mr. Bowring was good enough to give us such
"assistance as lay in his power, our difficulties
"in this matter have not decreased. Owing to the
"peculiar nature of the supply and demand
"for silver in our principal Towns, depending
"on the one hand almost entirely on importa=
"tion from distant places at great risk and
"inconvenience, and on the other upon the
"amount of labor actually employed at various
"times; Owing also to the somewhat anomalous
"position of the Government in having a currency
"of its own which it is unable to meet, it has
"been found that a Banking Establishment
"free from the great risks and expenses
"attending the importation of silver, could not
"exist without charging very high rates of
"discount; and it is found that at times the
"supply of silver in our ~ markets is so
"low and of such value as to render Bills
"Cheques or Currency Notes almost inconvertible
"Looking at the report of the Currency Commis=
"sioners, and at the fact that neither Currency
"Notes nor Gold are a legal tender, it seems to us
"that if it can be shewn that the Government,
"having to make a remittance in silver, at
"a heavy cost, to Madras from the District of
"South Canara, would, by sending that
"Silver to Coorg, easily dispose of it in exchange
for

"for Bills payable to the Accountant General
"in Madras or for its own Paper currency with-
="out any cost whatever/the charges of transit
"being borne by the purchasers of the silver/this
"assistance might be given without departing
"from any Government principle and with as
"great advantage to the people of Coorg.

"We understand that there is
"a very large sum lying ready for remittance
"to Madras in the Treasury at Mangalore,
"and if you see no objection, we would request
"you to apply to the Madras Government for a
"portion of this sum to be sent to Mercara at
"once, and permit its distribution here upon
"such terms as will cover all costs and charges
"to which the Government may be put in its
"transport."

Extract

Chief Secy

Offg. Commissioner

Offw

DA&AG.Office
Recd 26 DEC 1867
Ansd

Enclosures No.
General No. 3511 1866-67.
Fin. No. 3

Subject Re 61

Forwards for the favorable consideration of Govt an Extract from a Memorial addressed to Govt by the European Planters in Coorg re = questing for export of money from the Bangalore Treasury -

12th Dec Referred

Fin. Dept. 12 Dec 1866.
From The Chief Commissioner Coorg
To The Chief Secretary to the Govt of Fort St George
Forwarding Extract of a letter from the Collector of South Canara dated 10th July 1866 with enclosure on the subject of the export of money from Bangalore Treasury.
Received 17th Dec 1866.

Subject to 61

Fin. 103-100

hist of 26 Dec

N° 423

Collector's Office,
Mangalore 12th July 1866.

From W. M. Cadell Esqre.
Collector of South Canara

To F. Lushington Esqre
Accountant General
Fort Saint George.

Sir,

I have the honor to forward for your favorable consideration and orders a letter addressed to me by Mr. Fowler of Messrs M& Mims & Co., Merchants at this Port, and who have also a very extensive agency in Coffee Estates in the Coorg and Munzerabad Districts.

× Dated 10th July 1866.

2 I can from my own knowledge bear my personal testimony to the very great inconvenience experienced by Planters and others at Mercara in the procuring of cash for their working operations, and so far as my limited knowledge of the matter enables me to offer an opinion on the subject, it would seem to me that the Government would positively be a gainer by having the same amount of money paid into the Treasury at Madras instead of having the treasure shipped from this Port with all the cost and risk of carriage. The Planters would also be perfectly willing to pay a moderate premium for the accommodation, and looking to the large number of coolies from this District who derive a livelihood from working on the Coffee Estates above the Ghauts, I trust I shall be excused for again bringing this subject under your notice.

3. The Officers of Government can of course have nothing to do with the carriage or custody of cash from this to Mercara, and the Planters must of course make their own arrangements with the Police like other individuals.

4 You are aware that at present there is a surplus of 3½ Lakhs in this Treasury and which has been ordered to be remitted to Coimbatore when the season opens, but

from

from the month of January, the collections will again commence, and there is not therefore to be any difficiency of cash in this Treasury.

I have the honor &c
(Signed) W. M. Cadell.
Collector.

Mangalore 10th July 1866.

To
W. M. Cadell Esqre.
Collector of South Canara.

Sir.

I am induced to draw your attention to the great want of a regular method of obtaining specie in Coorg, in the hopes, that you will recognise the difficulties under which the Coorg planters labour at present, and exercise all the means in your power, to induce the Government to consider the boon that would be conferred on the Coorg Community, by permitting the Mangalore Treasury to be the medium through which to obtain a regular monthly remittance of money here, in lieu of a similar amount paid in at the head Treasury at Madras.

At present, the only means of obtaining rupees in Coorg is through the natives of the bazar, they cashing our cheques - too often charging an exorbitant rate of discount. Frequently, the source fails to meet the requirements of the Planters and business receives a severe check in consequence. The latest news from Mercara ~~from Mercara~~ report that, at present, no money at all is to be obtained, and the results may be easily comprehended. When the payment of the labourers on the numerous Coffee Estates has to be put off till fortuitous circumstances enable the planter to procure rupees, not only is the influence of the master over the servant decreased, but the servant himself at times suffers actual want, and the friendly feeling that should exist between the employer and employed is naturally diminished. It often happens, that two successive delays in the payment of the labourers cripple the whole seasons programme of work, the planter's plans are frustrated, and a general feeling of discontent is engendered.

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The plan I propose to obviate the difficulties above mentioned would entail no expense on Government, but, on the contrary, would be advantageous to it, saveing the expense that is at present incurred in shipping away the excess of money from Mangalore to Madras.

I would suggest, that, on one of the Madras Banks paying into the Madras Treasury the sum required monthly by the Planters of Coorg, a Treasury order be granted, and the Mangalore Treasury be authorized to cash the draft on presentation here; and further that, in consideration of Mercara being only a few days journey from here, the Government give an efficient guard of police as escort to protect the money [illegible] of course paying all the cost of a guard and transport.

The money required monthly in Coorg during the wet months may be estimated at Rs 30000 per mensem, and the amount needed in the dry months and crop time at from Rupees 50,000 to 70,000 a month.

Trusting you will give the matter the consideration it deserves, and favor me with as early a reply as possible.

I have the honor to be &c.
(Signed) James Fowler
/True Copy/
(Signed) W. M. Cadell
Collector

Budget & Resources

Budget and Resource Department.

No. 1585 dated 19th July 1866.

From

The Accountant General
to the Government of Madras.

To

The Collector of South Canara.

Sir,

In reply to your letter No. 423 dated 12th Instant, forwarding copy of one from a Portion of the Firm of Messrs. McMinn & Co., applying for regular supplies of cash from your Treasury in lieu of sums to be paid into the Madras Bank. I have the honor to state that I am not prepared to engage to place any specific amount monthly at the disposal of the Firm, but I shall always be glad to accommodate them to the extent that may be available on application to be made direct to this Department with a tender of the cash to be paid into the Bank. In the present instance if you will be good enough to inform me what portion of your surplus of 3½ lakhs Messrs McMinn & Co. will require during the next 3 or 4 months I shall probably be able to grant Supply Bills for the amount on Mangalore at a premium of ½ per Cent, the surplus of the Salem and Madras Treasuries being available for remittance when necessary to Coimbatore.

It must be distinctly understood however that Government will not undertake the carriage or custody of or be responsible in any way for the money withdrawn from your Treasury.

I have the honor &c.

(Signed) F. Cushington
Accountant General

(True Copies)
D. Thompson

Fro. 12th March 1867 L. L. 84.

L. L. Vol 103/67

Accountant General's Office,
MADRAS, 5 Mar: 1867. 2W

My dear Arbuthnot:

Since writing to Government regarding the Coorg Planters request for money from the Mangalore Treasury I have telegraphed to Calcutta to know whether any such specie remittance will be required for Bombay or Calcutta - as the reply to this telegram will determine the ability or otherwise of the

Government to give the Planters
the assistance they require, &
write perhaps the letter to defer
replying to the Communications of
Mysore until that point is
settled - I rely upon therefore kindly
keeping back my letters from the
Consideration of Govern^t for the
present - ? Immediately I receive
the reply from Calcutta I write

address you officially on the
subject

Yours ever Sincerely

T. Munro

25 5

Budget & Accounts Department.

Fort Saint George
Accountant General's Office
4 March 1867

No. 415

From
F. Lushington Esq^re
Accountant General

To
The Chief Secretary
to Government

Sir,

In acknowledging the receipt of your docket dated the 25th Ultimo forwarding for my remarks a letter from the Officiating Commissioner of Coorg dated the 31st January last, I have the honor to state that the subject therein referred to, namely the supply of funds to the Planters of Coorg from the surplus balances of the Mangalore Treasury has already received my attention on a representation made on the same subject through the Collector of South Canara by the firm of Mess^rs Mc Allum & Co.

2 On perusal of the annexed copy of the correspondence which passed on that occasion it will be observed that I offered to place the whole of the surplus funds at that time in the Mangalore Treasury at the disposal of Messrs. Mc Allum & Co on the Condition:-

1. that the amounts taken up by them should be repaid at Madras with a premium of ½%.

and

2. that the Cost & risk of the remittance should be borne by Mess^rs Mc Allum & Co and not by the Government.

The

3 The above conditions do not however appear to have met with the approval of the Planters, as Messrs. Allan Hime & Co subsequently reported that, having been unable to enter into a satisfactory arrangement with them, they should not require any funds from the Mangalore Treasury. But it seems to me that these terms are as favorable as any which the Planters have a right to expect, for it clearly forms no part of the duty of Government to move funds at its own risk merely to suit the convenience of private parties, and the charge of 8 as % premium was made with a view to cover the difference of cost between a remittance sent from Madras to Bombay, and that of a remittance from Mangalore to Bombay, the surplus funds of the Western Coast Treasuries having of late been required for the latter Presidency.

4 It also appears to me that the Planters have somewhat exaggerated the difficulty of obtaining money in Coorg, as my bills on Mangalore have for some weeks past been selling at par, and it is surely just as easy for the Planters to make a remittance from Mangalore to Coorg as it would be for Government, the cost being in both cases the same, namely about 8 Annas per cent.

5 If I were sure that no further remittances from this Presidency to Bombay would be required for some time, I should have no doubt as to the Expediency of complying with the Planters' request, as the surplus of the Mangalore Treasury might unquestionably be laid down at a less cost in Coorg than

than at Madras. But as the probabilities are that Bombay will very shortly require aid from this Presidency, I do not think that it would be wise to empty any of the Western Coast Treasuries at the present time.

I have the honor to be,
Sir
Your most Obed.t Serv.t
E. Lushington
Accountant General.

Cop.d
C. Nagaruthnum Comp.d P.L.

Budget and Resource Departt

29W

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No. 419

Fort Saint George
Accountt Genls Office
8th March 1867

From
F. Lushington Esquire
Accountant General

To
The Chief Secretary
to Government
Fort Saint George

Sir,

Since addressing you on the subject of the funds required by the Planters of Coorg from the Mangalore Treasury in my letter dated 4th Instant No. 415 I have been informed by a telegram from the Comptroller General that a specie remittance will have to be sent from this Presidency to Calcutta and not to Bombay. The whole of the surplus funds now lying in the Mangalore Treasury are accordingly now available for remittance to the Bank or elsewhere, and I have the honor therefore to suggest that the Planters may be called upon to state what amount they will be prepared to take up before the setting in of the Monsoon when the Coast is closed, and whether they would prefer receiving the money from the Mangalore Treasury at par, or from the Mercara Treasury at a premium of one per cent. Should the Planters accept the latter terms it must be on the distinct understanding that as the Govt. for their convenience incur the risk and expense of

Fin. Department
From No. 12 March 67
The Accountant Genl
To Chief Secretary
to Govt
Dated 4th March 67 — 160
Recd 7th March 67 — F.N. 109
No. 415 —
Encls: none
Returns
No. 103
Referring on the supply of funds to the Planters of Coorg from the surplus balances of the Mangalore Treasury

List of 26 March

12 N 67

of moving the money from Mangalore, they must be prepared to take up the whole of the money so moved, and it will be necessary therefore for them to estimate as closely as possible their pro-bable wants.

As the season for moving funds from the Western Coast Treasuries is fast passing away, I beg that the Commissioner may be re-quested to lose no time in communicating with the Planters on the subject.

I have the honor to be

Sir

Your most obedient servant

T. Cruikshank

Accountant General

Copy'd W. Carrytmakers.

Copy'd C. Anthee Warrand

disp'd 12/3.

33 W 10

Financial Department.

No 117.

To

The Officiating Commissioner
of Coorg

Sir,

In acknowledging the receipt of your letter of the 31st January last forwarding an extract from a Memorial addressed to you by the Planters in Coorg requesting a supply of money from the Mangalore Treasury, I am directed to transmit to you the annexed copies of letters on the subject from the Accountant General and to request that you will be good enough to ascertain and inform this Government what sum the Planters will be prepared to take up before the setting in of the monsoon and whether they would prefer receiving the money from the Mangalore Treasury at par or from the

P. No 103

List of 26 Inclds.

From Financial Department

To The Officiating Commissioner of Coorg

Dated 8 Feb 63

Rec'd 13 Feb 63

Ans'd

Encl 109.

Letter that the whole of the surplus funds of the Mangalore Treasury will be available for the Coorg Planters and suggesting that they may be called upon to take up the rupees to the extent required to pay the money from Bangalore at par or premium.

35

the Mercara Treasury at a premium of one per cent. On the receipt of your reply either by letter or telegraph the Accountant General will be directed to send the necessary instructions by telegraph to the Officer in charge of the Treasury at Mangalore.

Lt. St. Leger
12 March 1867

Copy to Acct General

2 Letter
1 Tel

Letter of 6th March

Financial 1867 Department

No 117

To

The Officiating Commissioner
of Coorg

Dated 12th March 1867

Mk. 180-2510

33036.