M.R.O. 1—77,006—8-6-37.

(1) Number of pages 6

(2) Date of repair 31.5.38

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 121-122. Press / Mis.

41-43.

Dated 14-2- 1867.

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Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department, 14th March 1867.

No. 41. Read the following letter from Colonel J. CARPENDALE, R. E., Commissioner of Issue of Paper Currency, to the Chief Secretary to Government, Fort Saint George ; dated Madras Mint, 11th February 1867, No. 88.

I have the honor to acknowledge Order of Government in the Financial Department, No. 48, 5th instant, communicating the decision of the Government of India on the establishment proposed to be maintained in this office on the transfer of the Currency Exchange Department from the Madras Bank to the Mint. The proposal for an Assistant Commissioner being appointed was made during my absence on leave to England, and as soon as I noticed it on my return, I had great doubts as to the necessity for such an appointment, but as it was proposed that the Deputy Assay Master should hold the office and a portion of his time only would be available for the duty, and understanding that the Government had not disapproved of the suggestion, I decided on deferring any report on the subject until the arrangement had been tried. As, however, an Assistant Accountant General is about to be made available as my Assistant, it is my duty to report that the work is neither in its nature nor extent such as to require the services of an Officer of this class, indeed it could not be made to afford him anything like occupation. I have lately been inquiring into the extent of the Currency Exchange business at the Madras Bank, and even there it has not been found requisite to keep a European Accountant for the special supervision of the Department, while it is not to be expected that the whole of the Exchange business will come to the Mint. The Bank will continue to accommodate its large constituency, and its own Exchange operations with this Department will be in large sums through the scales of "the Issue Department" without the intervention of the Exchange Office.

2. I am not disposed to think that I shall require any additional aid in keeping the accounts, and in exercising an efficient check on the Exchange Department, beyond that available in the services of the Mint Treasurer and his Deputy, unless possibly, hereafter, should the Exchange work be much heavier than I anticipate, a Native Accountant on a small salary.

3. In the Account Department the Government of India have disallowed two Register Writers, joint salary ninety Rupees a month. It, perhaps, escaped observation that these two servants were not additional hands, but form part of the old establishment which has been in existence five years ; or possibly, it was considered that their duty might be performed by the Register Writers in the new Exchange Department on twenty and fifteen Rupees a month. This, however, is not the case : the men who have been disallowed are occupied in registering the number and date of every Note that goes into circulation from the Issue Department, and in noting the cancellation of all put out of circulation, a simple enough duty, but one requiring neatness and extreme exactness, which is not to be had for fifteen and twenty Rupees a month. Moreover, I recently obtained sanction to employ two *extra* Clerks from the 1st January of the present year to bring up arrears of cancelled Note accounts, pending sanction to the new establishment, as the two Writers who are now disallowed were unable to prevent arrears.

4. As regards the Accountant and the Deputy Accountant, to whom increases of salary have been disallowed, I venture to request a re-consideration of their cases.

The Accountant was appointed five years ago on the first constitution of the Department, when the circulation of Notes was confined to the Madras Circle, for which a hundred Rupees a month was considered a fair remuneration. In January 1865 the new Circles of Calicut, Trichinopoly, and Vizagapatam were formed, which largely increased the issue of Notes, and the office correspondence and accounts, adding considerably to the Accountant's work, and very largely to his responsibility ; for he is by the orders of the Government of India held personally responsible for seeing that each cancelled Note is correctly scored out of the Registers, and in the event of any loss occurring from his scoring out a wrong number, and leaving a cancelled Note outstanding on the Register, he will be liable to make good the loss. A very serious responsibility, considering that the number of cancelled Notes in the Madras Presidency average three thousand eight hundred *per mensem*, value three lacs ; and one error in regard to a hundred Rupee Note entails a possible penalty of forfeiture of a month's salary ; and now, again, the Madras Circle weekly accounts, similar to those of the other Circles, will give him additional work.

In a lesser degree the Assistant Accountant is deserving of an increase to his salary also. And having regard to their duties and the salaries paid in other offices, I think the rates proposed, of Rupees two hundred and Rupees seventy-five, are moderate enough. I submit fresh tabular statement in accordance with the above remarks, and I trust I have stated the case sufficiently clear to obtain the support of Government in their transmission to the Government of India.

No. 42. ORDER THEREON, 14th March 1867, No. 121.

As the transfer of the Currency Exchange Department from the Bank of Madras to the Mint has been but recently made, it appears to the Governor in Council that it would be premature to determine upon the precise extent of the Agency which will be necessary for the supervision and conduct of the work,

2. The arrangement of transferring an Assistant Accountant General temporarily to the Currency Department, which has already been carried into effect, must therefore stand. It will be open to the Mint Master to submit a report on the working of the arrangement at the end of six months.

3. It is to be presumed that the transfer of the Assistant Accountant General must relieve the Account Department of much of the responsibility to which Colonel Carpendale adverts in paragraph 4 of his letter, and the Governor in Council is not prepared at present to recommend the increases proposed to the salaries of the two Accountants.

4. From the explanation afforded in paragraph 3 of Colonel Carpendale's letter, it appears that the services of the two Register Writers are necessary. The Government of India will accordingly be requested to sanction the sum of Rupees 90 disallowed in their Secretary's letter, dated the 12th January last, No. 27.

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

No. 43. To the Secretary to the Government of India, Financial Department, dated Fort Saint George, 14th March 1867, No. 122.

With reference to your letter of the 12th January last, No. 27, I am directed to forward, for submission to the Governor General in Council, copy of a letter* from the Commissioner of Issue of Paper Currency at Madras together, with copy of an Order passed thereon by the Madras Government, and to request that the sum of Rupees 90 for two Register Writers, which was disallowed in paragraph 3of your letter, may receive the sanction of the Government of India, as it is explained by Colonel Carpendale that the Writers are not additional hands but form part of the old establishment, and that their services are necessary.

No. 88, dated 11th February 1867.

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

Exd. J. Tulloch.

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Financial Department.

No. 122.

To

The Secretary to the Government of India,
Financial Department.

Sir,

With reference to your letter of the 12th January last, No. 27, I am directed to forward for submission to the Governor General in Council,

× *No. 88 dated 11th February 1867.*

copy of a letter from the Commissioner of Issue of Paper Currency Madras together with copy of an Order passed thereon by the Madras Government and to request that the sum of Rupees 90 for two Register writers which was disallowed in paragraph 3 of your letter may receive the sanction of the Government of India

India, as it is explained by Colonel Carpendale that the writers are not additional hands but form part of the old Establishment and that their services are necessary.

Fort St. George
4th March 1867

Financial 1867 Department

No. 122

To
The Secy. to the Govt.
of India

No. 319/412
Dated 14th March 1867.

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