M.R.O. 1—77,006—8-6-37.

(1) Number of pages 60.

(2) Date of repair 14-10-38.

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 526 Press / Mis.

18-21

Dated 3-11- 1869.

29/30

29. 18-21

Not to be folded or roughly handled

Read the following papers :—

No. 18. From R. W. LODWICK, Esq., Officiating Accountant-General, to the Chief Secretary to Government, Fort Saint George, dated Fort Saint George, 6th October 1869, No. 204.

Budget and Resource Department.]

I have the honour to request that you will lay the accompanying copies of a correspondence, which has taken place between me and the Acting Assay Master, before His Excellency in Council.

2. On the 21st September Mr. McIver wrote me, (*vide* extract of demi-official letter, marked A., that he could sell silver bars at six-and-a-half to seven premium weight for weight with rupees.

3. This being a most advantageous sale, if effected, I telegraphed his statement to Simla requesting to know whether it would not be better to try and sell the bars here, and send the proceeds by bill at par to Calcutta, instead of forwarding the bullion as I had been ordered to do by sea.—*Vide* telegrams B. and C.

4. In reply I received telegram D., leaving the matter to my discretion.

5. Thereupon I instructed the Bank Secretary to get 50,000 rupees worth of bullion from the Assay Master on my receipt, which I sent Mr. McIver for presentation to Dr. Bellew, and which Dr. Bellew now holds, and to sell the silver as soon as possible—*vide* E.

6. At the meeting of Directors on Friday the 1st instant, Mr. McIver informed me he had sold 25,000 rupees worth at seven premium, and expected to sell the rest soon.

7. On Saturday, however, he wrote me, (*vide* F.,) that the expected buyers would not take the silver, as they alleged it was not as pure as it should be.

8. In order to save time I wrote on Mr. McIver's letter a few lines to the Acting Assay Master, requesting information as to this statement, (*vide* G.,) my hope being that I should get a reply by return messenger, and thus should be able to send immediate instructions to Mr. McIver.

9. To my surprise I received the letter marked H., referring to an invoice which Dr. Bellew said had been sent to Mr. McIver and myself, and requiring him to write in regular official form.

10. This invoice we had not received, and I did not get it till Monday, so that much time was lost unnecessarily by Dr. Bellew's proceeding.

11. On that day, acting on the authority given me by the Supreme Government, I wrote to Mr. McIver to send the bullion he had received from the Assay Master by the next Steamer to Calcutta, and instructed Dr. Bellew to despatch the amount of bullion with him to Calcutta by the same opportunity reporting my proceedings to the Comptroller-General on the same day—*vide* I.

12. To my great surprise I yesterday received the accompanying letter from Dr. Bellew, peremptorily calling on me to issue orders *at once* for the return to him of the bullion at the Bank.

13. The return of the bullion to the Bullion Depôt from the Bank is perfectly unnecessary, and would manifestly entail additional cost to Government in carriage, &c. I have, therefore, declined to act in accordance with Dr. Bellew's demand; but as the tone of that Officer's letter throughout appears to me objectionable, I think it right to lay it before Government, and at the same time to state that, in my opinion, no Officer is justified in addressing this the Controlling Department of Accounts in the Presidency in the manner Dr. Bellew has done.

14. Not satisfied with peremptorily calling on me to issue certain orders, I have, since my letter to Dr. Bellew was written, learnt that he has actually demanded the return of the bullion from Mr. McIver, without awaiting the issue of orders from my department.

15. I really am quite at a loss to understand such extraordinary proceedings on the part of Dr. Bellew, and as it is highly necessary that all Financial Officers should clearly comprehend their position with reference to this department in order that, on an emergency, important orders of the Accountant-General requiring immediate compliance may not be delayed in their execution, I trust His Excellency in Council will be good enough to issue such orders as will prevent the Assay Master, or any other Officer, acting again as Dr. Bellew has acted in the present instance.

From P. F. BELLEW, Esq., Assay Master in charge of Bullion Depôt, to the Officiating Accountant-General, Fort Saint George, dated Fort Saint George, 5th October 1869, No. 315.

With reference to your letter, No. 4235, of yesterday's date, informing me that I was to arrange with the Master Attendant for the immediate despatch of our bullion by Steamer to Calcutta, I have the honour to request that you will *at once* issue orders for the retention of the bullion I sent under your instructions to the Bank on 2nd instant.

2. From the statement in your demi-official letter of the 2nd instant, to my address, that you thought bar silver was the purest of the pure, it is evident you were unacquainted with the quality of our bullion when you informed the Financial Secretary at Simla that you could sell it weight for weight with rupees at six-and-a-half to seven per cent. premium.

3. Allow me now to state, for your information, that bar silver is of every degree of *fineness* or *purity*, the quality depending on the *price* that was paid for the ingot.

4. As it is the province of the Assay Master to value bullion on behalf of Government, it is greatly to be regretted that you did not, in the first instance, consult with me on the subject : much unnecessary trouble and inconvenience would then have been spared.

5. The 50,055 tolas 15 annas of silver bar I made over to the Bank on the 2nd instant under your orders corresponds exactly with the invoice that accompanied it; to say, therefore, that our bullion is impure is most incorrect, as it does not profess to be pure silver, or even so good weight for weight as rupees.

A.

Extract from the Demi-official letter from the Secretary and Treasurer of the Bank of Madras, to the Officiating Accountant-General, dated 21st September 1869.

Bar silver ought to sell at six-and-a-half to seven premium weight for weight with rupees. Both it and the copper if put up for sale ought to sell well. I have never bought either.

B.

Telegram from the Financial Secretary, Simla, to the Officiating Accountant-General, dated 24th September 1869.

Your telegram of 21st received. You can remit the silver bullion and uncurrent silver and gold coins to Calcutta or Bombay, as is most convenient.

C.

Telegram from the Officiating Accountant-General, to the Financial Secretary, Simla, dated 25th September 1869.

Your telegram of 24th instant. Bank Agent here states that bar silver ought to sell at six-and-a-half to seven premium weight for weight with rupees. Will it not, therefore, be better to sell, if possible, and remit money by bill on Calcutta.

D.

Telegram from the Financial Secretary, Simla, to the Officiating Accountant-General, dated 29th September 1869.

Your telegram of 25th instant received. You can use your own discretion.

E.

Letter to the Secretary and Treasurer of the Bank of Madras, from the Officiating Accountant-General, No. 4176, dated 30th September 1869.

I have the honour to forward a receipt to the Assay Master in charge of the Bullion Depôt through you for 50,000 rupees worth of bullion to be handed over to that Officer when the amount

is taken from the Bullion Depôt. A similar receipt should be demanded from this office for presentation to the Assay Master on each occasion of the sale of bullion. The date of receipt is left blank to be filled in on day of presentation.

F.

Demi-official letter from the Secretary and Treasurer of the Bank of Madras, to the Officiating Accountant-General, dated 2nd October 1869.

On examining the silver bars forwarded from the Mint the purchasers decline to take them on the plea that it is not pure silver such as is usually sold in bars. I am myself no judge, but the bars certainly are apparently very inferior to those I have seen imported from England.

2. In these circumstances I await your instructions.

G.

From the Officiating Accountant-General, to the Acting Assay Master, dated 2nd October 1869.

Kindly read this and give me your explanation below at your earliest convenience. I always thought the bar silver was as pure as pure could be.

H.

From the Assay Master, to the Officiating Accountant-General, dated 2nd October 1869.

As requested I append my remarks to your letter, with the bar silver sent to the bank. I forwarded an invoice showing the quality of each bar, copy of which has also been furnished for your information. Should you desire any explanation as to the quality of the silver bar, I request that it may be called for in regular official form.

I.

From the Officiating Accountant-General, to the Assay Master in charge of the Bullion Depôt, dated 4th October 1869, No. 4235.

I have the honour to request, with reference to your official letter of the 2nd instant, No. 310, that you will at once pack up all the silver bullion in your possession and arrange with the Master Attendant for its immediate despatch by Steamer to Calcutta, the persons who the Bank Secretary suppose would purchase it on favourable terms having refused to do so now on the plea of its impurity.

(True Copies.)

(Signed) D. KISSUN SING
Assist. Acct. Genl.

No. 19. From P. F. BELLEW, Esq., Assay Master in charge of the Bullion Depôt, to the Chief Secretary to Government, Fort Saint George, dated Madras, 6th October 1869, No. 318.

I have the honour to submit, for the Orders of Government, the accompanying correspondence in original between myself and Officiating Accountant-General, relative to return to the Bullion Depôt from Madras Bank, of bar silver value Rupees 50,001-3-3 remitted under Mr. Lodwick's instructions on 2nd instant.

2. The bullion being ordered for shipment by Steamer of 11th instant to Calcutta, it is absolutely necessary that musters should be kept in this office of each bar in case of future reference. I have the honour to request, therefore, that immediate orders may be given for return of the bullion to Depôt for this purpose.

No. 20. From P. F. BELLEW, Esq., Acting Assay Master in charge of the Bullion Depôt, to the Chief Secretary to Government, Fort Saint George, dated Madras, 7th October 1869, No. 322.

In submitting accompanying letter from the Officiating Accountant-General, I beg respectfully to state that it is with much regret I find myself involved in a controversy that I would have gladly avoided. Being, however, informed that a reference is to be made to His Excellency in Council I have no option but in self-defence to lay the particulars before Government.

2. The circumstances of the case, therefore, are as follow:—Late on the evening of the 30th ultimo, I received a letter from the Officiating Accountant-General marked "Immediate and Private," directing me, on the following morning, to issue Rupees 50,000 worth of silver bar to the Madras Bank. This I accordingly did, and the order having been executed with all despatch, and in strict attention to Mr. Lodwick's instructions, I was quite disconcerted at receiving a curt demi-official letter the same day (1st instant) from the Officiating Accountant-General calling on me for an explanation as to the impurity of the silver bars I had sent to the Bank, and restricting my reply to the back of his letter. Under these circumstances I could only say that the bullion corresponded exactly with the invoice that accompanied it, copy of which had been sent for Mr. Lodwick's information, and requested that further explanation might be called for in regular official form. These remarks being made with no obstructive motive, but simply because the subject was too important to be otherwise corresponded about, no improper tone as far as I am aware being implied.

3. On the 5th instant, I received an official letter from Mr. Lodwick directing me to communicate with the Master Attendant for immediate shipment to Calcutta of the bullion as its sale had not been effected on the plea of impurity, leaving me to infer that the bullion meant was that which I had sent to the Bank on 2nd instant; accordingly I wrote requesting Officiating Accountant-General to give orders at once for its return, which ordinary expression Mr. Lodwick construes as a dictatorial tone on my part. I need hardly say that, after fifteen years' service, I have every resp[illegible] for the constituted authority of the Accountant-General's office, and that the idea of assuming [illegible] unbecoming tone to that office, would be quite contrary to my inclinations; my earnest endeavour being to discharge my duty in a satisfactory, quiet, and unassuming manner.

4. I beg to say that the invoice did accompany the bullion as, without it, the parties concerned could not have known its value. The fineness of the bars ranged from 834' to 990' touch. To outward appearance silver from 800' to 1000' touch presents so little difference that even an expert Assayer without chemical tests could not fix its value, the custom in such transactions always being to conduct the negotiation on the faith of the invoice.

5. It being the special duty of the Assay Master to value bullion on behalf of Government, it must be apparent that a want of consideration was shown in not consulting me on the subject of its proposed sale. The native merchants here have always been accustomed to buy and sell their bullion at the Mint, and not at the Bank. If Mr. Lodwick had, therefore, conducted the sale in the usual way he would have applied to me for a copy of the invoice of the bullion, and after arranging with the buyers for its payment would have ordered delivery [illegible] the Depôt that has taken the place of the late Mint, there being no necessity whatever for the removal of the silver bars to the Bank.

From R. W. LODWICK, Esq., Officiating Accountant-General, to the Acting Assay Master, Madras, dated Fort Saint George, 6th October 1869, No. 4260.

Budget Department.]

I have the honour in acknowledging the receipt of your letter, No. 315, dated 5th instant, marked "Immediate," to inform you that the tone you have thought proper to assume appears to me of such a nature as to necessitate a reference to His Excellency in Council. I have accordingly laid this correspondence before Government.

2. I beg further to inform you that I decline to order the bullion now in the Madras Bank to be returned to you, as I consider it for the interests of Government otherwise to dispose of it, and that I do not understand under what rule or order you consider yourself justified as Assay Master in peremptorily requiring the Accountant-General, or the Officer acting as such, to issue orders at your dictation.

3. Mr. McIver has received instructions to dispose of the bullion at present with him, and you will be good enough to conform to the instructions which I had the honour to convey to you on the 4th instant with regard to the bullion under your charge.

4. I do not perceive by anything I have written or said that I ever professed to be aware of the exact standard value of bullion, but having been told by Mr. McIver that he could sell silver bars at six-and-a-half or seven premium weight for weight with rupees, I concluded that he would be able to do so, and merely reported the statement made to me to Calcutta requiring permission to try my chance of selling the bars so as to save Government the expense of carriage.

5. That permission was granted, and I accordingly authorized Mr. McIver to sell if he could do so, and on his informing me that the people who had originally agreed to give seven premium declined to do so on the ground that the silver was impure, I ordered the bullion (again in accordance with the permission given me) to Calcutta.

6. I am not aware, therefore, that I have done anything wrong, or that any "unnecessary trouble or inconvenience" has arisen, as stated in your fourth paragraph, for the bullion would have had to be packed in any case, and, therefore, its despatch to the Bank by you has not put you to the smallest additional trouble.

7. I have further to express my regret that you should have made any difficulty about complying with my request for information as to the quality of the bullion conveyed to you demi-officially on Mr. McIver's letter to me on Saturday night to save time.

8. Your invoice had not come in to my Office or the Bank on Saturday when I received Mr. McIver's letter, and, therefore, I had no means of ascertaining the truth respecting the value of the bullion. Accordingly I wrote you demi-officially for information, which you might, I consider, very well have supplied, instead of writing in the way you did, and thus preventing my learning what I wished to know till Monday.

9. I believe that the practice of asking for information demi-officially is universal, and is well adapted to further the interests of Government. You are the first Officer who has, in my experience, withheld it on the plea of requiring a regular official letter, and your doing so caused me inconvenience; but I make no further comment on this proceeding of your's, as it lies with Government to decide whether you are right or wrong.

10. As regards your last paragraph I have only to observe that I did not say the silver was impure, but only that the expected buyers had rejected it on that plea.

11. Since this was written I have learnt that you have called on the Bank to return the bullion to you. Mr. McIver has been instructed not to comply with your requisition, as you had no authority to make it, but to act on my orders previously issued to him, and reported to Calcutta.

No. 21. ORDER THEREON, 3rd November 1869, No. 526.

The Government understand that the bullion, referred to in the foregoing correspondence, has been shipped to Calcutta, and that the musters have been returned to the Bullion Depôt.

2. The style adopted by Dr. Bellew in addressing the Acting Accountant-General, and his reference to Government on a subject on which it was quite competent to the Acting Accountant-General to issue orders, evince an insubordinate spirit, and display ignorance of his proper position in reference to the Financial Department. As, however, Dr. Bellew, in his letter under date 7th

October 1869, No. 322, has disclaimed any intentional insubordination or impropriety of tone, His Excellency the Governor in Council does not deem it necessary to pass any further orders in the matter beyond warning Dr. Bellew to be more careful in future.

(True Extract.)

Chief Secretary.

To the Accountant-General.
,, Assay Master.

Exd. J. Wright.

Govt. of {1869} Madras.

FINANCIAL.

To

THE ACCOUNTANT-GENERAL.

&c., &c., &c.

Dated November, 3rd.

Recd. *Encl.*

G. O., 3rd November 1869, No. 526.

NOVEMBER.
Nos. 18—21.

Passing Orders on a correspondence between the Acting Assay Master, and the Officiating Accountant-General in respect to certain bullion shipped to Calcutta.

3 Allow me now to state for your information that bar Silver is of every degree of fineness or purity the quality depending on the price that was paid for the ingot

4 As it is the province of the Assay Master to value Bullion on behalf of Government it is greatly to be regretted that you did not in the first instance Consult with me in the Subject, much unnecessary trouble and inconvenience would then have been spared

5 The 50055 Tolas, 15 Annas of Silver bar Imade over to the Bank on the 2d instant under your Orders Corresponds Exactly with the Invoice that accompanied it to say therefore that our Bullion is impure is most incorrect as it does not profess to be pure Silver or even to good weight for weight as Rupees

I have &c
(Sd) P. T. Bellew
Assay Master
in charge of Bullion Dept

X (AA)

True Copy
D. Kilpatrick
Apte Asstt Genl

A.

Extract from the Demi official letter from the Secretary and Treasurer Bank of Madras to the Offg Accountant General dated 21st September 1869.

Bar Silver ought to sell at 6/2 to 7 premium weight for weight with rupees. Both it and the Copper if put up for sale ought to sell well. I have never bought either.

B

Telegram from the Financial Secretary Simla to the Offg Accountant General dated 24th September 1869.

Your Telegram of (21st) received. You Can permit the Silver Bullion and uncurrent Silver and Gold Coin to Calcutta or Bombay as is most Convenient.

C

Telegram from the Offg Accountant General to the Financial Secretary Simla dated 25th September 1869.

Your Telegram of 24th Instant. Bank Agent here states that Bar Silver ought to sell at 6/2 to 7 premium weight for weight with rupees. Will it not therefore be better to sell, if possible, and permit money by bill on Calcutta.

D

Telegram from the Financial Secretary Simla to the Offg Accountant General dated 29th September 1869.

Your Telegram of twenty fifth instant received - You can use your own discretion.

E

Letter to the Secretary and Treasurer Bank of Madras from the Offg Accountant General No 4176 dated 30th September 1869.

I have the honor to forward a receipt to the Assay Master in charge of the Bullion Depôt through you for 50000 Rupees worth of Bullion to be handed over to that officer when the amount is taken from the Bullion Dept. A similar receipt should be demanded from this officer for presentation to the Assay Master on each occasion of the sale of Bullion. The date of Receipt is left blank to be filled in on day of presentation.

F

Demi official letter from the Secretary and Treasurer Bank of Madras to the Offg Accountant General dated 2nd October 1869.

On examining the Silver bars forwarded from the Mint the purchasers decline to take them on the plea that it is not pure silver such as is usually sold in bars - I am myself no Judge, but the bars certainly are apparently very inferior to those I have seen imported from England.

In these Circumstances I await your instructions.

G

From the Offg Accountant General to the Acting Assay Master dated 2nd October 1869.

Kindly read this and give me your explanation below at your earliest Convenience - I always thought the Bar Silver was as pure as pure could be.

H

From the Assay Master to the Offg Accountant General dated 2nd October 1869.

As requested I append my remarks to your letter, with the bar Silver sent to the Bank. I forwarded an Invoice shewing the Quality of each bar - Copy of which has also been furnished for your information - Should you desire any explanation as to the Quality of the Silver Bar I request that it may be called for in regular official form

From the Offg Accountant General
to the Assay Master in charge of
the Bullion Depôt No 4235 dated
4th October 1869.

I have the honor to request with
reference to your official letter of
the 2d Instant No 310 that you will
at once pack up all the Silver
Bullion in your possession and
arrange with the Master Attendant
for its immediate despatch by
Steamer to Calcutta, the persons
who the Bank Secretary supposed
would purchase it on favorable
terms having refused to do so
now on the plea of its impurity.

/ True Copies /
D. Fitzpatrick
Apptant Accte Genl

No 315.

Assay Master's Bullion Depôt
Madras
5th October 1869

From

P. F. Bellew Esq.
Assay Master
in charge of Bullion Depôt

To

The Officiating Accountant General
Fort St George.

Sir,

With reference to your letter
No 4235 of Yesterday's date informing
me that I was to arrange with the
Master Attendant for the immediate
despatch of our Bullion by Steamer to
Calcutta I have the honor to request
that you will at once issue orders for
the return of the Bullion Silver under
your instructions to the Bank on 2d
Instant.

2 From the Statement in your
Demi official letter of the 2d Instant
to my address that you thought Bank
Silver was the purest of the pure, it
is evident you were unacquainted with
the quality of our Bullion when you
informed the Financial Secretary at
Simla that you could sell it weight
for

for weight with Rupees at 6p. to 7 per cent Premium.

3. Allow me now to state for your information that Bar Silver is of every degree of Fineness or Purity the quality depending, on the price that was paid for the Ingot.

4 As it is the province of the Assay Master to value Bullion in behalf of Government it is greatly to be regretted that you did not in the first instance consult with me on the subject much unnecessary trouble and inconvenience would then have been spared.

5. The 50,055 Tolas, 15 Annas of Silver Bar I made over to the Bank on the 2d Instant under your orders corresponds exactly with the invoice that accompanied it, to say therefore, that our Bullion is impure is most incorrect, as it does not profess to be pure Silver or even so good weight for weight as Rupees.

I have &c.
(Signed) P. H. Bellew
Assay Master
in charge of Bullion Depôt

(True Copy)
P. H. Bellew
Assay Master
in charge of Bullion Depôt

Encl: 510/69

Immediate / Private

No. 94—10.5.69—500.

BUDGET & RESOURCE DEPARTMENT.

No. 4175-

Fort Saint George,
Accountant General's Office,
30th September 1869.

FROM THE ACCOUNTANT GENERAL,
TO THE GOVERNMENT OF MADRAS,

TO THE Assay Master in Charge of
Bullion Depôt

SIR,

Under instructions from the Government of India as per telegrams in Original herewith sent to be returned I have the honor to intimate that I am in negociation to sell through the Bank of Madras the bar silver now in Store at the Bullion Depôt and to request that you will from time to time hand over to the Secretary and Treasurer to the Bank such portions of the said bullion as he may produce receipts for under my signature, such receipts being retained by you in full acquittance of all responsibility on your part.

It is probable that 50000 Rupees worth of the bullion will be taken by the Bank tomorrow.

You will be pleased to note that it is essential to the success of the operation I am engaged in, that all possible secrecy be maintained with

with regard to the amount of the Silver bullion available and I therefore beg that you will do all in your power to prevent persons from finding out how much you have in store.

I have the honor to be
Sir
Your Obedient Servant.

W. W. Rodwell

Offg. Accountant General

Government Telegraph Department.

Monthly Nos. 171.

To (Station) Madras. From (Station) Simla.

Class.	Number	Number of words & cyphers.	Date & hour tendered for transmission by sender.
S.D.	741	32.	24th 2. 55th

(Addressee's name)
(Do address) Accountant General.

Your telegram of (21st) received
You can remit the Silver bullion
and uncurrent Silver and gold
Coins to Calcutta or Bombay as
is most convenient

D A & A G. Office
Recd. 25 Sep. 1869.
Answd.

Sender's name Assistant Secretary Financial Dept.

Received from Station Transmitted to Station

H. & A. M. on the 25th Sept 1869.

Letter authorizing the Remittances to be made to Bombay & Calcutta (the first four) were sent to the following Officers. Ganjam, Vizagapatam, Kistna, Godavery, Tanjore, Tinnev. Malabar, South Canara, Travancore, Coimbatore & Trichinopoly and a letter to the Officiating Accountant General Bombay for information.

No. 358—16-8-69—100.

No.

SERVICE TELEGRAM.

From Madras.

0178

From The ACCOUNTANT GENERAL.

To Simla.

To The Financial Secretary.

Your Telegram of 24 Instant Bank Agent here states that Bar Silver might be sold at 6½ to 7 Premium weight for weight with Rupees. Will it not therefore be better to sell if possible and remit money by Bill on Calcutta.

Fort St George — Accountant General's Office 25 Septr 1869.

Signed R. A. Sedwick Offg Accountant Genl

True Copy.

D. Kippen Assistant Accountant.

Government Telegraph Department.

Monthly Acs 198.

25

To (Station) Madras. From (Station) Simla

Class.	Number.	Number of words & cyphers.	Date & hour tendered for transmission by sender.
S. D.	99.	20.	20. 29. 13. 54

Addressee's name. Accountant General.

Your telegram of) twenty fifth Instant) received - You can use your own discretion.

D A. & A G. Office
Recd: 30 Sep 1869.
Answd:

Senders name Assistant Secretary Financial Department

Received at 2. P. 11. A. M. on the 30th Sept. 1869.

No. 94—10-5-69—500.

BUDGET & RESOURCE DEPARTMENT.

No. 1235

(2)

Fort Saint George,
Accountant General's Office,
4 October 1869.

Offg.
FROM THE ACCOUNTANT GENERAL,
TO THE GOVERNMENT OF MADRAS,

TO THE Assay master in charge of the Bullion Depot
Madras.

SIR,

I have the honor to request with reference to your Official letter of the 2d instant No. 310 that you will at once pack up all the silver Bullion in your possession and arrange with the Master Attendant for its immediate despatch by Steamer to Calcutta the persons who the Bank Secretary supposed would purchase it on favourable terms having refused to do so now on the plea of its impurity.

I have the honor to be,
Sir,
Your most obed.t Servt.

Offg. Accountant General.

Copy

8/39

H. M's Bullion Depot
Madras,
7th October 1869

No. 322

From P. G. Bellew Esqre
Acting Assay Master
in charge of Bullion Depot

To The Chief Secretary
to Government
Fort St. George

Sir,

In submitting accompanying letter from the Offg Accountant General I beg respectfully to state that it is with much regret I find myself involved in a controversy that I would have gladly avoided. Being however informed that a reference is to be made to His Excellency in Council I have no option but in self defence to lay the particulars before Government.

2. The circumstances of the case therefore are as follows - Late on the evening of the 30th ultimo I received a letter from the Offg Accountant General (marked "immediate and private" directing me on the following morning to issue Rs. 50,000 worth of Silver Bars to the Madras Bank - this I accordingly did, and the order having been executed

with

with all despatch and in strict attention to Mr. Lodwick's instructions - I was quite disconcerted at receiving a curt demi official letter the same day (1st inst) from the Offg. Accountant General calling on me for an explanation as to the impurity of the Silver bars I had sent to the Bank and restricting my reply to the back of his letter - Under these circumstances I could only say that the Bullion corresponded exactly with the Invoice that accompanied it copy of which had been sent for Mr. Lodwick's information, and requested that further explanation might be called for in regular official form - These remarks being made with no obstructive motive but simply because the subject was too important to be otherwise corresponded about, no improper tone as far as I am aware being implied -

3. On the 5th instant I received an Official letter from Mr. Lodwick directing me to communicate with the Master Attendant for immediate Shipment to Calcutta of the Bullion as its sale had not been effected on the plea of impurity, leaving me to infer that

that the Bullion meant was that which I had sent to the Bank on 2d. instant, accordingly I wrote requesting Offg. Accountant General to give orders at once for its return which ordinary expression Mr. Lodwick construes as a dictatorial tone on my part - I need hardly say that after fifteen years service I have every respect for the constituted authority of the Accountant General's Office and that the idea of assuming an unbecoming tone to that Office, would be quite contrary to my inclinations; my earnest endeavour being to discharge my duty in a satisfactory quiet and unassuming manner -

4. I beg to say that the Invoice did accompany the Bullion as without it the parties concerned could not have known its value - The fineness of the bars ranged from 834 to 999 touch - So outward appearance Silver from 800 to 1000 touch presents so little difference that even an expert Assayer without chemical tests could not fix its value - The custom in such transactions always being to conduct the negotiation on the faith of the Invoice -

5. It being the special duty of the

Assay

Assay Master to value Bullion on
behalf of Government, it must be
apparent that a want of consideration was
shown in not consulting me on the subject
of its proposed sale. The Native
Merchants here have always been ac-
customed to buy and sell their Bullion
at the Mint and not at the Bank.
If Mr. Sedwick had therefore conducted
the sale in the usual way he would have
applied to me for a copy of the Invoice
of the Bullion and after arranging with
the buyers for its payment would have
ordered delivery at the Depôt that
has taken the place of the late Mint,
there being no necessity whatever for the
removal of the Silver Bars to the
Bank.

I have the honour to be,
Sir,
Your most obedient Servant,

J. J. Bellew
Actg. Assay Master
in charge of Bullion Depôt

C 18/19
12 Oct 69

20

Treasury Dept. Oct 12 1869

Sir

I have the honor to transmit herewith a letter addressed to this Department by Mr. Abbey Chaster in charge of the British Legation at this City, with the request that it be submitted to Your Excellency.

I am, Sir, Your obedient servant

Hugh McCulloch
Secretary of the Treasury

His Excellency
Reverdy Johnson
&c &c &c

Legation of Great Britain
Washington, October 8th 1869

Sir,

I have the honor to inform you that I have received a letter from Her Majesty's Consul at Boston, dated the 5th instant, in which he states that he has been informed by the Collector of Customs at that port that the Treasury Department has refused to allow the importation of Bullion in bars of a smaller size than those which are required for the purposes of coinage.

I am informed that this regulation has been established for the purpose of preventing the importation of Bullion in bars of a size which would render it difficult to ascertain the amount of fine silver contained in them.

I have the honor to request that you will be so good as to cause the attention of the Secretary of the Treasury to be called to this matter, and that you will inform me whether it is the intention of the Government to maintain the regulation in question.

I have the honor to be, Sir, Your obedient humble Servant

Abbey Chaster

His Excellency
Reverdy Johnson
&c &c &c

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Treasury Department
October 16th 1869

Sir:

I have the honor to acknowledge the receipt of your letter of the 8th instant, in relation to the size of bars of Bullion required to be delivered at the Mint of the United States for coinage.

In reply I have to inform you that it is not intended to change the regulations in this respect, which have been established for the purpose of preventing the importation of Bullion in bars of a size which would render it difficult to ascertain the amount of fine silver contained in them.

I am, Sir, Your obedient servant

Hugh McCulloch
Secretary of the Treasury

His Excellency
Reverdy Johnson
&c &c &c

Dec 15 Oct 1869
No. 1323

William Conclusion

Have the honor to acknowledge the receipt of your despatch No. 1323 dated October 16th 1869 stating that it is not intended to change the regulations which have been established for the purpose of preventing the importation of Bullion in bars of a size which would render it difficult to ascertain the amount of fine silver contained in them.

I have the honor to request that you will be so good as to cause the attention of the Secretary of the Treasury to be called to this matter, and that you will inform me whether it is the intention of the Government to maintain the regulation in question.

I have the honor to be, Sir, Your obedient humble Servant

Abbey Chaster

His Excellency
Reverdy Johnson
&c &c &c

Dec 15

20

Treasury Department
October 16th 1869

Sir:

I have the honor to acknowledge the receipt of your letter of the 8th instant, in relation to the size of bars of Bullion required to be delivered at the Mint of the United States for coinage.

In reply I have to inform you that it is not intended to change the regulations in this respect, which have been established for the purpose of preventing the importation of Bullion in bars of a size which would render it difficult to ascertain the amount of fine silver contained in them.

I am, Sir, Your obedient servant

Hugh McCulloch
Secretary of the Treasury

His Excellency
Reverdy Johnson
&c &c &c

Dear Mr. Dahlgren

It is always customary for one Mint sending Bullion to another to keep masters of the bars.

In allegating the coarse & the fine bars to bring the silver for coinage up to the rupee standard

the melter is not unfrequently obliged to refer to the assay master for information, which without masters we could not furnish -

Had I known when the Bullion was made over to the Bank that it was likely to be sent to Calcutta for Coinage I would have taken this precaution -

The expense of returning it from the Bank to the Bullion Depot will not exceed a rupee as it is contained in six small boxes -

Yours very truly

J. F. Bellew

To, R. A. Dalyell Esqre
Secy to Govt

Budget Dept

Fort St. George
Account Genl's Office
6th October 1869

No. 1260

From The Actg Account General

To The Acting Assay Master

Sir,

I have the honor in acknowledging the receipt of your letter No. 315 dated 5 instant marked immediate to inform you that the tone you have thought proper to assume appears to me of such a nature as to necessitate a reference to His Excellency in Council - I have accordingly laid this correspondence before Government -

2. I beg further to inform you that I decline to order the Bullion now in the Madras Bank to be returned to you as I consider it for the interests of Government otherwise to dispose of it and that I do not understand under what rule or order you consider yourself justified as Assay Master in peremptorily requiring the Accountant

General

is universal and is well adapted to further the interests of Government - You are the first officer who has in my experience withheld it on the plea of requiring a regular official letter and your doing so caused me inconvenience but I make no further comment on this proceeding of yours as it lies with Government to decide whether you are right or wrong.

10 As regards your last para I have only to observe that I did not say the Silver was impure but only that the expected buyers had rejected it on that plea -

I have the honor to be
Sir
Your most obedient servant
W. Ladwick
Ag. Account. General.

Since this was written I have learnt that you have called on the Bank to return the Bullion to you - Mr. McIver has been instructed not to comply with your requisition as you had no authority to make it but to act on my orders previously issued to him and reported to Calcutta -

4° Bll

dr. Rs. 5-14/109

+ requested to be returned.

X 43

Immediate

H. M's Bullion Depôt
Madras,
6th October 1869.

No. 318.

From P. H. Bellew Esqr.
Assay Master
in charge of Bullion Depôt

To The Chief Secretary
to Government
Fort St. George

Sir, I have the honor to submit for the Orders of Government the accompanying correspondence in original between myself and Offg. Accountant General relative to return to the Bullion Depôt from Madras Bank of Bar Silver Value Rs. 50,001-3-3 remitted under Mr. Ladwick's instruction on 2d. instant.

2. The Bullion being ordered for shipment by Steamer of 11th instant to Calcutta, it is absolutely necessary that Musters should be kept in this Office of each Bar in case of future reference, I have the honor to request therefore that immediate orders may be given for return of the Bullion to Depôt for this purpose. I have the honor to be

Sir
Your most obedient Servt.
P. H. Bellew
Assay Master
in charge of Bullion Depôt

No. 94—10-5-69—500.

BUDGET & RESOURCE DEPARTMENT.

No. 704

Fort Saint George,
Accountant General's Office,
6 October 1869.

FROM THE ACCOUNTANT GENERAL,
TO THE GOVERNMENT OF MADRAS,

TO THE Chief Secretary to Government

SIR,

I have the honor to request that you will lay the accompanying Copies of a correspondence which has taken place between me and the Acting Assay Master, before His Excellency in Council.-

2 On the 21st September Mr. Mc Whan wrote me, vide extract of Demi Official letter Marked A, that he could sell silver bars at 6/2 to 7/ premium weight for weight with Rupees.-

3 This being a most advantageous sale, if effected, I telegraphed his Statement to Simla requesting to know whether it would not be better to try and sell the Bars here, and send the proceeds

Financial 2
1869 Department
Nos 3 & 4 Mint Offg.
Assay
Asst Assay Master
Mint Clerk
Bullion Depot
Mint Master
Bullion Clerk
Treasury
Accountant
Madras
Dated 6th October 1869
Rec'd 6 October 1869
No 704
Enclosures Two
Forwarded Three
correspondence and Requests
that Instructions
may be given for return
to the Bullion from the
Bank of Madras to the
Bullion Depot.

proceeds by bill at par to Calcutta, instead of forwarding the Bullion as I had been ordered to do by sea. Vide telegrams B & C.

4 In reply I received telegram D leaving the matter to my discretion.

5 Thereupon I instructed the Bank Secretary to get 50,000 Rupees worth of Bullion from the Assay Master on my receipt which I sent Mr McInes for presentation to Dr Bellew, and which Dr Bellew now holds, and to sell the Silver as soon as possible Vide E.

6 At the meeting of Directors on Friday the 1st instant Mr McInes informed me he had sold 25,000 Rupees worth at 7 premium and expected to sell the rest soon.

7 On Saturday however he wrote me, Vide F, that the expected buyers would not take the Silver as they alleged it was not as pure as it should be.

8 In order to save time I wrote on Mr McInes letter a few lines to the Acting Assay Master requesting information as to this statement. Vide G. My hope being that I should get a reply by return messenger and thus should be able to send immediate instructions to Mr McInes.

9 To my surprise I received the letter marked H referring to an Invoice which Dr Bellew said had been sent to Mr McInes and myself and requiring him to write in regular official form.

10 This Invoice we had not received and I did not get it till Monday so that much time was lost unnecessarily by Dr Bellew's proceeding.

11 On that day, acting on the authority given me by the Supreme Government, I wrote Mr McInes to send the Bullion he had received from the Assay Master by the next Steamer to Calcutta, and instructed Dr Bellew to despatch the Amount of Bullion with him to Calcutta by

by the same opportunity reporting my proceedings to the Comptroller General on the same day. Vide I.

12 To my great surprise I yesterday received the accompanying letter from Dr. Bellew peremptorily calling on me to issue orders at once for the return to him of the Bullion at the Bank.

13 The return of the Bullion to the Bullion Depôt from the Bank is perfectly unnecessary and would manifestly entail additional cost to Government in carriage &c.a. I have, therefore, declined to act in accordance with Dr. Bellew's demand but as the tone of that Officer's letter throughout appears to me objectionable I think it right to lay it before Government, and at the same time to state that, in my opinion, no officer is justified in addressing thus the Controlling Department of Accounts in the

the Presidency in the manner Dr. Bellew has done.

14 Not satisfied with peremptorily calling on me to issue certain orders, I hand, since my letter to Dr. Bellew was written, learnt that he has actually demanded the return of the Bullion from Mr. McInes without awaiting the issue of orders from my Department.

15 I really am quite at a loss to understand such extraordinary proceeding on the part of Dr. Bellew, and as it is highly necessary that all Financial Officers should clearly comprehend their position with reference to this Department in order that on an emergency important orders of the Accountant General requiring immediate compliance may not be delayed in their execution, I trust His Excellency in Council will be good enough to issue such orders as will prevent the Assay Master or any other Officer acting again as Dr. Bellew has acted in the present instance.

I have the honor to be,
Sir
Your most obed.t Servt.

W.m Goodrich

Offg. Accountt. General

(51)

Financial Department

Memorandum on letters from the Acting Assay Master dated 6th October 1869 No. 318, and the Officiating Accountant General dated 6th Oct. 1869 No. 204.

"With the first of the foregoing letters the Assay Master forwards certain correspondence, in original, between himself and the Officiating Accountant General and requests that immediate orders may be issued for the return to the Bullion Depôt of the Bar Silver valued at Rs. 5,00,01-3-3, which was sent to the Bank of Madras on the 2nd instant under instructions, and upon the receipt of the Officiating Accountant General, as it was absolutely necessary that musters should be kept in

in the Assay Office of each bar prior to its shipment by Steamer to Calcutta.

2. With the second letter, the Officiating Accountant General forwards copies of the correspondence above referred to, and explains the circumstances under which he withdrew the Silver from the Mint, and directed the Shipment to Calcutta of what remained unsold at the Bank, and at the Bullion Depot.

3. The Officiating Accountant General states that the return of the whole of the Bullion remaining at the Bank is unnecessary, and would entail additional expense in carriage, and that he has declined to comply with the Acting Assay Masters request.

The

4. The Officiating Accountant General complains of the objectionable tone of the Acting Assay Masters letter of the 5th instant No 315, and of his demanding the return of the Bullion from the Secretary of the Bank, without awaiting the issue of orders from the Accountant General's Department on the subject, and he trusts that His Excellency the Governor in Council will issue such orders as will prevent the Assay Master, or any other officer, acting again as Dr Bellew has acted in the present instance.

4. In Dr Bellew's demi-official letter he states that "it is always customary for one Mint sending Bullion to another to keep masters of the bars" that had he known when

the

the Bullion was handed over to the Bank that it was likely to be shipped to Calcutta, he would have taken the precaution to retain musters, and that the expense of returning the Bullion to the Bullion Depôt, will not exceed a rupee, as it is packed in six small boxes.

5. Dr. Bellew having acted under the orders of the Accomtant General, he should have first ascertained, whether or not that officer would comply with his request to return the Bullion, before he appealed to the Government in the matter. It is suggested that this might be pointed out to him, and that he be informed that he should adopt a more courteous style in addressing the Accomtant General or any other officer on official matters.

The officiating Accomtant General might also be informed that he should arrange to let Dr. Bellew have musters of the Bullion which is to be shipped to Calcutta, it being essential that the Agency Master should retain musters of the same in his office.

I do not understand why it is more necessary to retain in the Agency Office musters of the Bars known as Bars are sent to the Calcutta Mint than it was when we prepared & sent the Bars direct to the Bank. It is quite true we wanted in case of accident but they were not for that purpose is not explained. I would order the shipment of the Bullion and assume to Bellew my formal responsibility for the safety of his consignment at the same time would recommend the Accomtant General to ascertain from his Financial authorities at Calcutta that assay

I observe in future in regard to the musters of the Bars under this Accomtant General be requested to forward them to the Agency Master at Calcutta & the Agency Master should be directed to forward them to this office. A/A

† Dr. Bellew's style & spelling are extremely objectionable & inaccurate & fully justify the official censure in question. Dr. Bellew was prosecuted for the forgeries and he stands debarred from the service. He should address the Accomtant General on all matters connected with the Treasure as with the Currency & not be recorded say to the Financial authorities HDR

Financial Department.

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following letter &

From Assay Master in charge of Bullion Depot. (Rec'd enter 6 Oct 1869 No 318

From Off'g Accountant General (——— do ——— do do 2041

From Assay Master in charge of Bullion Depot. (——— 4 Oct 1869 No 322)

Order thereon. No 526 - 8 Oct 1869.

The Government understand that the Bullion referred to in the foregoing correspondence has been shipped to Calcutta and that the Invoices have been returned to the Bullion Depot.

2.— The style adopted by Dr Bellew in addressing the Acting Accountant General, and his reference to Govt on a subject on which it was quite competent to the

the Acting Accountant Ge-
=neral, to issue orders, evince
an unsubordinate spirit
and display ignorance of
his proper position in re-
=ference to the Financial
Dept. As, however, Dr.
Bellew, in his letter under
date 7 October 1849 &c.
322, has disclaimed any
intentional insubordina
=tion or impropriety of
tone, His Excellency the
Governor in Council, does not
deem it necessary to
pass any further
orders in the matter
beyond warning Doc.
=tor Bellew to be
more careful in future

To the Accountant General
" Assay Master
dispd 8/11

Letter to Dr. Bellew on the subject of his
unsubordinate

Govt. of {1869} Madras
Financial

To

The Accts. Genl.
&c.

Dated Novr. 3 } 1869, No. 526.
Recd.

Nos. 18-21.

Passing orders on the correspondence between the Ag. Accountant & the Offg. Accts. Genl. in respect to certain Bullion Shipments to Calcutta.

2-19/10-
12.28