M.R.O. 1—77,006—8-6-37.

(1) Number of pages_____

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MADRAS RECORD OFFICE.

Government of Madras.

Public works **DEPARTMENT.**

G.O. No. 119 Press —Mis.—

244-45

Dated 16. 1 1871.

Not to be folded or roughly handled

Proceedings of the Madras Government, Public Works Department, 16th January 1871.

No. 244. Read the following Circular from the Government of India, Public Works Department, (Account—General,) dated Fort William, 2nd December 1870, No. 68:—

COPY of the following forwarded to the Local Governments and Administrations marginally noted for information and guidance.

Governments of Madras, Bombay, Bengal, North-Western Provinces and the Punjab.
Chief Commissioners of Oudh, Central Provinces, British Burmah, and Mysore and Coorg.
Resident at Hyderabad.
Governor-General's Agents for Central India and Rajpootana.
Superintendent of Port Blair and the Nicobars.

(By order.)

(Signed) J. McLEOD INNES,
Depy. Secy. to the Govt. of India.

From R. W. LODWICK, Esq., Officiating Accountant-General to the Government of Madras, to the Officiating Secretary to the Government of India, Financial Department, dated 13th October 1870, No. 4,242.

I HAVE the honour to bring to your notice that I have this day received three letters from different Collectors complaining of the great and daily increasing accumulation of copper in their treasuries, and requesting that immediate steps may be taken to relieve them of this balance of coin, which they find it impossible to get rid of in their Districts.

2. The Collector of Kistna has an overstock of Rupees 20,900, the Collector of North Arcot of Rupees 21,500, and the Collector of South Arcot of no less than Rupees 89,500.

3. The latter Officer says that there is quite sufficient copper in circulation in his District, and that even were a discount again permitted on the sale of copper coins, no good would result, as the coin would eventually find its way again into the treasury. He therefore urges upon me the necessity of distributing some portion of his surplus stock among the neighbouring treasuries, but as all these treasuries are themselves filled to excess, I cannot comply with his demand, and I do not think it advisable to order a remittance to Madras, as the Bank has the enormous quantity of Rupees 9,19,000 in its custody already, and there is no demand whatever for the coin here.

4. I would therefore beg to submit, for the consideration of Government, whether some steps should not be at once taken to stop the influx of copper by demanding that payments of Government dues should be made in silver, as was the case before the issue of the Notification of the Government of India, No. 959, published in the *Calcutta Gazette* of the 5th June last.

No. 2,906, dated 27th October 1870.
Endorsed by the Financial Department.
COPY forwarded to the Comptroller-General of Accounts for early report.

From E. F. HARRISON, Esq., Comptroller-General of Accounts, to the Officiating Secretary to the Government of India, Financial Department, dated 29th October 1870, No. 4,260.

I HAVE the honour to acknowledge receipt of your docket No. 2,906, dated 27th instant, forwarding to me for report copy of a letter from the Officiating Accountant-General, Madras, No. 4,242, dated 13th instant, on the subject of the daily increasing accumulation of copper coin in the District Treasuries of that Presidency.

The Accountant-General attributes the inconvenience to the action of the Notification of the Government of India, No. 959, dated 31st May 1869, under which Collectors were required to receive copper coin in payment of Government dues without limit of amount, and suggests the restoration of previous restrictions.

It appears evident from the Accountant-General's letter, and from representations of a similar character that have been lately made from Madras, that copper coin has been supplied in that Presidency to District Treasuries beyond the power of the treasuries to put it into circulation, and in at least some parts of the country beyond the requirements of the people.

This view is confirmed by the information received by the Mint Master of Calcutta, Colonel Hyde, from Officers of the Department of Public Works.

Mr. Lodwick first mentions the Collector of the Kistna District as having an overstock of copper; the Officers of the Public Works Department in reply to Colonel Hyde's enquiry state that, on the 1st April 1868, pice were obtainable in the bazaar at the following rates:—

At Masulipatam ... ... 66 per rupee.
At Bazorah, Guntoor, Pounur, Sandole, and Chabrole ... 64⅜ per ,,

They further say "there is at present more copper coin in circulation than is really required, the rupee being exchanged in many bazaars at a premium of 4 or 5 pie."

The next treasury mentioned is that of North Arcot.

The number of pice obtainable in the bazaars of this District is reported as follows:—

Bazaars at Rancepett, Wallajahpett, and several other towns and villages 66
Arnee, Wandiwash, Arcot, Polur, Chitput Calumboor, Santivassal, and Kanamangalam. 65½

It is further said "more is pushed on the Department at times than is required, and is necessarily forced on coolies; this is great hardship to them, as they are losers by receiving payment in entire copper of 1½ annas per rupee, etc."

Another Executive Officer reports that he obtains his supplies of copper from the bazaar, because "discount is allowed by the money-changers, whereas none is allowed at the treasuries;" he adds, "this discount is now *included in the miscellaneous receipts of the Public Works Department.*"

Again, "contractors prefer getting the copper coin they require from the bazaar," and further on, "the whole Range is flushed with copper brought in from Madras and other parts of the District."

The third District named is South Arcot; the information from this District is not so full; still, at the head-quarters of the District Cuddalore, the bazaar rate is stated to be 64⅜.

I submit that the state of things described as existing in the District of North Arcot ought not to be allowed to continue, being in its effects a positive fraud on the labourer, the amount of which he is muleted being made a source of revenue "in the miscellaneous receipts of the Public Works Department."

The Notification of 31st May 1869 appears, in my judgment, to have been much called for, and it is only natural that the artificial means for keeping surplus coin out having been removed, it should come back to the treasury.

It is not to be supposed that the present inconvenience will be felt indefinitely; in most Districts the limit of over-issue will probably be soon reached and further accumulations cease.

If any place for storing the surplus locally can be found, it seems better, as a general rule, not to move it till it is wanted elsewhere.

Advantage might be taken of the present time to weed the stock of copper coin in Collectors' treasuries of worn coin, cutting them in half and selling them.

Another measure, which however I do not recommend, would be to stint the supply of small silver coins in the case of Districts having an excess of copper.

There is not the same marked surplus of copper coin in Bengal and the North-Western Provinces, and it may perhaps not be long before the ordinary demands of this Presidency may make it proper to order a remittance of copper coin from Madras to Calcutta.

For the present, however, this is not needed, and there is a considerable accumulation at Nagpoor, from which I propose to supply the requirements of the Upper Provinces.

Resolution by the Government of India, Financial Department, dated 21st November 1870, No. 3,099.

Read—

The under-mentioned documents regarding the daily increasing accumulation of copper coin in the District Treasuries of the Madras Presidency:—

Letter from Officiating Accountant-General, Madras, No. 4,242, dated 13th October 1870.
Financial docket No 2,906, dated 27th October 1870.
Letter from Comptroller-General of Accounts, No. 4,260, dated 29th October 1870.

Proceedings of the Madras Government, Public Works Department,
16*th January* 1871.

RESOLUTION.—The Governor-General in Council desires that the Accountant-General, Madras, should make the best arrangements possible for the custody of the surplus copper coin until it is wanted, and should bring it to the Presidency, or ship it to Calcutta or Bombay as convenience may direct.

ORDERED that a copy of the above Resolution and of the correspondence be sent to the Public Works Department, with a request that it will at once specially prohibit its Officers from forcing copper upon its labourers save in payment of a fraction of a rupee.

Also that a transcript of the Resolution be sent to the Comptroller-General of Accounts, and the Accountant-General, Madras.

No. 245. ORDER THEREON, 16th January 1871, No. 119.

ACCOUNT, No. 30.

COMMUNICATED to the Superintending Engineers for information and guidance.

(True Extract.)

(Signed) CHARLES A. ORR, Colonel, R. E.,
Secretary to Government.

To Superintending Engineers.
,, Major R. B. Kennedy.
,, Comptroller of Pice

Exd. E. C. Shunker.

Public Works 1870 Dep.t
12 No 5653

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.
General.

To

THE GOVERNMENTS OF MADRAS, BOMBAY, BENGAL, THE NORTH WESTERN PROVINCES AND THE PUNJAB; THE CHIEF COMMISSIONERS OF OUDH, CENTRAL PROVINCES, BRITISH BURMAH, AND MYSORE AND COORG; THE RESIDENT AT HYDERABAD; THE AGENTS TO THE GOVERNOR GENERAL FOR CENTRAL INDIA AND RAJPOOTANA; AND THE SUPERINTENDENT OF PORT BLAIR AND NICOBARS.

CIRCULAR No. 68 PUBLIC WORKS.

Dated December 2, 1870.

Received— " 12 "

Prohibiting Public Works Officers from forcing copper coin upon labourers save in payment of a fraction of a rupee.

P. W. D. Press—2-12-70—226.

No 119 - 16th January 1871

No. 5753

Govt. of {1870} Madras.

PUBLIC WORKS.

To The Superintending Engineer

Dated

Read. Inst.

G. O. 16th Sept. No. 119.

Nos. 2448245

Letter from Carnatic
Irrigation & Canal Co
Leasing Cauvery Canal upon
Lease Terms Tenders for
Same Opening Date
Notice, Com. & Secy