Rec'd Dft.

H: 2619.

Govt. of [illegible]

FINANCIAL.

To

THE MINT MASTER,
Madras.
&c., &c., &c.,

Dated August, 2nd.

Recd. a 5th. Inst.

G. O., 2nd August 1869, No. 312.

Pro. of the Board of Revenue 20 aug 69 No. 2832

AUGUR.

Nos. 1—4.

Approving of the measures proposed by the Mint Master for the closing of the Madras Mint, and for the disposal of the machinery and stores.

A 429 Augt 69

With order

6. The Governor in Council approves and sanctions the foregoing recommendations, and directs that they be carried out with as little loss of time as possible.

7. The necessity for the immediate appointment of an Assistant Assay Master will be brought to the notice of the Government of India. In the meantime Colonel Carpendale will submit a tabular statement showing the proposed establishment for the Bullion Depôt, Paper Currency Office, and Stamp Department.

8. Ordered that copies of these Proceedings be furnished to the Public Works and Military Departments, with a view to the issue of such instructions as may be necessary in those Departments for taking over the stores, machinery, &c., from the Mint.

9. Ordered also that a copy of the Proceedings be furnished to the Revenue Department, in order that the Board of Revenue may be requested to submit their views as to whether the Stamping Department should be left in charge of the Commissioner of Paper Currency, or removed elsewhere.

(True Extract).

R. Dalyell
Actg. Secy. to Govt.

To the Mint Master.
,, Public Works Department.
,, Military Department.
,, Inspector General of Ordnance and Magazines.
,, Accountant General.
,, Revenue Department.

No 43.

Forwarded to the Bd of Rev[enue] for early report on the subject of Para 9 of the Order.

9 Augt/69

Exd. J Wright.

5 Folios Ord of Govt with Pro FD No 342 Despatched

Proceedings of the Madras Government, Financial Department, 2nd August 1869.

Read the following papers :—

No. 1. From the Government of India, to the Secretary of State for India ; dated 10th March 1869, No. 59.

In forwarding the papers noted in the subjoined list, relative to the abolition of the Madras Mint, we have the honour to observe that this subject was considered on two previous occasions when the Court of Directors hesitated to abolish the Madras Mint, chiefly from fear lest the coining power of Calcutta and Bombay should prove insufficient for the supply of the Madras Presidency. This consideration has no longer any force, the power of the Mints at Bombay and Calcutta having been doubled in 1864 and 1865. There can be no doubt now that, with the rapidly-extending railway communication, the coinage wants of Madras could be fully and promptly supplied by the other two Presidencies.

2. The expense needlessly incurred by the retention of the Madras Mint is at least £10,000 a year. The local calculations which bring out an apparently different result are based upon a fallacious estimate of profit from the coinage of copper. In Madras, as indeed elsewhere, the coinage of copper of late years has altogether exceeded the demand. The Mint profit on copper coined but not circulated is, of course, wholly fictitious. The receipts from the silver coinage must also be excluded, for they would have been reaped at other Mints had there been no Mint at Madras.

3. It is shown in the Memorandum annexed to the letter to the Mint Master, Calcutta, No. 2169, dated 31st August 1868, and in his reply, dated 30th December 1868, that the additional coinage of silver to supply Madras would but imperceptibly, if at all, increase the charges of the Calcutta Mint, so that almost the whole present charge for this coinage in the Madras Mint is an unnecessary expense.

4. There is reason to believe that silver coined at the other Mints already finds its way in large quantities into the Madras Presidency in the ordinary course of trade, and that the coinage wants of that Presidency would be to a large extent supplied in this way when there is no Mint. Indeed the importation of bullion into the Madras Presidency has fallen off considerably since the export trade has resumed its normal proportions, after the inflation which followed in the cotton trade upon the American war. There is no reason to anticipate any considerable revival of such importations.

5. In order to reduce these importations as much as possible, we propose to ask your Grace to draw, so far as may be economical, more largely than heretofore on Madras. At present Madras provides annually about £400,000 for your bills, and remits to Calcutta and Bombay about £700,000. If your drafts on Madras could be increased to about £1,000,000 annually, it would be very convenient to us in other respects, and would probably operate to a very great extent to prevent bullion importation.

6. Any bullion which, notwithstanding these measures, may be imported into that Presidency, could be sufficiently provided for by the establishment of a bullion depôt, whence it could be despatched in due course to Calcutta or Bombay. It is not at all likely that its value would exceed the value of specie remittances now made, so that there would be no expense not incurred under the present arrangement.

7. With the large and rapidly-increasing trade of Rangoon, no inconvenience is felt there from the absence even of a bullion depôt, and we incline to think that no such depôt will be permanently required at Madras.

8. We are, however, of opinion that, on the foregoing considerations, a bullion depôt should be for the present substituted for the Madras Mint, and that this may be done with perfect convenience and safety.

9. The Assay Master might have charge of both the Bullion Depôt and the Department for the Issue of Paper Currency. He could take the latter duty as he would be relieved of his present assays of the alligations for the daily coinage, and of the pyx coins, and it would not be necessary to increase his fixed salary of Rupees 1500 monthly at all at first, though perhaps, if the permanent retention of the bullion depôt be deemed expedient, it might be desirable eventually to convert it into a progressive pay of Rupees 1500, rising to Rupees 1800 monthly.

may be decided to locate the department, it will be necessary to maintain, in addition to the existing establishment,—

	RS.	A.	P.
One Engine Turner, on.....	50	0	0
One Filer.....	30	0	0
One Tumbrel and pair of bullocks.			

The engine-turning lathe now in use, and a suitable supply of tools for repairing damages to to the bi-coloured and embossing Presses, should also be retained. Workmen, as required, can be procured in the market, or obtained on application in the Department of Public Works.

I beg to draw the attention of Government to the great inconvenience which may arise from leaving such important interests as a Bullion Depôt, Assay Office, and Paper Currency Department with only one officer on the premises, who may any day be incapacitated by illness for duty. The immediate appointment of an Assistant Assay Master is, I consider, an absolute necessity.

The documents which accompanied your docket are herewith returned.

No. 3. ORDER THEREON, 2nd August 1869, No. 342.

In the second of the foregoing letters, the Mint Master submits his views on the measures which should be adopted to give effect to the instructions of the Government of India and the Secretary of State for the abolition of the Madras Mint, and for the disposal of the plant, machinery, &c.

2. Regarding the disposal of the plant, machinery, &c., Colonel Carpendale recommends—

1*st*.—The transfer to the Public Works Department and Grand Arsenal, Madras, of all stores except copper for coinage.

2*nd*.—The transfer to the Calcutta Mint of the slip copper for coinage, which is ready [illegible] to be deposited in the Grand Arsenal, Madras, for sale.

3*rd*.—The sale by public auction at the Mint Gate, of all copper scissel, old tools, and sundry articles.

4*th*.—The transfer to the Public Works Department, Madras, of the pig-iron and coke, the large stock of foundry patterns, and the several machines belonging to the Workshop.

5*th*.—The transfer of a steam-engine to the Ordnance Department, Madras.

6*th*.—The retention until required by other departments, or until an opportunity offers for their sale, of the remaining steam-engines.

7*th*.—The coinage machinery to be left standing at the Mint.

8*th*.—The coinage dies to be defaced, and the medal dies, with one stamping-press, to be retained by the Assay Master, Madras.

3. In respect of the establishment, Colonel Carpendale states that since the 31st of May last, when the bulk of the establishment was dismissed, the die-cutting-room establishment and other workmen have been dispensed with, and that, as soon as the pension and gratuity rolls are completed, the office establishment will follow.

4. The establishment which will be necessary for the management of the Bullion Depôt, and which is described in paragraph 5 of Colonel Carpendale's letter will, it is observed, cost Rupees 674-8-0 per mensem.

For the Paper Currency Office, Colonel Carpendale recommends—

One Clerk on Rupees 60 per mensem ; and

One do. do. 40 do.

and he adds that it may be found necessary to increase the number of gollahs.

5. Adverting to the Stamp Paper Department Colonel Carpendale considers it would be unsafe to execute the stamping in any premises less carefully guarded than the Mint; but wherever the Department is located, it will be necessary, in addition to the existing establishment, to maintain one Engine Turner on Rupees 50, one Filer on Rupees 30, one Tumbrel and a pair of bullocks; an engine-turning lathe with a suitable supply of tools; workmen, as required, being procured in the market, or obtained from the Public Works Department.

10. The miscellaneous work which is done at the Madras Mint can be separately provided for, the greater part, if not the whole of it, might be transferred to the Public Works Workshop at Madras, which would then prove renumerative. It is not fully so at present.

11. It would be desirable, on financial grounds, that your Grace should, if you approve of the measures herein proposed, communicate your decision to us by telegraph.

Despatch from the Right Honourable the Secretary of State for India, to His Excellency the Right Honourable the Governor General of India in Council; dated India Office, London, 20th May 1869, No. 184, (Financial).

I have considered in Council your Financial letter, dated the 10th March last, No. 59, recommending that the Madras Mint be abolished, and that a bullion depôt be temporarily established in lieu thereof.

2. You appear to have fully and carefully considered this question, and as you are of opinion that a saving of £10,000 per annum will be effected by the abolition of the Madras Mint, and that the Mints at Calcutta and Bombay are fully capable of executing the coinage for the whole of India, I sanction the measures which you propose.

3. In regard to the establishment of a bullion depôt at Madras, great care must be taken that adequate provision is made to guard against any possibility of inconvenience arising to merchants and others from unnecessary delay in the exchange of bullion for coin.

4. The question of increasing the drawings on Madras will be replied to separately.

5. A copy of the telegram, which was sent to you on the 17th instant, is forwarded herewith.

No. 1569.

Ordered that a copy of the foregoing be communicated to the Government of Madras, with [illegible] may be taken for closing the Madras Mint, and that the Government of India may be favoured with suggestions for the disposal of the machinery and stores of the Mint.

2. Also that copies of the above papers be sent to the Mint Master, Calcutta, with a request that he will report as to the disposal of the Madras Mint machinery and stores, and on the appointment of a Commissioner of Paper Currency to succeed Colonel Carpendale.

FINANCIAL DEPARTMENT,
SIMLA, 30*th June* 1869.

(Signed) R. H. HOLLINGBERY,
Asst. Secy. to the Govt. of India.

Forwarded, with reference to G. O., dated the 2nd ultimo, No. 250, to Colonel Carpendale, Mint Master, Madras, on leave, for the submission of a further report on the closing of the Mint, and the disposal of the plant, machinery, &c., and for such observations as he may desire to offer.

FORT SAINT GEORGE,
14*th July* 1869.

(Signed) R. S ELLIS,
Chief Secretary.

No. 2. From Colonel J. CARPENDALE, R. E., Mint Master, Madras, to the Chief Secretary to Government, Fort Saint George; dated Coonoor, 21st July 1869, No. 203.

I have the honour to acknowledge the receipt of your docket of the 14th instant, forwarding communication from the Government of India, No. 1569 of 30th June, which conveys the approval of the Secretary of State to the abolition of the Madras Mint, and in which you call on me for a further report on the closing of the establishment, and for the disposal of the stores and machinery, and for any observations I desire to offer.

2. *Stores.*—All stores, except copper for coinage, will I believe be taken over by the Public Works Department and the Grand Arsenal as suggested in my letter, No. 79 of 20th May last. The slip copper for coinage which is ready packed and amounts to about 448,000 lbs, I beg leave to recommend should be transferred to the Calcutta Mint, and the remainder of the new slip copper be deposited in the Arsenal, Madras, for gradual sale.

All copper scissel on hand, scrap metal of all kinds, old tools, and sundry articles, had best be sold by auction at the Mint gate.

Pig-iron, coke, and the large stock of foundry patterns might with advantage be made over to the Public Works Department at Chepauk.

3. *Machinery.*—The several machines belonging to the workshops would be best disposed of by transfer to the Department of Public Works.

The Ordnance Department have applied for a steam-engine to work the barrel-making machinery, and a laminating-mill for rolling tin, but the Inspector General of Ordnance and Magazines has since informed me that he does not require the last-named machinery as some is being sent from England for his Department.

The steam-engine which he requires can be supplied; the other steam-engines had best remain as they are until required by other departments, or until opportunity offers for their sale at fair rates As regards the coinage machinery, I regret I am unable to suggest any satisfactory mode of disposing of it. The Calcutta and Bombay Mints have, I believe, more machinery than they require, and as it is not adapted for any other purpose than coining, I would recommend that it should be left standing.

4. *Dies.*—All coinage dies had best be immediately defaced; the medal dies with one stamping-press might be retained under charge of the Assay Master.

5. *Establishment.*—In my letter quoted above, I informed Government that the bulk of the establishment would be discharged on the 31st May. Since then the Die-cutting room establishment, and other workmen who were finishing certain jobs, have been dispensed with. The preparation of pension and gratuity rolls is nearly completed when the office establishment will follow, with the exception of what may be necessary for the bullion depôt, namely—

	Rs.	A.	P.
One Accountant and Record-keeper	100	0	0
One Writer	30	0	0
One Peon	7	0	0
Two Lascars for preserving records	14	0	0
Six do. for keeping the coinage machinery clean	42	0	0
It will also be necessary to continue—			
The Superintendent of the Mint gate	100	0	0
Eight Gollahs or watching Peons, Sweeper, and Scavenger	89	0	0
For the Bullion Depôt—			
One Melter	14	0	0
One Assistant Melter	10	8	0
Three Furnacemen, at Rupees 9 each	27	0	0
One Chickildar	8	0	0
Three Coolies	21	0	0
Four Gollahs	32	0	0
One Treasurer	140	0	0
One Deputy Treasurer	40	0	0

The two last-named individuals hold the same positions in the Paper Currency Department on Rupees 60 each, those small salaries having been granted on account of their holding the same offices in the Mint. Less than their present incomes of Rupees 200, and 100 respectively, would be unsuitable considering the responsibility of their duties in the Paper Currency Department.

6. *Paper Currency Office.*—This office has hitherto received considerable aid from the Mint Establishment. In consequence of the abolition of the Mint it will be necessary to increase the Paper Currency Office by two Clerks, one on 60 Rupees, the other on 40 Rupees a month, and it may prove necessary to increase the number of Gollahs, as in this respect also the Mint had assisted the Paper Currency Department.

7. *Stamp Paper Department.*—Neither His Grace the Secretary of State, nor the Government of India, notice the circumstance that in the Madras Presidency all paper, yielding a revenue of from thirty to forty lacs of rupees a year, is stamped in the Mint, and the orders of Government regarding this department are therefore required. I may observe that it would be unsafe to execute the stamping in any premises less carefully guarded than the Mint is now. Wherever it