

The aforefaid debt to Meffieurs Norden was consolidated with the affenters, and we their attornies have received fundry dividends made by His Excellency; but there ftill remains a large fum due, and which we cannot receive by reafon of the late orders you have been pleafed to iffue, prohibiting the creditors from receiving any more money from His Excellency until his debt to the Honourable Company be difcharged; which being an unlimited term, and as we conceive very far diftant, if not infinitely fo, we beg leave to pray that this Honourable Board would give us fome relief in the premifes; confidering ourfelves entitled to the Honourable Company's protection as Britifh fubjects, and more efpecially as acting in a concern in trade, for which the Honourable Company's permiffion was granted, and freight, duty, and confulage paid them.

We have the honour to be, with due regard,

Honourable Sir and Sirs,

Your very obedient and very humble fervants,

Fort St. George,  
23d March, 1779.

Daniel De Caftro  
Mofes De Caftro.

*The Board's Remark.*

It is afferted in the foregoing letter by Meffieurs De Caftros, that they are prohibited receiving the money for a diamond fold to the Nabob; it will appear by all the proceedings of the Board, in the late contentions between the Prefident and Council, the Nabob, and the Nabob's creditors, that the prohibition which has been laid on the individuals of this colony, is that they fhall not carry on any correfpondence or intercourfe with the Nabob, or any of the Princes of India, but through the Prefident and Council; and a renunciation has been demanded of the affignment which the Nabob made of the revenues of certain countries, which has been refufed by a great number of the creditors, and amongst thofe by Meffieurs De Caftros, as an unjust and illegal demand; and the general prohibition has been by thefe gentlemen and many others deemed alfo illegal, as appears by our correfpondence with the creditors.

If fuch prohibition be really illegal, or rather if fuch prohibition cannot be fupported and enforced by law, in that cafe Meffieurs De Caftros are not bound by it; but if the Company may legally impofe fuch prohibition, and that the individuals fo prohibited will neverthelefs refufe to conform thereto, they muft abide the confequences.

AT A SELECT COMMITTEE, Friday, 6th April, 1770:

P R E S E N T,

Josias Du Pré Esquire, Governor, President.

Warren Hastings

Joseph Smith.

THE President informs the Committee, that about a week ago, being with the Nabob about other business, the Nabob in a cursory manner told him, that three months' interest being due to his creditors, he should send the money to Mr. Johnson†, and hoped there would be no objection to his receiving and paying it. The President informed him, that we certainly could have no objection to the payment of the interest due to those creditors who had claimed the Company's protection, but in respect to those who had rejected it, their own declaration had put it out of our power to give any consent relative to their claims; but that he, the President, wished the Nabob would let the matter rest for a short time, as it seemed probable that the Commissioners, who are daily expected, and have full powers from the Company, would fall upon some method that would be satisfactory to all parties, whereas the pressing this matter on us now might create fresh contention and broil.

Yesterday morning the young Nabob came to the President at the Garden-House, and after having dispatched what seemed the principal business, he told the President, that the Nabob had at present occasion for twenty or thirty odd thousand Star Pagodas, which he could not readily procure; that as the Company had now considerable sums unemployed in their treasury, the Nabob would take it as a favour if the sum he wanted of Star Pagodas could be advanced him, and he would deposit Porto Novo and Madras, or three Image Pagodas, of which he had a sufficient sum by him, as security 'till he should return the Star Pagodas. The President pleased with such an opportunity of manifesting a confidence in the Nabob, told his Son the Nabob should have the sum of Star Pagodas he wanted whenever he should please to send for them; that his word was a sufficient security for the repayment, and begged that the Nabob would excuse him from receiving any deposit as security. The young Nabob replied, that his Father would be much pleased with such a mark of confidence; and desired that it might pass as a private transaction, and not be entered in the Company's books; which the President promised, adding, that he would take upon himself to be answerable to the Board and to the Company. The Board being shortly after assembled to read the draughts of the present dispatches, the President informed them of what had passed, and they readily concurred in opinion that it was very proper to give the Nabob that proof of confidence. Within an hour after the Nabob's Bramin came to the President, with a message from the Nabob, expressing with many compliments the great satisfaction the Nabob had just received in the assurances sent by his Son, and desiring that orders might be given for issuing the Star Pagodas whenever he should send his Cazanchy (treasurer) for the same; but that although the Nabob was much pleased with the confidence reposed in him, in not desiring any deposit, he nevertheless desired to send the Porto

† Mr. Johnson is the person who has hitherto kept the account between the Nabob and his creditors.

Novo and Madras Pagodas, which the President again excused himself from receiving, saying that it was not proper or necessary, and certainly not desired; but the Bramin replying that the Nabob wished to have it so, the President thereupon desired the Bramin to inform the Nabob, that if he wished to have it so, it should be so, but for no other reason, and that orders should be given for issuing the Star Pagodas. In the evening, between eight and nine o'clock, a letter was brought to the President from the Nabob in Persian, which as usual he sent immediately to Mr. Stracey, that it might be translated; and presently after the President was informed that the Nabob's Cazanchy and Bramin were attending, and had brought money with them; being introduced, they said the Nabob had sent by them the Porto Novo and the Madras Pagodas, which he desired might be received. The President could not help expressing his surprize that the Nabob should send money at that unseasonable hour, that it was too late to open the treasury; that however the money might remain under the charge of the Company's Shroff until the morning, when it should be counted, and the Star Pagodas delivered. This morning early the Nabob's Bramin came to the President from the Nabob, and desired to know whether he had read the letter and understood the contents; being informed that Mr. Stracey had not yet translated it, and that he knew not the contents, the Bramin then informed him that the money he had brought last night was to pay the interest due to the Nabob's private creditors: upon which the President sent immediately to Mr. Stracey for a translation of the Nabob's letter, which was soon after brought to him, and is as follows:

*From the Nabob of the Carnatick to Governor Du Pré, dated and received 5th April, 1770.*

AGREEABLE to my engagement I have sent you, together with a letter to Mr. Johnson, the sum of Pagodas forty-nine thousand, seven hundred and fifty-one, seventy-seven Fanams, and eight Cash (49751.27.8); viz. four thousand and twenty-five Pagodas, eighteen Fanams, and eight Cash (4025.18.8) on account of the separate balances due on the principal; and forty-five thousand, seven hundred and twenty-six Pagodas, and nine Fanams, due on account of interest to my creditors for the term of three months, viz. from the 1st January 1770 to the end of March of the same year. What I hope from your favour is, that you will throw no obstacle in the way of this, but deliver the said money and letter to Mr. Johnson.

What can I say more?

N. B. By the expression of separate balances due on the principal, is meant the odd sums exceeding those for which bonds are to be given.

The Nabob's design in this base transaction seems to be this: he foresaw, from what had passed between him and the President, that we could not charge ourselves with the money for payment of the interest due to those creditors who had refused to accept of the Company's mediation and protection, and therefore devised the expedient of depositing Porto Novo and Madras Pagodas; and having by that artifice put us in possession of the money, he declares the purposes. The consequences

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sequences which we verily believe he means to procure, are to subject us to prosecutions from the creditors, if we refuse to pay it to them, and to give them fresh opportunity of accusing us of tyranny and oppression; and this is done just upon the closing our dispatches to Europe, that he may send an account of what he has done to his agents, that we, in the multiplicity of business which always attends a dispatch, may not find time to explain it.

Letter to the Honourable the Court of Directors, dated this day, to go by the Ship Anson, read and signed.

ORDERED, That the Packet be closed.

Jos. Du Pré  
Warren Hastings  
Joseph Smith.

*Extract of Proceedings of the Select Committee at Fort St. George, Monday, 9th April, 1770.*

WROTE the following letter to the Nabob:

*From Governor Du Pré to the Nabob of the Carnatick, dated 9th April, 1770.*

I HAVE for some days past been totally engaged in dispatches for England; those being done, my first business is to acknowledge the receipt of your letter of 5th April, advising of your having sent me, together with a letter to Mr. Johnson, agreeable to your engagement, the sum of Pagodas 49,751.27.8, viz. 4,025.18.8 on account of the separate balances on the *principal*, and 45,726.9 on account of the *interest* due to your creditors, for the term of three months, viz. from the 1st of January to the end of March 1770; which sum, together with the above letters, you desire I would give to Mr. Johnson:—all which I observe; but before I reply thereto, I beg leave to relate another transaction, with which the foregoing is closely connected; it is as follows:

On Thursday morning I received a message from your Excellency, purporting that you were in want of a sum of Star Pagodas without expressing for what purpose; that you had them not by you, but that you had Porto Novo and Madras Pagodas by you; that you would therefore be obliged, if out of the money in the Company's treasury I would let you have the sum of Star Pagodas you wanted, and that you would deposit Porto Novo and Madras Pagodas in lieu, as a security. Pleased in the highest manner with an opportunity of obliging you, I returned for answer that you should have the sum of Star Pagodas you wanted, without any deposit, as I deemed your word a sufficient security. Some hours after I received a second message from you by your Bramin, expressing the great satisfaction you had received from the confidence I placed in you, but informing me that you desired never-



nevertheless to deposit the Porto Novo and Madras Pagodas, which you would therefore send me, and that you desired I would give orders that the Star Pagodas might be delivered to your people whenever you should send for them; I replied as before, that orders should be given for issuing the Star Pagodas, but that the deposit of the Porto Novo and Madras Pagodas was quite unnecessary, and that I relied wholly on your word; but your Bramin repeating that it was your desire to deposit the Porto Novo and Madras Pagodas, I desired him to inform you, that I should receive them merely in compliance with your request, and not as a matter that I desired. About nine o'clock at night a letter was brought to me from you, which, without knowing one word of the contents, as I do not understand the Persian language, I sent immediately to Mr. Stracey to be translated; and at the same time being informed, that your Bramin was waiting, I ordered him to be introduced, when he informed me that he had brought the Porto Novo and Madras Pagodas: I could not help expressing my surprise that you should send me that money at so late and unseasonable an hour of the night; however, as I reckon every inconvenience to myself as nothing when it gives you pleasure, I ordered the Company's Shroff to receive the same into his charge for that night, as the Company's treasury could not be opened at that late hour, and told your people that they might come in the morning to receive the Star Pagodas; with which they seemed satisfied, and withdrew, without informing me one syllable of the contents or purport of your letter.

In the morning early your Bramin came to me again, and asked whether I had read and understood your letter, and being told I had not, he then informed me; that the money he had brought me the night before was to pay your creditors. Not a little amazed at this information, I told him that I would not deliver the Star Pagodas he was to have had in lieu of the Porto Novo and Madras Pagodas, nor proceed further in this dark business, until I should have completed my dispatches for England then in hand; and then having sent for the translation of your letter, I found it to be as herein-before recited. I beg leave to relate one circumstance prior to these transactions. About a week before this happened your Excellency informed me of your intention to pay three months' interest to your creditors, and desired that you might send the money to Mr. Johnson; I then told you, that with respect to those creditors who had empowered me to act on their behalf, I should be well pleased that Mr. Johnson should receive from you and pay them the interest due to them; but in respect to those creditors who had rejected the Company's protection, and refused the offer you had made through us of paying them their interest, I could say nothing, since they themselves had put it out of my power. At the same time I requested that your Excellency would suspend for a while this your intended payment, in hopes that the Gentlemen whose arrival is hourly expected from England might, and probably would find some expedient to satisfy all parties. Your Excellency therefore knew that I would not charge myself with any money knowingly on account of your last mentioned creditors; but it seems as if your Excellency thought that some good purpose might be answered to you, or to them, if you could contrive a method of thrusting a sum of money into my hands by surprise

prise for their use; and to effect this, the sacred name of friendship and confidence has been employed to prevail on me to receive into my charge a sum of Porto Novo and Madras Pagodas, as a deposit and security for a sum of Star Pagodas to be advanced to you; and having thus placed that deposit in my hands, your letter declares the purpose to be to pay your creditors. I shall not make any reflexions on these transactions, for it would be in vain to reason upon them, if your Excellency conceives them to be conformable to the principles of friendship and good faith; I proceed therefore to return my answer to your said letter, which is as follows:

I will immediately cause a list to be drawn out of the names of those of your creditors who have desired to receive their interest through the means of the Company, together with an account of what is due to each of them respectively, as well for the odd balances you mention as for the three months' interest; which list and account I will send to you as soon as it can be completed.

With that sum, whatever it may be, I will very willingly charge myself, and cause the same, through the means of Mr. Johnson, to be paid and divided amongst them, taking their receipts respectively for the same; but I will not charge myself, directly or indirectly, with any sum of money for the use of those of your Excellency's creditors who have rejected the Company's mediation and protection.

This being the case, I send you back the letter unopened which you enclosed to me for Mr. Johnson, and I restore to you also the Pagodas which your people brought on Thursday night, and deposited in the hands of the Company's Shroff, the bags being all sealed with your seal as they were when they were deposited.

*Extract of Proceedings of the Select Committee at Fort St. George, 19th April, 1770.*

RECEIVED the following letter from William Aldersey Esquire, Chief at Coimbatour:

*To the Honourable Charles Bouchier Esquire, President and Governor, &c. Council of Fort St. George.*

HAVING advice from the Gentlemen who act as my attornies at Madras, that in consequence of late orders from Europe, certain conditions on the part of the Company were demanded of the European creditors of the Nabob of Arcot, respecting the means which had been employed for the security and payment of their respective claims, and that matters were not finally adjusted when those advices came away; being amongst the number of his creditors, I take the liberty of addressing you on the subject of the claim I have upon the Nabob to the amount of about ten thousand Pagodas, for the recovery whereof I rely on the Honourable Company's protection, assuring myself that a just regard to the property of individuals

viduals will induce them to favour me with every assistance necessary to that end; and in the mean time, that you will permit the interest arising thereon of 10 per cent. to be paid annually to my attorney.

I am, with great respect,

Honourable Sir and Sirs,

Your most obedient humble servant,

Cossimbuzar,  
22d February, 1770.

WM. ALDERSEY.

*Extract of Proceedings of the Select Committee at Fort St. George, 30th April, 1770.*

WROTE the following letter to the Nabob:

*From Governor Du Pré to the Nabob of the Carnatick, dated 30th April, 1770.*

IN my letter to your Excellency, dated the 9th of this month †, I promised, that in regard to those creditors who have desired the Company's mediation, I would cause an account to be drawn out of what is due to them, as well for the odd balances mentioned in your letter of the 5th of this month ‡, as for three months' interest you proposed paying from the 1st day of January last; the said account being now completed, I have the honour to enclose it. Your Excellency will find, upon a reference thereto, that the total of the said odd balances amounts to

	Pagodas	774.33.44
And the total of the three month's interest to	-	12,447.18.0
Making together the sum of Pagodas	-	13,222.15.44

Which said sum of Pagodas 13,222.15.44, agreeable to what I mentioned in my said letter of the 9th instant, I am ready and willing to charge myself with, and to cause the same to be paid and divided amongst your said creditors; taking their receipts respectively for what is due to each; and should any other of your creditors request the Company's mediation, I shall advise you thereof.

Besides these creditors who have desired the mediation of the Company in respect to their claims, there are many who by reason of absence or other sufficient cause have neither requested nor rejected the Company's mediation respecting those; as I have much at heart the interest of every subject of Great-Britain, I have no objection to receiving into the Company's cash the odd balances and interest due to them, if it be your Excellency's desire that I should receive the same, and in that case, such of those creditors who shall at any time apply to me for their respective proportions shall receive the same; but if any shall refuse the Company's mediation, the proportions of such shall be paid back and restored to you. I forbear to send

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† Vide page 224.

‡ Page 221.



you any list or account of these creditors, until I know from yourself your intentions on this subject.

*A List of the Nabob's Creditors who have claimed the Protection of the Company, with the Sums due to each the 1st January, 1770.*

			Full Balances due 31st Decem- ber, 1769.	Odd money to be paid to make even sums.	Nett Ba- lance, 1st Jan. 1770	$2\frac{1}{2}$ per cent. thereon.
William Alderley	—	—	9463 11 2	12 11 3	9450	
Reynold Adams	—	—	5026 30 49	26 30 49	5000	
James Alexander	—	—	36666 15 62	16 15 62	36650	
Henry Brooke	—	—	51993 14 42	43 14 42	51950	
Charles Bouchier	—	—	66029 5 58	29 5 58	66000	
James Bouchier	—	—	29175 16 3	25 16 3	29150	
Richard Brickenden	—	—	4780 15 57	30 15 57	4750	
John Call	—	—	58991 20 35	41 20 35	58950	
Matthias Calvert	—	—	3597 23 25	47 23 25	3550	
Captain Cosby	—	—	3942 22 48	42 22 48	3900	
Jofias Du Pré	—	—	15129 30 2	29 30 2	15100	
George Dawson	—	—	9314 16 40	14 16 40	9300	
John Eley	—	—	9265 6 24	15 6 24	9250	
William Martin Goodlad	—	—	7688 4 38	38 4 38	7650	
Colonel Simon Hart	—	—	12468 20 13	18 20 13	12450	
Captain Matthew Horne	—	—	2562 25 39	12 25 39	2550	
Francis Jourdan	—	—	4681 31 28	31 31 28	4650	
George Mackay	—	—	51254 5 64	4 5 64	51250	
Edward Monckton	—	—	8951 16 56	1 16 56	8950	
Thomas Orton	—	—	1971 11 24	21 11 24	1950	
General Joseph Smith	—	—	16253 10 62	3 10 62	16250	
George Stratton	—	—	34103 26 23	3 26 23	34100	
Edward Stracey	—	—	15277 24 46	27 24 46	15250	
Reverend Richard Stanton	—	—	3844 2 19	44 2 19	3800	
John Turing	—	—	5844 34 3	44 34 3	5800	
John Whitehill	—	—	7047 16 8	47 16 8	7000	
Captain Michael Gee	—	—	640 24 19	40 24 19	600	
Peter Perring	—	—	13700 22 59	22 59	13700	
Colonel Frischman	—	—	5125 14 78	25 14 78	5100	
Colonel De Beck	—	—	3883 17 47	33 17 47	3850	
					774 33 44	497900
						12447 18

*Extract*

*Extract of Proceedings of the Select Committee at Fort St. George, 1st May, 1770.*

P R E S E N T,

Josias Du Pré Esquire, Governor, President.  
Warren Hastings Joseph Smith.

READ the following letter from Mr. James West:

*To the Honourable Josias Du Pré Esquire, President and Governor, &c. Gentlemen of the  
Select Committee at Fort St. George.*

Honourable Sir and Sirs,

HAVING lately become interested in the Nabob's debts to his private creditors, I take this opportunity of assuring your Honour, &c. that I have the most perfect reliance on the method of payment of the said debt which has been, or shall be settled between His Excellency and your Honour, &c.

Hoping for the protection of the Honourable Company in this affair, by means of your Honour, &c. their representatives, I beg leave to subscribe myself, with the utmost respect,

Honourable Sir and Sirs,

Your most obedient humble servant,

Fort St. George,  
26th April, 1770.

JAMES WEST.

AGREED, That Mr. West be entitled to the same indulgence with the other creditors, who have submitted their claims to the Company's protection.

Jos. Du Pré  
Warren Hastings  
Joseph Smith.

*Extract of Proceedings of the Select Committee at Fort St. George, 12th May, 1770.*

RECEIVED the following letter from the Nabob:

*From the Nabob of the Carnatick to Governor Du Pré, dated and received 12th  
May, 1770.*

YOUR letter of the 30th ultimo †, enclosing the account of the creditors who have desired the Company's mediation, I received the 1st instant. I have already acquainted you plainly of my sentiments on the subject of the creditors, in my answer to your letter of the 9th ultimo, and more than what is said therein I cannot do. It is much to be wished, that the time which has been spent in this business had been employed in a correspondence for the protection of the Carnatick. I beg therefore, in the most earnest manner, that you will be so good as to excuse me herein, and that you

† Vide page 225.

you will negotiate with the creditors on the subject, who live under the Company's flag, in whatever manner you think best; you are the master in your own affairs.

What can I say more?

*Extract of Proceedings of the Select Committee at Fort St. George, 16th May, 1770.*

THE following letter from the Nabob, received 3d instant, having been translated, is now entered:

*From the Nabob of the Carnatick to Governor Du Pré, dated 1st, and received 3d May, 1770.*

YOUR letter of the 9th ultimo†, of long contents, in answer to my short one of the 5th of the same month, I duly received: therein you tell me, that in answer to my intention of paying three months' interest-money on account of my creditors to Mr. Johnson, you had before acquainted me that with respect to those creditors who had empowered you to act on their behalf, you should be well pleased Mr. Johnson should pay the interest due to them; but as to those who had rejected the Company's protection, and refused the offer I had made through the Governor and Council of paying them their interest, you had then told me you could say nothing; and desired that I would suspend my intended payment for a while, in hopes that the Gentlemen, whose arrival from England was hourly expected, might find some expedient to satisfy all parties: by all which I must have been sensible, that knowingly you would not charge yourself with any money on account of those last-mentioned creditors; and that I must have thought some good purpose would be answered, either to myself or my creditors, if a method could be contrived of thrusting a sum of money into your hands by surprize for their use:—all which I duly observed. When I agreed to pay the Company's money in preference, and wrote to Mr. Johnson by the Governor and Council their advice concerning the payment of interest to my private creditors, the Governor and Council consented thereto; and I sent them my said letter to Mr. Johnson, with a copy also, desiring that, if they approved thereof, they would permit it's being forwarded to that Gentleman; which they accordingly approving, did give permission, and I, conformable to that permission, did forward it to that Gentleman. The Governor and Council, in their answer to my letter on the above occasion the 27th of the same month†, express themselves in the following manner: "That I am the master of my own money, " and may dispose of it as I please; but that you, on the part of the Company, " can only agree that those creditors alone, who have put their claims on the " Company's protection, should receive their interest; and that respecting those " who have refused that protection, you have no powers at all: however, that as " you had before mentioned regarding them likewise, I was at liberty to act as I " pleased."

In the year 1761, when a severe demand of money on the part of the Company was made on me more than the country produced, I imagined, that in consequence of the representations of my enemies, if I did not comply with the Governor and Council, in paying off such part of the money the Company had expended in assisting me as they desired, they were thinking of making *that* a plea to write thereon

\* The 13th January, 1770.

† Vide page 222.



thereon to the Company. Esteeming therefore the Company's friendship in a superior light to any other consideration, on *that* account, as well as the expenses of the Madura expedition, and the troubles in the Carnatick arising from the taking of the Circars, I paid no regard even to the ruined state of the country, but borrowed money from individuals at a very heavy interest; to whom, agreeable to the terms of my bonds, it was incumbent on me to pay; still however, in consequence of the persevering desire of the Committee, my understanding there was no money here, a want of the same *at* Bengal, and that the Powers of Indostan and Deckan were again looking on the Company with an envious eye, with a view to the good and prosperity of their affairs, which in return for their obligations are esteemed by me superior to every thing, I, in consideration of my firm friendship and regard for them, being, as from the beginning, their same invariable friend, took upon me to pay off their money in preference. You may remember the Governor and Council some time ago repeatedly mentioned, "That there were only 60,000 Pagodas in the Company's treasury, and that they "would take the same care thereof as the blood in their bodies." My answer to which was, "That I would pay the Company whatever money was in my power," conformable to my engagements; in which, notwithstanding my own occasions for money to re-establish the affairs of the country, and the report of troubles from the enemy, by which frequently the inhabitants of Madras have been made uneasy, and every one's furniture brought in from the Mount, so that the dread thereof throughout the country may easily be conceived; I say, notwithstanding all this, in conformity to my engagement, even indeed before it became due, I have paid such a sum of money to the Company, that they have never been in possession at Madras of such a treasury before, either in times of trouble, or even in *those* of peace and tranquillity. The flourishing state of their treasury indeed is clearly evident from their having paid Lacks to their creditors, given money for their investment, cleared off the whole of their debt, and still are in possession of a large treasury; which is matter of great satisfaction to me, as it is my wish that my friends should be at their ease. From the first commencement of our money concerns 'till the end of the year 1769, agreeable to your accounts, there is due from me to the Company to that period the sum of Pagodas one Lack and ninety-two thousand, eight hundred and twenty, three Fanams, and sixty-one Cash; which, by God's blessing, in case of peace shall be paid in the space of a few weeks, as I have at all times in view the prosperity and advancement of the Company's affairs. By the Governor and Council's advice it was some time ago stipulated, that 'till the clearing of the Company's debt for the space of eighteen months, reckoning from the 1st of January last, the creditors should receive their interest; and the same promise which was made to the Company respecting the clearing of their balance *in preference*, was likewise made to the creditors concerning the paying of their interest, and *that* too with the knowledge and advice of the Governor and Council. There needs indeed no further expatiating on this matter, as the Governor and Council are particularly acquainted with every circumstance, from the commencement of the debt 'till the agreement of paying only the interest to the creditors. As to the two bodies amongst them, *those* who have thrown themselves on the Company, and *those* who have refused

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the Company's mediation, I have nothing to do with *either*; my consideration is to my bonds, and with whomsoever therefore my bond is lodged, to *him* shall I pay the interest. For instance,—supposing a creditor who has rejected the Company's protection, should sell his bond to *one* who has resigned his power to the Company, or one of the latter party should sell *his* to one of the former, or still further, that both parties should sell their bonds to a *third*, my business is to pay my money to my bond; and as it never was, nor in future will be my intention to deliver the principal and interest of both parties to the Governor, so never will it be my intention also, without such Governor's knowledge, to divide amongst those parties a single Pagoda even, either on account of principal or interest. I thought we should have had no further such *particularizing* correspondence on this subject; however, as you have wrote to me thereon, it is necessary for me also to mention a little of the past transactions.

The 2d or 3d of April (I do not remember exactly which) you were so obliging as to come to my house, and, after other subjects, mentioned the departure of the Europe ship to be as on the 7th of that month. As I had promised my creditors to pay them their interest on the 5th, it occurred to me to mention it to you, which I accordingly did, saying, that I should write you a short letter, and with your knowledge send the three months' interest money to my creditors. You then desired me to wait a few days, which I told you could not be, as the creditors had my promise thereon; and on your again desiring that I would stay 'till Mr. Vansittart's arrival, I acquainted you that I had promised my creditors to pay them their interest on the 5th; you asked me to whom I had made that promise; I said to Mr. Johnson; you again asked me, whether that gentleman came to me; I replied, yes, and on the recommendation of the Governor was a servant of mine; you said you would forbid his coming, nor would yourself do such a thing at Arcot without acquainting me of it; I said, that was true, but that I had not informed you of this in your character of Governor, only out of friendship, and requested therefore you would not speak of it to Mr. Johnson. Conformable to my engagement with my creditors, I had prepared ready the sum of forty-nine thousand seven hundred and fifty-one Pagodas, twenty-seven Fanams, and eight Cash, the amount of their interest for three months; also *that* of fifteen thousand five hundred Madras Pagodas, and twenty-two thousand six hundred and ninety-one Porto Novo Pagodas, to pay the Sepoys in my service, owing to whose stay at Arcot solely proceeds, in these times of trouble, the ease and quiet of the inhabitants; besides which sums, I was to receive from Soucars, the 6th and 7th of the above-mentioned month (April) the sum of Star Pagodas thirty-eight thousand, to wit, twenty-two thousand the 6th, and somewhat less than sixteen thousand the 7th. In the interim however of this I received your letter of the 1st of that month, advising of there being a balance due, on account of the Jaghire, of Pagodas thirty-four thousand six hundred and ninety-seven, ten Fanams, and fifty-eight Cash; which was contrary to what I had imagined, for I thought there would have been nothing due thereon, and in consequence had kept no money to answer it; notwithstanding which, as I esteem the Company's receiving their money as superior to every thing, the same also being my wish and greatest satisfaction,

satisfaction, I therefore, out of the money by me intended for the creditors, to whose term of payment there were two days wanting, sent them,† the 3d of the above month, the said sum of Pagodas thirty-four thousand six hundred and ninety-seven, ten Fanams, and fifty-eight Cash, being in full of the balance on account of the Jaghire; by which you may see my friendship for the Company, that in a difference only of two days, in which the creditors' money was to have been paid, I still gave the Company the preference. In consequence however of the term of payment to my creditors being so near at hand, I exerted myself in procuring Star Pagodas, which now are very difficult to be had, on account of the assemblage of that specie of Pagodas in the Company's treasury: in order though that I might do every thing in my power to prevent any breach of my promise to my creditors, and at the same time act conformable to my engagement with the Soucars, in not demanding the money from them 'till the 6th and 7th of the above month, when it became due, I sent my Son Omdat-ul-Omrah to you on the 5th of that month in the morning, desiring, that in lieu of Madras and Porto Novo Pagodas, you would let me have for a very short term (my own money from the Soucars being to be received in two days) *some* Star Pagodas. Your answer to which was, that I should have those Star Pagodas, and that without any pledge or deposit in their stead; for which I esteemed myself much obliged to you, and accordingly sent Unberapondy Vencatachelum, a servant of mine, to express my thanks on the occasion, and to acquaint you, that in Mr. Bourchier's government likewise you had both in friendship and obligation made a purchase of me, by saying at a time when, contrary to whatever had been my custom, a demand of security was made of me for the payment of the thirteen Lacks and twenty-two thousand Pagodas, the Company's balance to the end of August 1769, "That the Nabob's word was of equal credit with a Soucar's security;" and that what I had now occasion for was Star Pagodas thirty-eight thousand, which I requested you would let me have, receiving a deposit of Madras and Porto Novo Pagodas in their stead. Your reply to which was the same as the former one, "That there was no occasion for a deposit, and that without it I should have the Star Pagodas." Accordingly, on learning the same from Vencatachelum, I esteemed myself, by this confirmation of your former message, still more obliged, and the same day sent you by the said Vencatachelum, and Suncarow, my Treasurer's Gomastah, besides the sum of Star Pagodas twelve thousand, *those* of Porto Novo Pagodas twenty-two thousand six hundred and ninety-one, and Madras Pagodas fifteen thousand five hundred, being designed for the pay of my Sepoys, and which I proposed taking again, after paying to you the Star Pagodas due from the Soucars the 6th and 7th of the above month; accompanying this money also I wrote to you a very short letter, enclosing *one* to Mr. Johnson. On the return of the above people, they acquainted me that they had delivered the money with your permission to a Shroff; and that respecting the giving the Star Pagodas, you had told them to come and receive them the next morning. Accordingly, agreeable to your desire, the 6th in the morning, Vencatachelum went to you to receive those Pagodas; his relation of what passed then is this;—that you, in answer to what he mentioned, told him "You had a great deal of business on your hands, and should have 'till the dispatch of the Europe ship, and therefore

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† The Company.



"that he must wait," desiring him at the same time to give your compliments to me; and afterwards, on his saying that it was necessary the creditors' money should be paid, and for that reason the Treasurer's Gomastah also was come from the Circar, you told him "That the Nabob had mentioned nothing thereof to you in his message by Omdat-ul-Omrah Behauder," which was very true; and for this reason, because I had told you in person before that I should send you a letter with the money on the 5th of the above month; and as I intended accordingly on that very day to send the said letter directed to yourself and the Council, I therefore did not at that time mention it to you. In my letters however, both to you and Mr. Johnson, I took care not to mention the words *Star Pagodas*, for fear Pagodas of that specie should not be procurable; and that in lieu of the creditors' money, the above money and letter might be sufficient. My letter to Mr. Johnson, which you returned to me by Choliapah, Moodoo Kistnah's Son, I opened immediately before his face, and shewed him there was no mention of *Star Pagodas*. The 6th of April I received twenty-two thousand *Star Pagodas* from the Soucars, which I sent to you by Vencatachelum and my Treasurer's Gomastah, telling them, in lieu thereof, after first acquainting you, to bring away whatever Porto Novo and Madras Pagodas might be equivalent thereto; and that on paying the remaining *Star Pagodas*, the remaining deposit also of Madras and Porto Novo Pagodas should be sent for, which they would accordingly procure an order for from the Governor. The said people, conformable hereto, acquainted your Dubash; who told them, that they might go and receive from the Shroff the equivalent for the twenty-two thousand *Star Pagodas*; that he would speak to the Shroff about it, and give an order for the money passing the gates; and they accordingly brought the same to me. The next day, being the 7th April, having received from the Soucars the amount of what was due on that day, somewhat less than 16,000 *Star Pagodas*, I sent the same by Rauce Vencatahadafs, telling him to pay that money likewise to the Company, and after advising you thereof, to bring away the remaining Madras and Porto Novo Pagodas deposited in it's stead; accordingly the said Vencatahadafs went to the fort, and told your Dubash, that the whole of the *Star Pagodas*, on account of the creditors, had been paid to the Shroff, amounting to forty-nine thousand seven hundred and fifty-one, twenty-seven Fanams, and eight Cash, and that he, the Dubash, therefore should procure an order from the Governor for the returning of the Madras and Porto Novo Pagodas on account of the Sepoys. To which the Dubash, after finding that the Shroff had really received the whole of the *Star Pagodas*, told Vencatahadafs that "The Governor is at this time preparing his letters for Europe; this is not a proper time for talking to him; I will give an order to the Shroff, and you may take your equivalent Pagodas and go." Vencatahadafs repeating his desire that he would speak to the Governor, and procure his order; the Dubash with energy said, "I will give you an order, and send to the guards not to stop or molest you." On which Vencatahadafs, after leaving the *Star Pagodas* there, and by the Dubash's order receiving the deposit Pagodas, returned to me; when I ordered him to send them away as fast as possible on that day to Arcot for the pay of my Sepoys, whose term of payment was expiring; and having done so, gave him leave to go home; and he

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accordingly went to the door of my house, and was standing there for his Palankeen, when all at once three Company's Peons, running one after another in great haste, came there, bringing a note with them, and told somebody that it was the Governor's order to bring again to the fort with him (the person spoken to) the Madras and Porto Novo Pagodas, which had been carried away the 6th and 7th of the above month; and on Vencatahadafs telling them that he had brought away the Pagodas by *order* and not by *stealth*, they said, "What do we know about it, our orders are to bring again both you and the Pagodas, and we have brought a note with us." Vencatahadafs and Vencatachelum on this came and acquainted me of the matter; and I must own I was not a little surprised at the Peons coming in such a hurry, at that time of the day, at twelve o'clock, when the Sun is at it's greatest heat, and consulted thereupon some of my Muttesuddies who were then present, whether I should or should not send the money. What they told me was, That the money on account of the Circar's balance to the Company had been paid previous to it's becoming due, and *that* on account of the Jaghire cleared; that the Kist of the two Lacks of Pagodas of the 1st May, and *that* of the April Kist for Poonamallee of four thousand Pagodas, would likewise be paid agreeable to their respective terms; so that it might be said the Company had and would receive in the space of four months, from the 1st January last, the sum of twelve Lacks, forty-nine thousand, six hundred and ninety-seven Pagodas; namely, eleven Lacks on account of the Circar's balance to the end of December 1769, and one Lack and forty-nine thousand, six hundred and ninety-seven Pagodas, on account of the Jaghire and Poonamallee: that moreover the creditors' three months' interest money had been sent, and that the money which the Governor had now sent for again was on account of the Sepoys, to whom during these times of trouble in the Balaghaut it was necessary to give their pay, nor ought there even to be a moment's delay therein. Such was the advice of my Muttesuddies. My reflexion however on the matter was, that as, by God's blessing, I was the Company's sincere friend, and they were the protectors both of me and my country, supposing there was some slight on me in sending for the money again, what did it signify: I therefore told Rauce Vencatahadafs to go with Vencatachelum to the fort with the Peons, to take with them all the Madras and Porto Novo Pagodas which had been brought at both times, and to carry the same to the Governor; and as at that time there were no Golurs, Palankeen Boys, or Lascars present, I went myself down stairs, and having taken away the muskets from the Sepoys on guard, I loaded the money on them and sent them away; telling at the same time to Vencatahadafs and Vencatachelum to do whatever you might order, either respecting the leaving or bringing away the money. Besides the three Peons who came to my house, two more also met Vencatahadafs on the road; on whose arrival at the fort with the money you were gone to dinner, but the Dubash was waiting there; who, on Vencatahadafs's speaking to him concerning the sending for the money again in such a hurry, said, "What could I do? the Governor has been extremely angry both with the Shroff and me, and has sent for the money again; do you therefore leave the money and return." When they came I was sitting waiting for them, and they acquainted me of all this, and said, that agreeable to

your Dubash's desire, they had left with the Company's Shroffs the sum of Star Pagodas forty-nine thousand seven hundred and fifty one, twenty-seven Fanams, and eight Cash, on account of the creditors' interest; and *those* of twenty-two thousand six hundred and ninety-one Porto Novos, and fifteen thousand five hundred Madras Pagodas intended for my Sepoys' pay, making in all Pagodas eighty-seven thousand nine hundred and forty-two. I am the Company's first friend, and am in hopes of the increase both of that friendship and my honour; for I came here in consequence of the Governor and Council's desire, who sent General Caillaud for me with a letter and message concerning the giving me the Circars. There are now five years moreover elapsed since I was at home; it is incumbent on you therefore, as I am your guest, to pay attention both to my honour and reputation.

You tell me, "That by thrusting a sum of money into your hands by surprize for the use of the creditors, could a method be contrived, some good purpose might be answered by it, either to me or those creditors." The case is this:—As at the time of agreeing to give the payment of the Company's balance the preference, it was stipulated also that the creditors should receive their interest with the knowledge of the Governor and Council; I therefore sent the amount thereof with a letter to Mr. Johnson to you, that you might give the same to that gentleman to divide amongst the creditors; for I am the giver and they the receivers of the money; and I write this very truly and honestly, that in sending the creditors' money to you, I had no other benefit except that of your being thereby acquainted with it; and as to your expression of by *surprize*, the same never entered into my thoughts. If I had proposed to myself any advantage in sending you the money by *surprize*, why did I previously acquaint you of my intention of paying the interest to the creditors? or why did I enclose my letter to Mr. Johnson on that subject to you, when that Gentleman is a servant of mine, and has, with the consent of the Governor and Council, been for a long time employed in the creditors business? and why also did my servant mention this matter to you? My reasons for sending that money to you were merely those of openness and friendship; for it is my desire to deal with every one with the utmost openness, and particularly to the Company, whose first friend I am amongst all the people of this country, and between whom and me I know not the least distinction or difference. It was agreeable to the Governor and Council's desire that I made a fresh promise to my creditors, of paying them their interest till the Company's debt was cleared; be impartial therefore; you have cleared off the debt due from the Company, and although my friendship for them is easily to be perceived therein, still if after four months, even notwithstanding that the amount thereof is less than fifty thousand Pagodas, and that the payment of the same was agreed on, in conformity to the desire of the Governor and Council, I should *not* pay the creditors the amount of their interest, it certainly would be very inconsistent with fair and just dealing: for at the time of promising this there was no talk of the coming of the Gentlemen from Europe; God however grant they may soon come! As the support however of many infirm people, and women without friends, depends upon the receipt of this interest, if any delay happens



happens therein, what distress will they not suffer! You write to me *not* to pay this interest, why do not you forbid *those* who live under the Company's flag not to receive it?

You tell me, "If I esteem the above transactions conformable to the principles of friendship and good faith, it would be in vain to reason on them." It is very certain that every one, both high and low, are studious of acquiring good to themselves. You say, "That you will immediately cause a list to be drawn out of the names of those creditors who have desired to receive their interest through the means of the Company, together with an account of what is due to each of them, respectively, as well for the odd balances as for three months' interest; which list and account you will send to me as soon as completed; and the amount of which account you will willingly charge yourself with, causing the same, through the means of Mr. Johnson, to be paid and divided amongst those creditors, and taking their receipts respectively for the same; but that you will not charge yourself with any sum of money for the use of those creditors who have refused the Company's mediation and protection; and therefore return my letter to Mr. Johnson, and the money my people deposited in the hand of the Company's Shroff;" all this I fully observed, and the 9th of the above month (April) received both the said letter and the Madras and Porto Novo Pagodas, together with the twelve thousand Star Pagodas I sent the 5th of that month.

In the former part of this letter I have expressed my sentiments to you freely on the subject of the creditors. You are a man of justice and lenity, and were you in my situation would act just as I now do; which is *this*;—that with this letter I have sent you the sum of Star Pagodas twelve thousand, and am to request your sending the same, together with the sum, something less than Star Pagodas thirty-eight thousand, which have been deposited in the Company's treasury since the 6th and 7th of the above month, and both which sums together make that of forty-nine thousand seven hundred and fifty-one, twenty-seven Fanams, and eight Cash, to Mr. Johnson, that he may divide the same amongst the creditors: to that Gentleman also you will be so good as to deliver the enclosed letter. True it is, when you desired me some time ago not to pay this money so soon, that in consideration of my promise to my creditors of paying them the same on the 5th of the above month, I told you I could not wait; and although, in consequence of my said promise, when the twelve thousand Star Pagodas in part of the above money was returned, together with the Porto Novo and Madras Pagodas intended for my Sepoys, I ought to have sent them back again that instant; still however, as you had desired me to wait for a few days in expectation of the arrival of Mr. Vansittart, &c. Gentlemen, agreeable to that advice I have waited 'till the end of April. As those Gentlemen however are not yet come, and out of my Kist to the Company of the 1st May the sum of one Lack and fifty thousand Pagodas were paid the 26th, and fifty thousand more the 30th of the preceding month, together with four thousand Pagodas on account of the Poonamallee Kist, I do not think it proper to delay any further the payment of the creditors' interest-money; indeed, why should I

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to no purpose let the same increase on me? Be so good therefore as not to throw any obstacle in the sending the same to Mr. Johnson. Out of my friendship and openness of heart, nay, indeed, through necessity, I have mentioned all these matters; you will therefore excuse it.

What can I say more?

*Translation of a Letter from the Nabob to Mr. Johnson, enclosed in the above, dated 5th April, 1770.*

I HAVE sent the sum of forty-nine thousand seven hundred and fifty-one Pagodas, twenty-seven Fanams, and eight Cash, to be divided amongst the creditors; viz. the sum of four thousand and twenty-five Pagodas, eighteen Fanams, and eight Cash, on account of the odd balances in the principal, and that of forty-five thousand seven hundred and twenty-six Pagodas, and nine Fanams, on account of three months' interest, from the 1st January to the 31st March, 1770.

What can I say more?

To which the following reply is now sent him:

*From Governor Du Pré to the Nabob of the Carnatick, dated 21st May, 1770.*

SO much time has been necessarily employed, in the intervals of other more urgent business, in translating your Excellency's very—very long letter of the 3d instant, that I have not had the translation 'till within these three or four days; having also been honoured with another letter from your Excellency, dated the 12th of this month, relative to the same subject, I beg leave to reply to them both at once. In your last mentioned letter you are pleased to say, "It is much to be wished that the time which has been spent in this business had been employed in a correspondence for the protection of the Carnatick." I derive infinite satisfaction from this passage, in the hope that your Excellency, perceiving the necessity, has at length adopted that recommendation which the Committee so often and pressingly urged to you throughout the course of many months spent in disagreeable altercations, which on the part of your Excellency were voluntary, but proceeded from necessity on the part of the Committee, who have been guilty of no other crime towards your Excellency, that I know of, but the crime of faithfully executing the orders of their Superiors, in earnestly requesting you to reimburse the Company the sums they have expended on your account, with which you at length condescended to comply; and had your Excellency listened to the Committee's cordial advice, and done so at first, which was in your own option, not being as we are accountable to Superiors, many months spent in vexatious litigations might have been profitably employed in the public service: even now, and for some time past, the Committee have not ceased to urge you to a declaration of your sentiments on the present state of affairs, that measures suitable thereto might be taken in conjunction with you; nevertheless we still remain in suspense.

That I may convince your Excellency of my inclination to avoid controversy, I shall say no more in reply to your above-mentioned letters than is absolutely necessary for my justification; it was for that purpose, and no other, that my letter of the 9th April was written. *The case is this;—some of your creditors have threatened to ruin me and the Committee, if they can by prosecutions at law, for having been instrumental in prevailing on your Excellency to pay the Company in preference to them.* The manner in which you put a sum of money in my hands before I knew for what purpose it was intended, and declaring it to be for their use, might have subjected me to some disadvantages in their intended attacks, had it not appeared, by a full and clear declaration, how and in what manner that money came into my hands; which being done, those creditors may now make what use they can of it. I took no notice in my said letter of the transactions between your Excellency's servants and mine, because they were the transactions of servants only, and I am sorry it should have caused your Excellency to employ so much time on a matter of so little consequence; all I know of the matter is, that Porto Novo and Madras Pagodas were sent to me by your Excellency as a *deposit*, and were accordingly deposited by my consent, order, and approbation, in the hands of the Company's Shroff; from that moment I became answerable for them, and they ought not therefore to have been taken out of his hands without my knowledge and consent; but they were taken out of his hands, without my knowledge and consent, by your servants. That I was displeased with the Shroff and with my servants for suffering it is certain, and to rectify their error they may possibly have ran or sent too hastily after your servants who carried it away; and all that I can say is, that if they behaved in any respect improperly, I am sorry for it, and I will reprimand them; I hope your Excellency will do the same by your servants, who are more faulty, as they were the cause. The necessity of finishing the dispatches for Europe had obliged me, to avoid frequent interruptions, to shut myself up for a short time with the Secretary; and accordingly I did so, leaving orders, that whoever should come to speak with me should wait or come again. Whilst I was so engaged your servant came, and was told the cause that I could not immediately be spoken with; but being impatient, informed my Dubash of his business. He knew not with what intention you had sent me Porto Novo and Madras Pagodas, and did not conceive that there could have been any objection to the exchanging them for others, and therefore complied with the desire of your servant; but your servant probably knew your intention, and should not have taken that advantage of mine. From this trifling circumstance your Excellency takes occasion to say, that as you are "Our guest, it is therefore incumbent on us to pay attention both to your honour and reputation;" as if honour and reputation, which should be founded on the solid basis of a rock, could be shaken like a straw by every breath of wind. If your Excellency will be pleased, according to the Company's recommendation, to lend a favourable ear to the advice of their Representatives, I will take upon me to assure your Excellency, that your honour, your reputation, and your interest too, shall claim their constant attention, whether you be absent or whether you be present, as their guest.



It is certain that the laws of hospitality enjoin great attention from the host to the guest; protection, respect, and every convenience the family afford, should be given; in all which I hope we have not been deficient. There are some attentions also due from the guest to the host; and should discord arise in the family, it would be a kind office in the guest to mediate a reconciliation. I shall only therefore observe; this is the Company's house, you are the guest, and the inhabitants their family.

In respect to all that your Excellency have said about your creditors who have sought the Company's mediation, and your creditors who have rejected it, the plain state of the case is this: your Excellency, in a letter from Nabob Omdat-ul-Omrah to your creditors, proposed paying all of them the interest which should become due to them, until you should have paid off what was due to the Company, and then to pay them the principal due to them also; this letter was communicated to them through the means of the Governor and Council, and through the same means an answer was returned to you, by which answer some of your creditors refused to accept of the Company's mediation upon the terms proposed to them. Some others of your creditors have accepted of that mediation, and some have neither accepted nor rejected it. When the Committee had settled with your Excellency concerning the discharge of the debt due to the Company, they requested that you would pay the interest which should become due to those creditors who had accepted of the Company's mediation. Your Excellency some time insisted on paying all; the Committee had no power to negotiate for any but those who had desired they would, and this is what the Committee persisted in uniformly from the beginning to this time: nevertheless, your Excellency will still urge us to intermeddle in the concerns of those of your creditors who have refused us the power of interfering therein; this is most extraordinary. It is true we have said your money is your own, and you may dispose of it as you please, and I say so still; but it does not follow from thence that I am obliged to pass that money through my hands, or that it should be passed through my means into the hands of any other person, for the use of those creditors who have refused to consent that I should do so, for I might thereby be entangled in difficulties: all that I have to do in the matter is, to act for those creditors who have desired that I will act for them; if your Excellency will not pay them without annexing conditions which I have no power to comply with, I cannot help it; your money is your own, and the agreement you made with the Committee is of no use.

With your letter of the 1st May you mention to have sent me the sum of twelve thousand Star Pagodas; I did not receive that money; I desired your servant who brought it to make my compliments to you, and to say that I wished first to see the translation of your letter; I suppose therefore that he carried it back to you. You are pleased to say also, in the same letter, that the sum of somewhat less than Star Pagodas thirty-eight thousand have been deposited in the Company's treasury since the 6th and 7th April last. The case is this, as I understand:—when your servants, without my knowledge or consent, took out of the hands of the Company's Shroff the Porto Novo, Madras, &c. Pagodas, which had been deposited

fited there with my knowledge and consent, and with which I was chargeable as aforesaid; they left, as I have been since informed, in the hands of the same Shroff, without my knowledge or consent, the sum of thirty-eight thousand Star Pagodas, or thereabouts, which have never been deposited in the Company's treasury, of which I have never taken charge, and for which am not answerable; that money possibly may still be in the hands of the Shroff, but if so it is at your Excellency's risk and disposal, and I beg the favour that you will excuse me from taking any charge of or intermeddling with it on the conditions you mention: I beg also that your Excellency will do me the favour to excuse me from delivering your letter to Mr. Johnson, which I therefore take the liberty to return.

It gives me great concern that I have been obliged to write so much on this subject, in order to place my conduct in a clear light. I hope the correspondence on this subject will end here, I beg and intreat that it may, and that you will do me the justice to believe that I am most heartily disposed to bury all past altercations in eternal oblivion, and to co-operate with you, head and heart, for the prosperity of the Company and the Carnatick, which I consider as one.

*Extract of Proceedings of the Select Committee at Fort St. George, Saturday, 16th June, 1770.*

P R E S E N T,

Josias Du Pré Esquire, Governor, President.

Warren Hastings

Joseph Smith.

*Extract of Letter from the Nabob of the Carnatick to Governor Du Pré, dated 7th, and received 8th June, 1770.*

*Remarks of the Committee thereon.*

(F) From the time that I have been Governor of the Carnatick, there has never been so much respite as to allow me to attend to the putting the country in a flourishing state. The little leisure that was afforded me was before the taking of the Circars, when for that purpose I expended Lacks in the making of Tanks, Nullahs, &c. and in advances of money to the inhabitants; all which however were lost, and the incessant labour both of myself and people rendered of no effect, by the Company's representatives laying their hands on those Circars, and by the consequential disturbances, in which the country was burnt. I am still at my wife's end in the above difficulty. The distresses I have been reduced to by paying the Company's money to the end of December, 1769, are such as exceed expression, though

(F) It is true that the Nabob had but little respite; how far the taking the Circars has been the cause of the late misfortunes, is not now a point for us to determine. The Nabob's debts are certainly great and burthen some, and we are sensible that his circumstances are such as should make him avoid a war, if possible; neither do we advise it, or the assisting Hyder, unless it be in the last extremity, to save him from sinking under the Maratta power. It is probable that by doing so the Carnatick would feel the resentment of the Marattas; but if we were not to assist him in such an extremity, we think the Carnatick would never be free from the Maratta ravages; so that we have only a choice of two evils.

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known to every one; besides all which are the demands of a part of the expenses of the Mysore expedition, and my debt to my private creditors. My situation, in short, is by no means such as that I should advise the entering into a war, which the assisting of Hyder Ally Khan actually is. After the Marattas once bend their thoughts to war, God knows how long it will last; the waging war with them is no trifle, neither you nor me, nor our children even, will be able to stand their blows, and the Carnatick will be entirely destroyed; who then would bring upon himself the ruin of his country?

*Extract of Proceedings of the Select Committee at Fort St. George, Tuesday, 17th July, 1770.*

P R E S E N T,

Josias Du Pré Esquire, Governor, President.

Eyre Coote  
Joseph Smith

Warren Hastings  
Samuel Ardley.

LETTER from Mr. James Johnson read as follows:

*To the Honourable Josias Du Pré Esquire, President and Governor, &c. Gentlemen of the Select Committee at Fort St. George.*

Honourable Sir and Sirs,

1. IN the unsettled state of the Nabob's affairs with his private creditors, when the Britannia sailed for England, His Excellency, from motives of humanity as well as justice, was pleased to propose to pay to his creditors the interest only of their money, until his debt with the Company should be cleared; being convinced, as I believe you are, that many of his creditors had placed their whole property in his funds at a time when it was borrowed for the public service, and their dependence for support now rests upon the payments which may be made to them by His Excellency. I cannot forbear to remark, that many orphans and widows are in the number of the distressed creditors.

2. I had the honour to present to the Governor His Excellency's proposals for paying this interest; and after laying them before the Select Committee, he returned them to me, with permission to make them public, as the Select Committee had no objections to them.



3. As the trustees have long since formally declared to the creditors that they would not take charge of any money for them, His Excellency, in conformity to those proposals, has sent me the sum of Pagodas 57,726, and an order upon the President for the further sum of Pagodas 37,75127.8 which have been for some time in his hands; these sums amount together to Pagodas 95,478.8, and are exactly sufficient to pay to the creditors interest of their money for six months, and the odd sums due upon settling their accounts for the year 1769.

Six months' interest on 18,29,050, at 10 per cent. is	—	91,452	0	18
And the money to be paid to the creditors, to reduce all their demands to even sums,	—	4,025	18	8
		Pagodas	95,478	0 8

I yesterday applied to the President for the money which the Nabob directed me to receive from him; the money he told me was not in his charge, but the Shroffs might have it unknown to him. I sent afterwards for the Shroff, and he informed me, that he had 38 bags of the Nabob's money in his custody; I request therefore that the Shroffs may be ordered to deliver this money to me, as it will be highly improper, and altogether unprecedented, for them to take charge of, or pay money, without an order from, or making an immediate report to the Governor. In obedience of His Excellency's commands I have the honour to acquaint you, that he has directed me to divide this money amongst all his creditors, which cannot but be agreeable to you, as His Excellency's proposals have already the sanction of the Select Committee for being carried into execution.

I have the honour to be,

Honourable Sir and Sirs,

Your most respectful humble servant,

Fort St. George,  
July 10th, 1770.

JAMES JOHNSON.

Previous to the observations on the general purport and intention of the foregoing letter, the Committee think it necessary to make some remarks on the particular passages contained therein.

*It is by no means admitted as a clear fact, that the money was borrowed for the public service; but even if it were so, what merit can the lenders claim from thence? They lent their money for profit, and never enquired how it was to be applied.*

The 2d paragraph seems to have been worded in a vague manner, on purpose that it might be understood as of some late transaction; and from his having had the President's permission, it might be inferred that he has the President's permission

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sion to act now. The proposal spoken of can be no other than those of the young Nabob, made him in the month of November, and rejected by the creditors; and Mr. Johnson, far from having the President's permission to act in these affairs, was told by him, that he was considered as standing under the same prohibition as all other inhabitants; that is to say, not to hold any correspondence with the Nabob without the permission of the President and Council.

The assertion of Mr. Johnson, that the money sent by the Nabob has been for some time in the President's hands, is not true, since it never was in his hands, charge, custody, or possession, as appears by the President's letters to the Nabob of the 9th April† and 21st May‡; neither did the President tell Mr. Johnson that the Shroff might have the money *unknown* to him,—he said he believed it might be in the hands of the Shroff.

The Committee now proceed to make their remarks on the general spirit and tendency of the above letter.

So much appears already on our minutes relative to the disputes with the Nabob about his debt to the Company, and his debt to individuals, that it is not necessary to repeat here more than that the state of the present case is this.

In the month of November, the Nabob, in a letter from his Son, told his creditors that he should pay off his debt to the Company in 18 months, and then pay off what he owed to his said creditors; and in the mean time he proposed to pay them the interest of the debt. This proposal was communicated through the President and Council; many of the creditors had put themselves under the Company's protection, and these would willingly have accepted the terms; many others, in a letter to the Nabob's Son, formally rejected the proposal; which letter also passed through the Board. When we settled with the Nabob the Kists and manner of discharging the Company's debt, he agreed to pay the interest to those creditors who had submitted to the Company; since then he has insisted to pay the interest to all alike; that is to say, as well to those who have not submitted to the Company, as to those who have. Our answer has constantly been, that *in respect to those who refuse to acknowledge the Company's authority we will say nothing*; for they having rejected our mediation, we have no power to act on their behalf; the Nabob may do as he pleases, and they must abide the consequences of what they shall do: but in respect to those who have accepted the Company's mediation, we have no objection to their receiving their interest; on the contrary, we request the Nabob to pay it. It may be seen by the President's letters to the Nabob of the 9th April and 21st May, how *he has endeavoured* (most probably by the advice of some of his creditors) *to betray the President into an act, that might be construed in the law as taking charge of the creditors money; thereby, as it is apprehended, to found an action at law against him for possessing himself of their property without their consent.* Upon any other ground the Nabob's conduct would be unaccountable; and as the creditors have threatened prosecutions, and some very violent men are gone home determined to support the creditors, there is all reasons to apprehend every thing possible from exasperated men.

† Vide page 222.

‡ Page 236.

This being the case, that Mr. Johnson, an individual, under free merchants' covenants, who has acted as clerk to the trustees, 'till they, in consequence of the Company's orders, resigned that trust; *who is perfectly acquainted with all the difficulties this Government has met with in their transactions on this subject*; who having asked the President's advice for his conduct, was told by him, that he was considered as standing under the same prohibition with all other individuals; that this same Mr. Johnson, thus informed, without condescending even to ask the permission of the Board, should thus take upon him to tell the Committee of the orders he has received from the Nabob, and to remonstrate to, and admonish the Committee, pleading compassion on the behalf of widows and orphans, &c. all this has so much the appearance of setting the Governor and Council at defiance, that the Committee is of opinion it cannot be submitted to, without subjecting themselves and their authority to be trampled upon by any individual who shall find it his interest to do so, if it may be done with impunity. It is certain that the letter itself, considered without taking in all the previous transactions, the difficulties we have struggled through, those to which we are again exposed, and the secret and insidious intention of the letter, without these circumstances the letter in itself has nothing that could give offence; the language is guarded, and the purpose seems humane; but taken altogether, there is no doubt but that it was intended to brave the Government. It is agreed to recommend this subject to the serious consideration of the President and Council, that they may determine what measures are proper to be taken therein.

Jos. Du Pré  
Warren Hastings  
Joseph Smith  
Saml. Ardley.

*Extract of Proceedings of the President and Council at Fort St. George, in their Military Department, Monday, 30th July, 1770.*

P R E S E N T,

Josias Du Pré Esquire, Governor, President,

Eyre Coote

Joseph Smith

John Smith

Henry Brooke

Warren Hastings

Samuel Ardley

George Stratton

Richard Brickenden

George Mackay.

MR. MACKAY lays before the Board a list of books and papers, as entered hereafter, belonging to himself and the two other Gentlemen who acted with him as trustees to the Nabob, which books and papers are now in the possession of Mr. James Johnson, who was their clerk; and Mr. Mackay declares, that though he has frequently demanded the same from Mr. Johnson, and even got the President to speak to him, yet he has put him off from time to time with evasive and trifling excuses, by which Mr. Mackay was prevented from sending some of those papers to England



England by the Anson, as he intended; and as they are vouchers for the transactions of himself and the other trustees with His Excellency the Nabob, and of course of the utmost importance to them to have them in their possession, in case of law-suits or other disputes with any of the Nabob's creditors, Mr. Mackay requests the assistance of the President and Council in obtaining the said books and papers from Mr. Johnson; or that they will be pleased to indemnify him from any charges, should he be under the necessity of entering a prosecution in the Mayor's Court against Mr. Johnson; because it was in compliance with the orders of the Court of Directors that he and the other two trustees resigned that charge, and by that means got into this difficulty.

*List of Books and Papers, in the hands of Mr. James Johnson, belonging to Mr. Mackay &c. Trustees of the Nabob.*

1st. ACCOUNT-CURRENT between His Excellency the Nabob and the said trustees of all the monies paid to them and divided among the Nabob's creditors. This account was signed by the Nabob and his Son, and delivered to the trustees; but as they wanted His Excellency to sign a declaration at the foot of it, ~~that no other sums of money whatever, but what were mentioned in that account, had been paid to the trustees on account of the creditors;~~ it was given by Mr. Mackay to Mr. Johnson, that he might carry it to the Nabob to sign that declaration.

2d. The form of a receipt which Mr. Johnson was to give to the trustees, a copy of which is annexed, for the books and papers which they delivered him by order of the Nabob. A copy of those receipts Mr. Mackay delivered to Mr. Johnson about six weeks before the Anson sailed, as he wanted to send one of them home to the other two trustees by that ship; but Mr. Johnson put him off with promises and trifling excuses 'till the packet was closed, and then wrote him a note, of which the following is a copy:

“ S I R,

“ I have a private reason to desire that my receipt might not be sent home by this ship; it is ready for you, and would have been sent to you many days ago, but I waited with the utmost impatience to have a point explained to me, of which I am at present in the greatest doubt, and is not yet cleared to me, but must in a day or two at most; I expected it would all this day.

I am, S I R,

“ Your most obedient servant,

“ JAMES JOHNSON.”

3d. Two books of minutes, which Mr. Mackay gave Mr. Johnson the use of, to copy some things out of them which he had not in his own minute-book.

*A Copy*

*A Copy of the Receipt which Mr. Johnson promised to give the Trustees.*

I JAMES JOHNSON, &c. do hereby acknowledge to have received, by order of His Excellency Waulau Jau, and for his account, from Messieurs John Call, James Bouchier, and George Mackay, who lately acted as trustees or attornies to the said Nabob for transacting his affairs with his private creditors, the following books and papers, viz.

Ledger and journal of all the transactions between the Nabob and his creditors for the years 1767, 1768 and 1769.

Cash-book for the above mentioned three years

Dividend-book for ditto ditto

Transfer-book for ditto ditto

Minute-book for ditto ditto

*Assignment from the Nabob and his Son of the Revenues of certain districts in the Carnatick.*

Power of attorney from the Nabob and his Son to Messieurs Pybus, Call, and Bouchier.

*An order from the Nabob to the Rajah of Tanjore, to pay the trustees the annual tribute or Peshcush of four Lacks of Rupees for the Year Phafely 1178.*

An interest-bond dated from the President and Council, for Pagodas being part of the money in deposite for suspense-account.

An interest-bond dated from ditto ditto for Pagodas being part of the said money.

An interest-bond dated from the said George Mackay for Pagodas being part of the said money.

With all letters and other papers wrote from and received by the said Gentlemen relative to the Nabob's concerns with his creditors; and I, the said James Johnson, do further declare and certify, that the above-mentioned books do contain a full and just account of every sum or sums of money received by the said John Call, James Bouchier, and George Mackay, from the Nabob or his agents, on account of his said creditors, during the above period of three years, viz. from 31st December 1766 to the 31st December 1769, as the said accounts were kept by me under the inspection of the said trustees, and all the money received passed through my hands.

In witness whereof I have hereunto set my hand and seal in Fort St. George, this 5th day of February 1770, having signed receipts of this tenor and date.

Signed, sealed, and delivered, in presence of

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The Board taking the foregoing representation of Mr. Mackay into consideration, they cannot avoid saying, that Mr. Johnson's conduct appears very mysterious and unjust, since the trustees have certainly an undoubted right to all such books and papers as can tend to their justification in their transactions between the Nabob and his creditors, and that Mr. Johnson, who acted as their clerk, and with whom they were of course obliged to intrust the said books and papers, can have no right to detain them; but that he should even refuse to give a receipt for the said books and papers in his custody is more extraordinary, and must tend to impress every one with no very favourable idea of his intentions. The Board do not see that they have any authority to compel Mr. Johnson to deliver up the said books and papers, and therefore the making a demand of them might probably expose them to a refusal, which it would be improper for the Board to subject themselves to. The only course which appears to us for Mr. Mackay to take, is to commence an action in the Mayor's Court against Mr. Johnson; and as the trustees were appointed with the approbation of the Board, and afterwards resigned their charge in consequence of the orders of the Company, the Board are of opinion, that they should be indemnified for any charges they may sustain in the recovery of the books and papers, to which they have so clear and just a right. And it is agreed that the Secretary do write to Mr. Johnson, desiring he will inform us whether a demand has been made on him by Mr. Mackay for the said books and papers; whether he has or intends complying therewith; and if not, what are his reasons for refusing to do so.

The Select Committee communicate to the Board the letter addressed to them by Mr. Johnson, as entered in their proceedings the 17th instant†, with the minute made thereon.

The Board entirely concur with the Committee in their sentiments with regard to the impropriety of Mr. Johnson's conduct; it is however agreed to defer the consideration of the measures to be taken with regard to him to another opportunity.

*Extract of Proceedings of the President and Council at Fort St. George, in their Military Department, 9th August, 1770.*

WROTE the following letter to Mr. Johnson:

*To Mr. James Johnson.*

S I R,

MR. MACKAY having represented to the Board, that he had applied to you for fundry books and papers, which had been intrusted in your hands as clerk to the trustees for the Nabob's creditors, a list of which books and papers he alleges has been delivered to you; I am directed by the President and Council to desire you will inform them, whether such demand hath been made on you, and whether you have or intend complying therewith; and if not, that you will assign your reasons to them for such your refusal.

I am, S I R,

Your most obedient servant,

Fort St. George,  
9th August, 1770.

J. M. STONE.

† Vide page 241.

*Fort*



AT A SELECT COMMITTEE, Saturday, 29th September, 1770.

P R E S E N T,

Josias Du Pré Esquire, Governor, President,

Warren Hastings

Joseph Smith

Samuel Ardley.

LETTER from this Committee to the Honourable the Court of Directors, dated this day, read and signed.

Mr. Ardley must beg leave to remark, that he subscribes to the letter of the Select Committee, with exception to those expressions which denote a confirmation of the rectitude of those resolutions, relative to the demand made on the Nabob of preference in full payment of the Company before his private creditors, who thereby stand excluded payment of their demands, 'till the Company have none; as avowing the approval of such requisition would in Mr. Ardley be inconsistent with his opinion declared on the Minutes of Consultation, in the Separate Department, of the 6th† and 13th November ‡ 1769.

*Extract of Proceedings of the President and Council at Fort St. George, in their Military Department, 6th October, 1770.*

P R E S E N T,

Josias Du Pré Esquire, Governor, President.

Warren Hastings

Joseph Smith

Samuel Ardley

John Smith

Richard Brickenden

Henry Brooke  
George Mackay.

READ a letter from the Nabob, dated 30th September.

*From the Nabob of the Carnatick to Governor Du Pré, dated 30th September, and received 1st October, 1770.*

THERE is due to the Company on account of the Kist of this day (the last of September) the sum of Star Pagodas one Lack and two thousand, viz. one Lack on account of Tripaffore, &c. and 2000 on account of Poonamallee. The 5th of April last, together with a letter, I sent you the sum of Star Pagodas 37,751. 27. 8 for the creditors, where § it has remained ever since; may I request you will now credit me for the same in the above-mentioned account, when

† Vide page 105.

‡ Page 118.

§ Literally so in the original.

there will remain on account thereof the sum of Pagodas 64,248 . 16 . 32, which I now send you, and by which the amount of the said Kist, both on account of Tripassore, &c. and Poonamallee is entirely cleared.

Governor Pigot during his government, the 4th of March 1763, wrote to me, advising that Chillatya and other Renters were indebted to the Captains Gurthur, Tod, &c. which he desired I would give my orders about and procure for them, and that he (the Governor) would give directions that in future no European should lend money to the people of the country; my answer to which went the 27th of the same month. In consideration of the said Governor's desire, and with the hopes that in future, agreeable to what the Governor and Council had said, all money transactions with the people of the country would be put a stop to, I borrowed the said money, and notwithstanding I neither received it again either from the country or the Renters, paid it to the above Gentlemen with the knowledge of the Governor and Council; Chillatya is in prison on this very account till now. During the government of Mr. Pigot (the remaining part of it) and also that of Mr. Palk, this regulation remained in force; Governor Bouchier likewise gave orders about it. *As I found however that there were great delays in the receiving the revenues of the Company's Jaghire, I enquired the reason of it, when I found Messieurs Smith, Monckton, &c. had lent money to the Amuldars thereof at a heavy interest, had taken bonds also from the inhabitants, and after two or three months had expired, added interest, premium, &c. to the principal, and taken fresh bonds for the same; by which calculation of interest upon interest, &c. it turns out annually to more than fifty-four per cent.; a great part of the revenues of the Company's Jaghire go therein, and it is not possible for the inhabitants hereafter to extricate themselves; for indents and other difficulties are exclusive of this. Esteeming therefore all this as hurtful and ruinous to the Company's Jaghire (whose affairs and mine are one) I before acquainted you of the whole thereof; at which you were surprized, and enquired into the particulars; after which I gave you a paper in Persian, containing an account of the loss by interest, &c. and delivered to Mr. Hastings a translation thereof in English, that you might be acquainted with the whole matter. Sometime ago you recommended Messieurs Monckton, Smith, &c. to me; in consideration of which, reflecting that it would be difficult to receive all this money from the country Amuldars and inhabitants, I took the inhabitants bonds from those gentlemen, and instead thereof gave them my own bonds; and on finding afterwards that the payment of the rest of the Kist of the Company's Jaghire and Mr. Smith's debt fell on the same day, I requested, as this is not the time for receiving the revenues from the country, as I should find it difficult also to discharge them both in one day, and as the payment of the Company's Kist was the most necessary, that you would recommend it to Messieurs Smith, Monckton, &c. to wait some days longer, and then receive their money; which you agreed to, and was accordingly so kind as to recommend it to those Gentlemen, but they would not bear what you said. Now it is necessary that I should send this money with your knowledge; under that necessity, agreeable to my engagements, I have borrowed and sent to Mr. Smith the sum of Pagodas 32,332.25.30, and have wrote this that you may be advised thereof.*

*I have*

*I have no equivalent in my hands from the Jaghire for this money, and by such losses I sustain great detriment.*

*The Board's Observation.*

The transactions relative to the sum of Pagodas 37,751 . 27 . 8, sent by the Nabob for the payment of the interest to his creditors, having been particularly set forth and explained in the Minutes of the Select Committee of 6th April,\* and in the President's letters to the Nabob of the 9th April†, 21st May‡, and 19th July§, the Board think it unnecessary to make any further remarks thereon. It is however to be observed, that as this money was sent by the Nabob for his creditors, we may subject ourselves to litigations with them by receiving it into the Company's cash; and which appears to be the Nabob's intention, by the vague manner in which he has expressed himself regarding it: nevertheless, as we might be responsible to the Company were we to refuse to receive it into their cash, in case the Shroff, in whose custody it has remained, should fail or make away with it;

IT IS RESOLVED, That it be received from the Shroff, and carried to the Nabob's credit.

With regard to the complaint respecting Messieurs Smith, Monckton, &c. it would require much time to explain the same in a full and particular manner, together with reasons why it has not appeared on our proceedings, and which the hurry of the present dispatch will not admit of our doing;

IT IS THEREFORE AGREED, That a copy of the said letter be transmitted in the packet by the Lapwing to the Court of Directors, and that they be requested to suspend their judgment thereon, until we can furnish them with all the particular circumstances regarding the same.

\* Vide page 220.

† Page 222.

‡ Page 236.

§ From Governor Du Pré to the Nabob of the Carnatick, dated 19th July, 1770.

I have received your Excellency's letter of the 8th instant, wherein you particularize certain sums which you are pleased to say were sent to me on account of your creditors; and add, that a part was returned, but that the sum of Pagodas 37,751 . 27 . 8 remains with me; which sum you desire I will give to Mr. Johnson, that he may divide the same, with Pagodas 12,000, and Pagodas 572,26 . 9, making together the sum of Pagodas 95,478 . 8, amongst all your creditors.

I cannot help expressing my great concern, that after all that has passed on this subject, your Excellency should still write to me in this manner. For my own justification I explained the whole transaction very minutely in my letters to you of the 19th April and 21st May, to which I beg leave to refer. In the last I informed you, that your servants, as I understood, had left in the hands of the Shroff, without my knowledge or consent, the sum of thirty-eight thousand Star Pagodas, or thereabouts, which had never been deposited in the Company's treasury, of which I had never taken charge, and for which I was not answerable; that the money might possibly be then still in the hands of the Shroff, and if so, it was at your Excellency's risk and disposal; and I beg the favour that you would excuse me from taking any charge of or intermeddling with it on the conditions you mentioned. Notwithstanding all which you write me, that the sum of Pagodas 37,751 . 27 . 8 remains with me; I believe therefore again to repeat that it is not in my hands, charge, custody, or possession, nor ever was; that I am not answerable for it, nor can I interfere in respect to the same directly or indirectly; that possibly it may still be in the hands of the Shroff, but then I have nothing to do with it, and the Shroff, I suppose, who received it without my consent, will no doubt dispose of it as you shall direct. In respect to your creditors, I can only repeat what I have before often said, that as to those who have refused the Company's mediation I can say nothing; and as to those who have accepted it, I not only consent, but acknowledge with thankfulness your intention to pay them the interest due to them.



*Extract of Proceedings of the President and Council at Fort St. George, in their Military Department, Monday, 15th October, 1770.*

P R E S E N T,

Josias Du Pré Esquire, Governor, President.

Warren Hastings

Samuel Ardley

George Stratton

Richard Brickenden

Joseph Smith

John Smith

Henry Brooke

George Mackay.

READ a letter from the Nabob, advising that in lieu of the sum of Pagodas 37,751 . 27 . 20, which he had desired might be carried to his credit in the Kists for the Jaghire, due the 30th ultimo, he had sent to Mr. Johnson an equivalent sum to be divided amongst his creditors.

*From the Nabob of the Carnatick to Governor Du Pré, dated 11th, and received 12th October, 1770.*

IN my letter of the 30th September last I desired you to receive in the amount of the Jaghire Kist the sum of thirty-seven thousand seven hundred and fifty-one Pagodas, twenty-seven Fanams, and eight Cash, on account of the creditors, which I sent to you the 5th of April last, and which remained in deposite; in lieu of the said money, which was so allotted in part of the said Kist, I have now sent to Mr. Johnson an equivalent sum, together with a letter, that, acquainting you thereof, he may divide the same, together with the money which he has had for some time past, amongst the creditors.

What can I say more?

To which a draught of an answer is now read and approved.

*From Governor Du Pré to the Nabob of the Carnatick, dated 17th October, 1770.*

ON the 1st instant I received your Excellency's letter dated 30th September†, wherein you are pleased to say, that on the 5th of April last you sent me the sum of Star Pagodas 37,751 . 27 . 8 for the creditors, where it has remained ever since, for which you now desire I will give you credit, together with the sum of Pagodas 64,248 . 16 . 32, which you sent me with your said letter of the 30th September, making together the sum of one Lack and two thousand Pagodas; of which sum one Lack is for the September Kist of Tripassore, &c. districts, and two thousand Pagodas are on account of the September Kist of Poonamallee districts.

*If your Excellency should think proper to write a thousand times that you sent me Pagodas 37,751 . 27 . 8 for your creditors, it will not alter the nature of the transaction, which*

† Vide page 247.

which stands fully and clearly explained in my letters of 9th April, 21st May, and 19th July; and as often as you shall think proper to mention that sum as sent to me, so often shall I be obliged, for my own justification, to declare that I never received the same, nor did any person or persons receive the same by my order or consent, nor have I ever had any charge thereof. The Shroff, in whose hands the said sum was deposited by your servants, without my order or consent, has now, in consequence of your desire, paid a like sum to me on the Company's account, I have also received the sum of Pagodas, 64,248 . 16 . 32, making together the sum of one Lack two thousand Pagodas, which is placed to the credit of the following accounts; that is to say, one Lack of Pagodas is placed to the credit of the Tripassore, &c. districts, in full for the September Kists; and two thousand Pagodas are placed to the credit of the Poonamallee districts, in full also for the September Kists thereof.

I observe what you are pleased to write of the transactions of Messieurs Smith, Monckton, &c. it is true you did inform the Select Committee thereof; what passed upon that occasion, and indeed the whole state of these transactions from beginning to end, shall be as clearly ascertained as they can be. *The word ET CÆTERA may mean every body, or may mean nobody; it may mean me or Mr. Hastings, who have the honour of being particularly mentioned as conniving at least at those transactions; an explanation of the word ET CÆTERA will therefore much oblige me.*

*Extract of Proceedings of the President and Council at Fort St. George, in their Military Department, Monday, 22d October, 1770.*

P R E S E N T,

Josias Du Pré Esquire, Governor, President.

Warren Hastings

Joseph Smith

Samuel Ardley

John Smith

George Stratton

Henry Brooke

Richard Brickenden

George Mackay.

READ a letter from Mr. Andrew Ross, dated 19th instant, setting forth that an advertisement had been published for a dividend of five per cent. to be made by the Nabob on his debt to his private creditors, and that in consequence thereof far the greatest part of the creditors have received their dividends, and that he also in this instance applies for the permission of the Board to receive his proportion.

*To the Honourable Josias Du Pré Esquire, President and Governor, &c. Council of Fort St. George.*

Honourable Sir and Sirs,

AS one of the Nabob's creditors, it seems to me most conformable to what has hitherto passed on this important business, that I should, previous to the receiving  
my

my proportion of a small payment which is now making upon this debt, take the liberty of intimating to your Honour, &c. on my own behalf, that a paper has been circulated publicly in this Settlement on the 15th, 16th, and 17th instant, and produced to me, desiring the creditors of the Nabob and Son to bring their bonds to the Nabob's office, at Mr. Mackay's house, that their accounts for the year 1769 might be settled; intimating also that a payment of five per cent. would that day be made at the said office, and further signifying that the interest upon such payment would cease that day.

In consequence of which I understand that far the greatest part of the creditors have received their dividends accordingly, and I also in this instance apply for your permission so to do.

I have the honour to be with respect,

Honourable Sir and Sirs,

Your most obedient humble servant,

Fort St. George,  
19th October, 1770.

A N D W. R O S S.

Although Mr. Ross is *one of the creditors who have refused to submit to the Company's orders*, or to accept of their protection in the recovery of their debt, and who have rejected the Nabob's proposal of paying them the interest of their several demands until the Company's debt should be cleared; nevertheless, as Mr. Ross has in this instance applied for our permission to receive his proportion of the dividend now making, it is agreed that it be granted him, provided his application is only meant with respect to his own demand, without any reference or relation to what has or may be done by others, which, from the word *also* in the latter part of his letter, he seems to allude to.

*To Mr. Andrew Ross.*

S I R,

I AM directed by the President and Council to acknowledge the receipt of your letter of the 19th instant, which you conclude in these words, "And I also in this instance apply for your permission, &c." implying by the word *also* that others had applied; in answer to which, I am directed by the Board to inform you, that if your application is meant to have any reference to the supposed transactions of others, the Board, not knowing what intentions others may have, can return no answer thereto; but if it be meant simply as an application on your own behalf only, without reference or regard to what may or may not have been done by or in respect to others, in that case the Board do not in this instance object to your receiving your proportion of the dividend of five per cent. which you inform them has been advertised to be made by the Nabob to his private creditors.

I am, S I R,

Your most obedient humble servant,

Fort St. George,  
23d October, 1770.

J. M. STONE, Secretary.



*Extract of Proceedings of the President and Council at Fort St. George, in their Military Department, Monday, 29th October, 1770.*

P R E S E N T,

Josias Du Pré Esquire, Governor, President.

Warren Hastings

Samuel Ardley

George Stratton

Richard Brickenden

Joseph Smith

John Smith

Henry Brooke

George Mackay.

READ a letter from Mr. Andrew Majendie, requesting permission to receive his proportion of the dividend of five per cent. now making by the Nabob to his private creditors, which is granted.

*To the Honourable Josias Du Pré Esquire, President and Governor, &c. Council of Fort St. George.*

Honourable Sir and Sirs,

HIS Excellency the Nabob having lately declared his intentions of paying to his creditors a dividend of five per cent. I was induced to think, from the public manner in which the same was declared, that it was done with the sanction of the Board, and I accordingly received my proportion of the dividend; but finding since that it was done without your approbation, I have returned what I have received, and now beg leave to solicit your Honour, &c.'s permission to receive my proportion of the said dividend.

I am, with great respect,

Honourable Sir and Sirs,

Your most obedient and  
most humble servant,

Fort St. George,  
29th October, 1770.

A N D <sup>w</sup>. M A J E N D I E.

*Extract of Proceedings of the Select Committee at Fort St. George, Tuesday, 30th October, 1770.*

P R E S E N T,

Josias Du Pré Esquire, Governor, President.

Warren Hastings

Samuel Ardley.

Joseph Smith.

ALTHOUGH the Court of Directors have referred it to the Commissioners to examine into, and report to them, the circumstances attending the war with  
S s s Hyder

Hyder Ally, to enable them to determine whether the Nabob shall be charged with any, and what part of the charges of that war; yet as we have now no hopes of ever seeing those gentlemen, and we see no reason to change our sentiments regarding the proportion the Nabob ought to bear, and which we have communicated to the Court of Directors, and as we have in the calculate of our expenses reckoned on the said twelve Lacks to be paid by the Nabob, it is resolved to apply to him accordingly; and in case he shall refuse to pay the same as so much due from him on account of the Mysore war, that he be requested to advance it as a loan, to be adjusted when the Company's orders regarding the charges of that war are received.

AT A SELECT COMMITTEE, Wednesday, 31st October, 1770.

P R E S E N T,

Jofias Du Pre Esquire, Governor, President.

Warren Hastings

Joseph Smith

Samuel Ardley.

IN consequence of the resolutions in the Committee yesterday, a message having been sent to the Nabob, requesting that he would give the Committee a meeting this evening, and having received for answer that he should be ready to receive us; the Committee, namely,

The President,  
Mr. Hastings,  
General Smith, and  
Mr. Ardley,

with Mr. Stracey, Interpreter, waited on the Nabob this evening at his house at Chepauk; his two Sons Omdat-ul-Omrah and Mader-ul-Mulk were present. After the usual compliments the President informed him, that the Committee had given him this trouble, that they might communicate their sentiments on sundry affairs, on which they wished to know his intentions.

We proceeded then to inform him, the Nabob, that in respect to our own affairs, we remained in suspense on a matter very important to us. That in December last he had come to an agreement with the Committee to pay twenty-five Lacks of Pagodas to the Company in eighteen months, of which thirteen Lacks on or before June 1770;

1770: that he had so far punctually complied with his engagements, that the remaining Lacks were to be paid in four Kists as follows:

The End of September	-	-	3 Lacks
End of December	-	-	3 ditto
End of March	-	-	3 ditto
End of June	-	-	3 ditto

That in respect to the first Kist, which had now been due near a month, he had not signified to us any thing of his intentions; that we must plan our measures according to our means, and therefore we desired to know on what we had to depend. He desired we would write him to that effect, and he would give us an answer in writing. We said, that as to the mere question, it could not be necessary to put that in writing, since he understood it perfectly as it was put verbally; but that it was very necessary for us to know his intentions now, as in either case, whether he meant to comply or refuse, we should have other matters to propose in consequence. He replied as before, that he would give us an answer in writing. *Finding him thus determined, we desired him to consider what effect it might have on the opinion of the world, if it were known, as it certainly would, that he had refused to hold any longer intercourse with us on matters of moment, and whether it might not have the appearance of a breach between him and the Company; and we again requested he would inform us, if it was his resolution not to deliberate with us at all; to this he said he desired time to consider.*

*Extract of Proceedings of the President and Council at Fort St. George, in their Military Department, Monday, 5th November, 1770.*

P R E S E N T,

Josias Du Pré Esquire, Governor, President.

Warren Hastings

Samuel Ardley

George Stratton

Richard Brickenden

Joseph Smith

John Smith

Henry Brooke

George Mackay.

READ a letter from the Nabob, advising of his having sent Pagodas 12,452 and  $7\frac{1}{2}$  Annas, agreeable to his engagements with Mr. Monckton, and which he requests may be paid to that Gentleman, and his bond taken up and sent to him.

*From the Nabob of the Carnatick to Governor Du Pré, dated and received 2d November, 1770.*

IN a letter I wrote to you the 30th of September last, I informed you of the particulars of the loans to Mr. Smith and Monckton, &c. I now send you the sum



of Pagodas twelve thousand, four hundred and fifty-two, and Annas seven and a half, on account of my engagement to Mr. Monckton; you will be so good as to pay the same to that Gentleman, receive my bond from him and send it to me.

What can I say more?

The President acquaints the Board, that he received the above letter late on Saturday night, and immediately sent it to Mr. Stracey to be translated, who came and acquainted him with it's contents; and that he therefore ordered the money to be deposited with the Shroff, until he could obtain the opinion of the Board regarding the same.

The Board having deliberated on the above-mentioned request of the Nabob for paying money to Mr. Monckton, the several Members proceed to give their opinions thereon as follow:

*Mr. Mackay's Opinion.*

IT must I think appear very extraordinary, that the Board should give their sanction to the Nabob's paying money to individuals, who have lent it in contradiction to the Company's positive orders, and at the same time prevent him from paying his legal creditors; I am therefore of opinion that the money intended by the Nabob for Mr. Monckton should either be kept as a deposit or sent back.

*Mr. Brickenden's Opinion.*

IN regard to the debts of Messieurs Smith and Monckton with the Nabob, the former of which having received the amount or part, but by a different mode, I think Mr. Monckton's money might remain some little time as a deposit, 'till the Nabob probably may chuse to convey it to him in the same manner.

*Mr. Brooke's Opinion.*

I AM of opinion this matter has no connexion with the affairs of the general creditors, and therefore cannot in any manner be affected by it. I am of opinion, that should Messieurs Smith and Monckton be found culpable, the Board can only act by suspension, dismission, &c. that being the mode prescribed; the Board cannot therefore by their act affect in any manner the property of the parties. I am of opinion, that the Board having cut off all other channels of intercourse with the Nabob but themselves, they cannot with any degree of conformity to their own rules, especially when the Nabob himself desires it, refuse to act in the present case; and which being subsequent to the loan to which they were neither privy nor consenting, and in which the criminality rests, no fault can be found with their conduct in ordering the money to be sent immediately to Mr. Monckton, and directing

directing him to give a discharge for the same. I am of opinion the Board here are the proper guardians of the people's rights, and it is incumbent on them to aid the individuals in recovering their just claims.

Mr. Stratton concurs in the opinion of Mr. Hastings, entered hereafter.

*Mr. Smith's Opinion.*

AS I understand the Governor and Council have acquiesced in the Nabob's paying Mr. Smith's money, so I am of opinion they ought in paying Mr. Monckton's; and if the Nabob could be prevailed on to pay it himself, I think it would be much the best method; as I am apprehensive, if the payment is made for him by the Governor, it will give the Nabob a plea to pay the *et ceteras* in the same manner, which I think ought not to be allowed in prejudice to the rest of his creditors. The Governor and Council I imagine do not know any thing of the *et ceteras* transactions, for my part I do not. If the Nabob will not pay Mr. Monckton himself the money he has sent the Governor for that purpose, I think it should remain deposited in his hands until a further resolution can be taken regarding it.

*Mr. Ardley's Opinion.*

THE transactions between the Nabob and Messieurs Smith and Monckton, &c. having been represented to the Board the 6th October, just before the departure of the Lapwing to England; by which we have told the Company, that it would take time to investigate the circumstances thereof, on which we should, when able fully to explain them, give our sentiments at large; the matter seems to me thus to remain so much in suspense, that it would in my judgment be too much expressing an approbation of the business, were we now to interfere in the payment of the sum deposited by the Nabob for that purpose, before we can shew that the particulars of the case may justify our indulgence in the present instance. I therefore think there would be great impropriety in our now paying the said sum to Mr. Monckton, though I have no objection to the money remaining deposited, unless the Nabob will resume and pay it himself, until Messieurs Smith and Monckton's remarks on the Nabob's representation, which has been sent them, may enable us to come to some conclusive determination.

*General Smith's Opinion.*

General Smith is of opinion, that the money should be sent to Mr. Monckton immediately, and that he should send the bond to the Nabob.

*Mr. Hastings' and Mr. Stratton's Opinion.*

THE Board declined giving their sentiments upon the transactions between the Nabob and Messieurs Smith and Monckton, while the dispatches were preparing

for the Lapwing; not because they required time to investigate the circumstances of that transaction, for the means of forming their own judgment upon it, but with the intent that the Court of Directors might have a full explanation of it before them, at the same time that they received our opinion upon it. Though the subject has never been committed to record, we are all sufficiently informed of the nature of it to pronounce those Gentlemen highly culpable in what they have done. Whatever indulgence may be pleaded for an act not criminal in itself, nor very obviously hurtful in it's consequences, it is certainly a breach of the positive orders of the Company; and considering it in that light only, the Board must condemn it: what sentence we shall pass upon it, it will be time to consider when that matter comes formally before us; nor can any thing we may do in the present case preclude us from inflicting the severest penalties enjoined by the Company, should the circumstances of the transaction require it.

We are neither commanded nor warranted by the Company to levy fines on their Servants for transgressions. We may suspend, dismiss, or send home offenders, but the authority of the Board can go no further. We cannot therefore confiscate the money declared to be the property of Mr. Monckton, even supposing his conduct to appear on enquiry in the most criminal light; nor have we a right to intercept it in it's passage through the only channel, by which the Company have permitted an intercourse between the Nabob and their servants, because that would be in effect to confiscate it.

My opinion therefore is clearly, that Mr. Monckton has a right to the payment of this debt, and that the Board may consistently pass it on to him. It remains only to be considered, whether it should be immediately paid him; or whether it would not be doing an injury to the Nabob's other creditors to allow of the discharge of this debt, while the large sums due to them are withheld from them.

There might have been a question of difficulty some time ago, when the Nabob conformed himself to the arrangement of the Company, and acted, or appeared to act, by the dictates of the Board; *but at present we know that he pays no regard to that arrangement further than as it suits his own interest*; since he has lately paid his creditors a part of their debt without the consent of the Board, and contrary to that arrangement; and I will venture to speak it as the opinion of every Member of the Board, that it is not from any scrupulous regard to his engagements with them that he is withheld from discharging the rest. But the truth is, that this is not a debt of the Nabob's; it was contracted with his Amuldars at a very high interest, and for a short time; he has taken it upon himself, reduced the interest, and agreed to a new term of payment, which is elapsed. It is therefore as much incumbent on him to pay this money now, as it would be to pay for occasional advances of money, or any other of the current transactions of his Government; since this is no other than a purchase of the transfer of a debt, voluntarily made on *his* part, if not on the *creditors'*, on certain terms, one of which is the stipulated time of payment.



*The President's Opinion.*

I AM of opinion that the money ought to be sent to Mr. Monckton, according to the Nabob's desire. I decline now to enter into a discussion of the subject, reserving my reasons upon the general merits, until the answer of Messieurs Smith and Monckton, which has been required of them, shall bring the case before us at large; at present therefore I shall only say, that although I have from the beginning disapproved of and condemned the original transaction, yet as the matter now stands, I think we cannot with propriety refuse to pass the money to Mr. Monckton; because, by the general prohibition of intercourse between the individuals of the colony and the Nabob, he is regular in sending the money in this mode. It is true he does not observe the injunction upon other occasions, *or upon any occasions but those that suit his own purpose*; nevertheless, when he chuses to observe it, we ought not to refuse without sufficient reasons; and I see no sufficient reasons in the present case; for supposing both Mr. Smith and Mr. Monckton to appear upon full enquiry to be culpable in the highest degree,—that is to say, of a premeditated breach of the Company's order, without alleviating circumstances, what are the penalties we are ordered by the Company to inflict?—to suspend them or send them home, not to seize or confiscate their money, or to arrest the payment; but since the Nabob cannot pay it, according to the injunction, (which he chuses in this instance to observe) without our permission, or through us, which amounts to the same thing, to refuse to pass the money, or to refuse our permission to Mr. Monckton to receive it, is to arrest the payment. I shall only further observe, that although the Nabob's complaints against them was for lending at an exorbitant interest, yet the accounts I am informed were adjusted between them at ten per cent. and the complaint now is, for not assenting to a proposal made by the Nabob to defer the term of payment.

*Orders in consequence.*

THE Majority of the Board being of opinion that the money should be paid to Mr. Monckton, agreeable to the Nabob's request, it is ordered to be sent to him accordingly, and the Nabob's bond received from him and sent to the Nabob.

Jos. Du Pré  
Warren Hastings  
Joseph Smith  
Saml. Ardley  
John Smith  
Geo. Stratton  
Henry Brooke  
Rich<sup>d</sup>. Brickenden  
Geo. Mackay.

*Extra*

*Extract of Proceedings of the President and Council at Fort St. George, in their Military Department, Monday, 15th October, 1770.*

P R E S E N T,

Josias Du Pré Esquire, Governor, President.

Warren Hastings

Joseph Smith

Samuel Ardley

John Smith

George Stratton

Henry Brooke

Richard Brickenden

George Mackay.

ORDERED, That an extract of the Nabob's letter of the 30th September, relative to his complaint against Messieurs Smith and Monckton, be sent to those Gentlemen, who are to be directed to lay before us a full and particular account of the said transaction.

*To Messieurs Charles Smith and Edward Monckton.*

GENTLEMEN,

I SEND you herewith, by order of the President and Council, an extract of a letter from the Nabob of the 30th September last, containing an accusation against you, for having lent money to the Amuldars, &c. of the Company's Jaghire at an exorbitant interest, and of which transaction I am directed to require from you a full and particular account.

I am,

GENTLEMEN,

Your most obedient humble servant,

Fort St. George,  
15th October, 1770.

J. M. STONE, Secretary.

AT A CONSULTATION, Monday, 28th January, 1771.

P R E S E N T,

Josias Du Pré Esquire, Governor, President.

Warren Hastings

Joseph Smith

Samuel Ardley

John Smith

George Stratton

Henry Brooke

Richard Brickenden

John Whitehill

George Mackay.

LETTER from Messieurs Smith and Monckton read as follows:

*To the Honourable Josias Du Pré Esquire, President and Governor, &c. Council of Fort St. George.*

Honourable Sir and Sirs,

WE have had the honour to receive Mr. Secretary Stone's letter of the 15th October, enclosing the copy of one from His Excellency the Nabob to your Honour,  
&c.

accusing us of having lent large sums of money to the Amuldars, &c. of the Honourable Company's Jaghire, at a very exorbitant interest.

We first beg leave to apologize for not having sooner delivered in our answer, and to inform your Honour, &c. that it proceeded solely from our Dubash Andiapah's being absent from the Presidency, and so situated, that it was with much difficulty we could get him to return. In the next place, we must beg leave to submit our case to the favourable consideration of the Honourable Company, and of your Honour, &c. being fully sensible, that we have been guilty of a breach of their express orders, when taken in their strongest meaning and extent, though we flatter ourselves, what we have to offer in extenuation of our deviating from the letter of the order established by the Honourable Court of Directors, will have so much weight with you, as to induce you to recommend our case to the serious consideration of our Honourable Employers.

True it is, that we have at times lent money to the Amuldars, &c. and at a higher interest than that stipulated by the Honourable Company, and what might in any other country but this be deemed very exorbitant; but it is well known to every one who has been any number of years in India, that it has, for time immemorial, been a constant practice for renters of countries, at a certain season of the year, to borrow large sums at a very high interest, from Soucars and others, even as far as 6 per cent. per mensem, in order that they might make their regular payments to the Nabobs, &c. from whom they rented these countries; and it is notoriously known, that they could even afford to give this high interest by the gains they made from the produce of the grounds, &c. sooner than be obliged to sell off the grain the moment it was cut, in order to make good their stipulated kists; they also frequently borrow money to advance to the husbandmen, in order to enable them to prepare and cultivate their grounds, and receive from them grain in return, at such a rate as fully compensates for all the interest they have paid thereon; at the same time we beg leave to assure your Honour, &c. in the most solemn manner, that we never received more than three per cent. per mensem, and this only for the space of three or four months at farthest, as it is well known, that the renters never want money for the year round, but only for a certain season as above-mentioned. We likewise beg leave to inform your Honour, &c. that we never would have consented to lend any money to the Amuldars, &c. had we not first had the promise of his Excellency the Nabob, through his head-managers, Nazeph Khân and Atchena Punt, that the same should be punctually repaid us, let whatever Amuldar be in possession of the country, well knowing that his Excellency received high premiums for putting in new Amuldars, and never kept any one in his employment above three or four months, particularly at Chingleput, where we know of no less than three in the space of two months; we cannot therefore but be very much surprised at the Nabob's making this complaint against us, as we should never have thought of lending any money at all to the Amuldars, had it not been for the pressing solicitations of his Excellency himself, who frequently sent for our Dubash Andiapah for this purpose, and to induce him to get us to lend our money, made him compliments of Shawls, &c. telling

U u u

him



him not to be afraid, for that he would see that our money was paid us when it became due, and, in the presence of the head Soucar, took much notice of Andiapah, and gave him the title of Naigue. By these means His Excellency prevailed on our Dubash to induce us to lend him our money, and also to borrow a large sum, amounting to Pagodas 18,000 principal, on his own credit, which he lent to the Amuldars, at the Nabob's desire, and has not to this day received any part thereof, by which, we believe, he was obliged to leave the Settlement, and is utterly ruined. All these sums were absolutely paid into his Excellency's, the Nabob's, own treasury, by our Dubash Andiapah, so that it is more than surprising that he should plead ignorance on this occasion, and assert, that he has no equivalent in his hands for the money he mentions to have paid Mr. Smith; more especially, as there is every reason to suppose, though we cannot prove it, that he has obliged the Amuldars to account with him for the uttermost farthing of interest they were to have paid, according to the bonds they gave us.

As His Excellency has not related the whole circumstances of the transaction with that perspicuity which may be necessary for the information of the Honourable Court of Directors; we beg leave to give a short state thereof. The revenue to the Government, or Circar, arises principally from a certain proportion of the produces of the soil, which is collected by the means of Amuldars, with whom the head inhabitants of the different villages account for the Circar's proportion. When application was made to us as before related, to lend money to the Nabob's Amuldars, although the application was made at the Nabob's instance, yet we well knew the hazard of lending money either to him or his servants, and therefore the more effectually to secure the payment of the money we were about to lend to the Amuldars, with His Excellency's knowledge and consent as aforesaid, as well as that of his managers, we obtained the said manager's consent, that the head inhabitants might give us their bonds as security for the payment thereof, whereby they became accountable to us for the Circar's proportion of the produce. But upon the Nabob's complaining, as we understand, to the Select Committee in the Month December 1769, and giving orders to the Amuldars and inhabitants, not to pay us any money, but to pay the whole to him, we, in order to compromise the matter, agreed to take his Excellency's bonds for the sums we had lent, making up the account at 10 per cent. only; and receiving his bond in lieu thereof, at that rate, and payable in six months, giving up to His Excellency the bonds we had received from the Amuldars at three per cent. per annum, and the counter-security of the inhabitants for the same.

In regard to what His Excellency has mentioned in his letter to your Honour, &c. of our having refused to wait any time longer, after the bonds he had given us were expired, we have only to say, that as he had prevented his Amuldars from performing their engagements with us, and had thereby kept us out of our money above a twelvemonth, it may easily be supposed we were anxious to receive it; more especially, as the time he proposed putting it off to, was 'till March 1771, when the Marattas were expected to invade the Carnatick, and which would have furnished him with a pretence for delaying the payment still longer; but our refusal,

after

after all was no more than expressing a desire to receive our money, for as we were absolutely in the Nabob's power, a refusal would avail us nothing if he was disposed to procrastinate.

As our Dubash, Andiapah, has been before a Justice of the Peace, and declared upon oath to the truth of every thing said concerning him in this letter, we hope it will have due weight with our Honourable Employers.

Mr. Monckton, in order to confute what His Excellency has said of his adding principal, premium, and interest together, and taking fresh bonds for the whole, begs leave to remark to your Honour, &c. that in the month of November, 1766, he was pressed very much by His Excellency the Nabob, through the means of Andiapah, to lend money to the Amuldars; and in consequence thereof, Mr. Monckton went to Nazeph Khân, the Nabob's Manager, who assured him that His Excellency was fully acquainted with every circumstance of the loan he was about to make the Amuldars, and that both His Excellency and himself promised to see the money faithfully repaid, with the interest of three per cent. per month; and it was accordingly paid in a few months, soon after it became due. Nazeph Khân's orders on this occasion to the Amuldars are herewith enclosed, and one of them translated by Moodoo Kistnah is as follows:

*Letter from Nazeph Khân to Strechbury, Amuldar of Poonamallee, dated 21st November, 1766.*

"ANDIAPAH, Dubash to Mr. Monckton, has represented to me that you have borrowed of him 4,000 Star Pagodas, upon security of Paddy, for to pay in part of the first Kist of Phasely 1176, desiring me at the same time to order you to sell the Paddy within three months, according to the agreement, and pay the money; wherefore, I write this to require of you to sell the said Paddy within the above space, and pay the money to the said Dubash; observe this as a strict order to you."

It thereby clearly appears, that the loan in 1766 was at least made by Nazeph Khân's consent, and every one knows from the nature of the Nabob's Government, that Nazeph Khân never would have dared to have given such an order without the knowledge of the Nabob; it also appears that there was Paddy security for most of the money, which had the Amuldars' loan obliged to sell off immediately after cutting they would have lost considerably by it. Since that time Mr. Monckton declares in the most solemn manner, that he never lent the Amuldars any money, either directly or indirectly, till June and August 1769; that in those months, at the pressing desire of His Excellency the Nabob, (through the means of Andiapah,) he lent the Amuldars 17,000 Pagodas, payable in three months; six thousand thereof was paid on it's becoming due, and for the remaining eleven the Nabob gave his bond, which he discharged in November 1770, with an interest of 10 per cent. only.

Mr.

Mr. Smith also begs leave to inform your Honour, &c. that he never would have had the least idea of lending any money to the Amuldars, had it not been for the very pressing solicitations of His Excellency the Nabob, (through the means of Andiapah;) and that so far from adding principal, premium, and interest together, and taking fresh bonds after the expiration of two or three months, as set forth in His Excellency's letter, he declares in the most solemn manner, that he never once did so, or ever received more than three per cent. per mensem, and sometimes only two and half, and this lent for three or four months at a time. He also begs to add, that the sum His Excellency has mentioned in his letter to your Honour, &c. was by far the greatest he had ever lent, all others being mere trifles thereto, and for this he received no more than 10 per cent. interest from the time he paid it to the Amuldars in 1769 'till it was repaid him by His Excellency the Nabob.

The foregoing we hope will fully confute what His Excellency the Nabob has been pleased to represent, of his not knowing any thing of these transactions, and of our having, after two or three months were expired, added interest and premium to the principal, and taken fresh bonds for the whole, by which he makes it amount to 54 per cent. per annum, and we are ready to aver on oath every thing that we have here inserted.

We beg leave to recapitulate, that we by no means pretend, by what we have here said, to vindicate our conduct, being very sensible that we have deviated from the orders of the Honourable Company; but we flatter ourselves that it will evidently appear what we did was with the consent, knowledge, and approbation of His Excellency the Nabob, and was far from doing any detriment to his countries.

Relying on your candid representation of our case to our Honourable Employers, we have the honour to be, with the greatest respect,

Honourable Sir and Sirs,

Your most obedient and most humble servants,

Charles Smith  
Edw<sup>d</sup>. Monckton.

I CERTIFY that Andiapah came before me this twenty-third of January 1771, and took oath to the truth of every thing contained in the above letter.

WARREN HASTINGS, Justice of the Peace for the town of Madras.

The President lays before the Board the following narrative :

Some time in the month of December 1769 the Nabob having desired a conference with the Select Committee; the Committee accordingly waited upon him at his house at Cherauk. The Nabob then informed the Committee of the money transactions



transactions of Messieurs Smith and Monckton with the Amuldars in the Jaghire. At this distance of time I will not take upon me to repeat minutely what passed; the substance however I well recollect was to the effect set forth in the Nabob's letter of the 1st October last. The Committee thereupon assured the Nabob, that such transactions neither had been nor should be countenanced either by the Board or the Committee; that they were contrary to the Company's orders, and subjected the persons committing them to very severe censure; that we were ready to proceed in it in the way that should be most satisfactory to him, either by making it a subject of public enquiry by the President and Council, or by giving our assistance to settle it in any other reasonable way to the Nabob's content. The Nabob said he had not mentioned these transactions to the Committee by way of complaint; that it was by no means his desire that it should be brought before the Board in a public manner; on the contrary, he desired it might not, if Messieurs Smith and Monckton would settle their accounts in a reasonable manner. I do not recollect whether the interest of 10 per cent. was first mentioned by the Nabob or by the Committee; but I am very certain that the Nabob expressed it to be his desire that the accounts should be settled with that interest, as being the rate limited by the Company's orders of 1766; and that if Messieurs Smith and Monckton would consent thereto, he would take upon himself the payment. There the matter rested for that time, and no minute was made of it on the proceedings of the Committee, because the Nabob had desired that it might not be made a subject of public enquiry; but the Members of the Committee made no secret of it; they related at this Board the substance of what had passed between the Nabob and the Committee, not as a report from the Committee, but as an assurance to the Board at large that they had not encouraged or countenanced such transactions; and I very well recollect that I informed the Board at that time, what far from having given countenance to such transactions, I had discouraged them by general declarations; for that applications having been made to me to lend money to the Rajah of Tanjore, and to the Nabob's Amuldars, at 3 per cent. per month, I not only refused to lend any myself, but ordered my Dubash to inform the person who had applied to him that I never would give my countenance, nor use my influence, for the recovery of any that should be so lent by any other person. I think it necessary to repeat this declaration now, because I have reason to believe from that passage in the Nabob's letter of the 1st of October, which particularly names Mr. Hastings and myself, and from other circumstances, that the Nabob means to insinuate that Messieurs Smith and Monckton were countenanced by us in those transactions. In consequence of what had passed between the Nabob and the Committee, Messieurs Smith and Monckton were advised to settle their accounts agreeably to the Nabob's proposal; they then related the nature and grounds of the transaction to the same effect as it is set forth in their declaration now before the Board, and declared their acquiescence to the terms proposed; but said, that they thought themselves very ill used by the Nabob, because they were confident that the application had been made to them at his desire, and for his service, and that the money they had lent had actually been paid into his treasury. Sometime after the accounts were adjusted accordingly, and the Nabob gave his bonds for the account.

The Nabob in his letter of the 1st October † says, that he gave me a paper in Persian containing an account of the losses by interest, &c.—'tis true he did so;

† Vide Page 248.

I have mislaid it, but I remember that it was an account or calculate of interest upon interest, Peons, Conicopies, wages, and other incidental charges, which amount altogether to about 54 per cent. I mentioned it to Mr. Smith, who assured me that he never received more than 3 per cent. per month. The Nabob adds, that some time after I recommended those Gentlemen to him. I cannot remember every word that passed in conversation with the Nabob; he often introduced the subject; and as some difficulties had arisen, which protracted the adjustment of the accounts, it is not improbable (though I do not particularly recollect it) that I may in conversation have recommended or desired that the Nabob would order the accounts to be finished; more than this, I can venture to affirm that I never did recommend or desire; and I am the more positive in this, because I do remember more than once to have said to Mr. Stracey, (Interpreter) after having conversed with the Nabob on this subject, that I thought the manner in which he introduced and spoke of it, indicated a wish or desire in him that I should recommend them, which I would not do, as I suspected the Nabob would make use of it against myself; and having questioned Mr. Stracey upon this matter, he recollects the same. The Nabob further takes notice in his letter of the 1st October, that he had desired me to speak to Messieurs Smith and Monckton, to consent to a prolongation of the term of payment, which they refused. It is very true the Nabob did desire me to inform them, that he wished to defer the payment; and in consequence I did desire Mr. Stracey, who interpreted between the Nabob and me, to inform Messieurs Smith and Monckton of what the Nabob desired; it is also true that those Gentlemen were not satisfied to wait longer; but they were in the Nabob's hands, and had no means of redress; they could not have the support of Government; and I do declare, that I never did apply to the Nabob, directly or indirectly, to pay them; nor do I recollect to have heard any thing more about it, until the receipt of the Nabob's letter of the 1st October, wherein he mentions that he had sent the money to Mr. Smith.

Mr. Hastings and General Smith acquaint the Board that the foregoing report of the President contains, to the best of their recollection, a true and just recital of what passed between the Nabob and the Committee on the subject.

*Remarks of the Members of the Select Committee.*

We the subscribers, Members of the Select Committee, think it proper to enter our opinions upon this occasion separately, as standing in a different predicament from the other Members of the Board. We consider ourselves as objects of the Nabob's resentment, for having upon all occasions opposed every measure urged by the Nabob, which appeared to us injurious to the Company's true interest; for although the Board have joined and supported us in the most obnoxious of those transactions, yet we think ourselves more particularly and personally marked, as the deliberations on such subjects have passed between the Nabob and the Select Committee, in which the Members of the Board did not appear to have any part: but we think ourselves more especially the objects of the Nabob's resentment, on account of our inflexible perseverance in the measures, which the Committee pursued for obtaining payment from the Nabob of his debt to the Company in preference to his private creditors; for a proof of which, we need only refer to his letters since these transactions; and when we consider the manner in which the Na-

bob

Nabob communicated the transactions of Messieurs Smith and Monckton to the Select Committee, the desire he expressed that it might not be brought to a public enquiry, the subsequent adjustment of the accounts upon the Nabob's own terms, and the very cautious and circumspect conduct we have observed throughout the whole, we think we have cause to consider the Nabob's letter of the 1st October as a charge levelled more at us than against Messieurs Smith and Monckton, and intended to insinuate, that we have protected and countenanced such transactions, than which nothing is more distant from truth. Considering ourselves therefore as parties accused, we think ourselves not competent to enter into the merits; for it is obvious, that if on the one hand we should decide with rigour, it would now be imputed by some to fear, and a consciousness of having been too remiss before; and if, on the other hand, we were to consider the particular circumstances of the case as sufficient to extenuate the offence, and to warrant a deviation from the strict letter of Company's order of 1766, that might by others be imputed to pique against the Nabob, or construed a proof of that partiality which has been indirectly laid to our charge. The middle course therefore is that which we think most prudent for us to adopt; the state of the transaction is now as clear on our records as we can make it, we beg leave to refer the decision to the Honourable Court of Directors.

*Opinion of the Board thereon.*

The Board having taken the foregoing into consideration, are of opinion, that the orders of the Court of Directors against lending money at an exorbitant interest are so very clear and positive, that there could be no room to hesitate what sentence to pronounce on the conduct of Messieurs Smith and Monckton, did not there appear particular and singular circumstances attending the transaction before us, which may place it in a different light from the loans which are so expressly forbid by order of the Court of Directors, in the 33d paragraph of their letter of 17th March 1766; and which may induce the Honourable Court of Directors to be of opinion, that those Gentlemen are not deserving of the severe sentence of being suspended, and obliged to leave their concerns in India, and to proceed to England; more especially as it appears from the President's report, that the Nabob did not intend, by divulging this transaction, that it should operate to their prejudice: the Board are therefore of opinion, and it is accordingly ordered, that the whole matter be referred to the determination of the Court of Directors.

Jos. Du Pré  
Warren Hastings  
Saml. Ardley.  
John Smith  
Geo. Stratton  
Henry Brooke  
Richd. Brickenden  
John Whitehill  
Geo. Mackay.

*Extract of Proceedings of the President and Council at Fort St. George, in their Military Department, 3d February, 1773.*

THE following letter and account were received from Mr. Monckton, and read in Consultation the 27th January, and were forwarded to the Honourable Court a number in the packet per Nassau. T



*To the Honourable Josias Du Pré Esquire, President and Governor, &c. Council of Fort St. George.*

Honourable Sir and Sirs,

IN consequence of your orders notified to me by Mr. Secretary Petrie, I beg leave to lay before your Honours a statement of what money I received from the Nabob; the interest I received being only 10 per cent. of consequence I have not any thing to refund.

I have the honour to remain,

Honourable Sir and Sirs,

Your most obedient humble servant,

Madras,  
24th January, 1773.

E. MONCKTON.

*A Statement of the Loans made by me to the different Renters, with the Interest I received on the said Loans.*

*Putchepaw, Chingleput Renter.*

1769.

June	18	To cash lent him	—	5000	
August	26	To ditto	—	5000	
				<u>10,000</u>	

Interest at 10 per cent.

On Pagodas 5000, from 18th June 1769 to 30th April 1770, is 10 months, 12 days 433 . 12

On ditto 5000, from 26th August, 8 months, 4 days — 338 . 32

772 . 2

10772 . 2

September 20	Received of him	—	1000
October 12	Ditto	—	1000
November 4	Ditto	—	500
December 18	Ditto	—	375
			<u>3375</u>

On Pagodas 1000, from 21st September to 30th April, is 7 months, 11 days — 61 . 17

On ditto 1000, from 13th October to ditto — 56 . 28

On ditto 500, from 5th November to ditto, 5 months, 25 days 24 . 36

On ditto 500, from 18th December to ditto, 4 months, 11 days 18 . 7

161 . 4

3536 . 4

7235 . 40  
Cheva-

Chevachitumbara Pilla, Chingleput Renter.

June	-	18	To cash lent him	—	3000	
		25	To ditto	—	2000	
					<u>5000</u>	
			Interest at 10 per cent.			
			On Pagodas 3000, from 18th			
			June 1769 to 30th April			
			1770, is 10 months, 12 days.			
					260	
			O 2000, from 25th ditto			
			ditto, 10 months, 5 days.			
					169 . 16	
					<u>429 . 16</u>	
					5429 . 16	
September	20		Received of him	—	1000	
	30		Ditto	—	500	
November	6		Ditto	—	1000	
					<u>2500</u>	

			Interest at 10 per cent.			
			On Pagodas 1000 from			
			21st September 1769			
			to 30th April, 7			
			months, 9 days.			
					60 . 34	
			On ditto 500, from			
			30th ditto ditto 7			
			months			
					29 . 8	
			On ditto 1000, from 6th			
			Novr. ditto, 4 months,			
			24 days			
					48 . 26	
					<u>138 . 26</u>	
					2638 . 26	

2790 . 32

Woomajee Vencatârow.

June	-	19	To cash lent him	2000	
			Interest on Pagodas 2000,		
			from 19th June 1769		
			to 30th April 1770		
				167 . 9	
				<u>2167 . 9</u>	
March	-	10	Received of him	330	
			Interest from 11th March		
			to 30th April, 1 month,		
			19 days		
				4 . 16 . 16	
				<u>334 . 16 . 16</u>	
				1832 . 34 . 64	

Y y y

May

May - - 1	Received from the Nabob a bond for Pagodas	11859 . 22 . 64
	Interest at 10 per cent. per annum on	
	11859 . 2 . 64 Pagodas, from the 1st May	
	to the 30th October	599 . 24
	Balance received the 8th November 1770	
	from the Nabob	Pagodas 12459 . 4 . 64

E<sup>D</sup>. MONCKTON.

*Extract of Proceedings of the President and Council at Fort St. George, in their Military Department, 21st December, 1772.*

MR. CHARLES SMITH delivers in the following account, which was adjusted with the Nabob six months before the complaint was made; by which it appears that Mr. Smith has received no more than 10 per cent. on the sums lent by him.

*Account of Money lent by Mr. Charles Smith to the Renters upon their Bonds, and for the amount of which he received His Highness the Nabob's Bond, dated the 1st April 1770, payable in six months, with interest at 10 per cent. per annum.*

1769.

January 23d. Trucommy Eyare, Topildar of Satmaganam, or Rojopendel, renter of the said Satmaganam

Interest on Pagodas 3000, from 23d January 1769 to 31st March 1770, 14 months, 7 days, at 10 per cent. per annum

355 . 30

3355 . 30

Deduct the following sums

received, viz. 23d June 1769 736  
1st July ditto 300

1036

Interest on the following sums at 10 per cent. per annum on Pagodas 736, from 23d June 1769 to 31st March 1770, 9 months, 7 days 56 . 22 . 58

Ditto 300, from

1st July 1769

to 31st March

1770, 9 months 22 . 18

79 . 4 . 58

1115 . 4 . 58

Carried forward

2240 . 25 . 22



		Brought over	2240 . 25 . 22
25th January. Latchmanaroy, renter of Covelong	—	500	
Interest on Pagodas 500, from 25th January 1769 to 31st March 1770, 14 months, 5 days, at 10 per cent. per annum		59 . 1	
		<hr/> 559 . 1	
Deduct the following sums received, viz. 31st Oct. 1769	342		
Interest on Pagodas 342, from 31st October 1769 to 31st March 1770, 5 months, at 10 per cent. per annum	—	14 . 9	
		<hr/> 356 . 9	202 . 28
August 1st. Govenderoy, renter of Manamagalam		2684	
Interest on Pagodas 2684, from 1st August 1769 to 31st March 1770, 8 months, at 10 per cent. per annum	—	178 . 33 . 48	
		<hr/> 2862 . 33 . 48	
August 19th. Patchapah, renter of Chingleput	—	11,000	
Interest on Pagodas 11000, from 19th August 1769 to 31st March 1770, 7 months, 11 days, at 10 per cent. per annum		675 . 10	
		<hr/> 11675 . 10	
September 1st. Patchapah, renter of Chingleput	—	2,100	
Interest on Pagodas 2100, from 1st September 1769 to 31st March 1770, 7 months, at 10 per cent. per annum		122 . 18	
		<hr/> 2222 . 18	
4th. Ramaswamy, renter of Poonamallee	—	4,000	
Interest on Pagodas 4000, from 4th September 1769 to 31st March 1770, 6 months, 26 days, at 10 per cent. per annum		228 . 32	
		<hr/> 4228 . 32	

September 12th. Coorum Appaniah, renter of Tripaffore	—	4000	
Interest on Pagodas 4000, from 12th September 1769 to 31st March 1770, 6 months, 18 days, at 10 per cent. per annum	—	220	4220
October 12th. Sheva Chil-lambara Pilla, renter of Carangoly	—	3000	
Interest on Pagodas 3000, from 12th October 1769 to 31st March 1770, 5 months, 18 days, at 10 per cent. per annum	—	140	3140
		Pagodas	30793 . 2 . 70

The 1st April, 1770.

Errors excepted,

Per CHARLES SMITH.

*Extract of Proceedings of the President and Council at Fort St. George, in their Military Department, Monday, 26th November, 1770.*

### P R E S E N T,

Josias Du Pré Esquire, Governor, President.

Warren Hastings	Joseph Smith
Samuel Ardley	John Smith
George Stratton	Henry Brooke
George Mackay.	

THE Nabob not having yet returned any answer to the letter wrote him on the 5th instant, requesting his answer to the several points therein proposed to him; and as we are in a state of doubt and uncertainty with regard to the arrangements to be made for want of an answer thereto, particularly to the 12th article regarding the money which he promised to pay, a letter is therefore now wrote to him, requesting his immediate answer on that subject.

*From Governor Du-Pré to the Nabob of the Carnatick, dated 26th November, 1770.*

IT is now almost a month since the Select Committee had the honour to wait upon your Excellency, and three weeks have elapsed since I had the honour to address

address you in writing on subjects of the greatest importance to the safety and welfare both of the Company and of the Carnatick. It was your Excellency's own proposal, that whatever we should have to communicate to you on important subjects might be communicated in writing, and you promised in like manner to give us your sentiments and answer in writing; nevertheless to this hour I have not received the least intimation of your intentions or resolutions in respect to any of the twelve propositions I had the honour to lay before you in my said letter of the 5th instant. One of them very materially affects the interest of the Company, separately and distinctly from the interest of the Carnatick; it is the twelfth, wherein I required to be informed of your intentions in respect to the payment of twelve Lacks of Pagodas, conformably to your agreement with the Committee in December last: relying on the performance of that agreement, we have included that sum in the general calculate of resources to support the various branches of the Company's affairs; but as near two months have elapsed since the first Kist of the twelve Lacks, conformable to the said agreement, became due, without receiving any part thereof, and without receiving any intimation of your intentions, we are thereby involved in doubt and perplexity; we know not whether to proceed in the investment, (i. e. in providing goods to be sent to Europe) or to put a stop thereto entirely or in part: we are even at a loss what measures to take for the safety of the Company's possessions, since the providing in time for the charges of this Government is the first principle, and our measures must be formed on your resolution in this respect. This being the case, I can no longer defer making the most pressing instances that you will favour me with your answer to the said proposition contained in my letter of the 5th instant; it is a very simple one, and may be answered in one word by an assent or dissent, Yes or No; your reasons, if you chuse to give any, may, without injury to the subject, follow after. We are sorry upon any occasion to deviate from the common forms of our mutual intercourse, or to shew the least appearance of impatience; the necessity we are under of taking some resolution in respect to the Company's money transactions without delay, obliges me to inform your Excellency, that if in the space of five days from the date hereof you should not think proper to return me an answer to the said proposition, we must and shall take it for granted that your resolution is not to pay the money according to agreement; and our resolution in consequence must be such, by a change in all our material arrangements, as will very essentially prejudice the Company's affairs, even should you afterwards resolve to furnish us with money.

*From the Nabob of the Carnatick to Governor Du Pré, dated 25th November, and received 1st December, 1770.*

I HAVE received your letter of the 21st of May last: † you tell me of the satisfaction you derive from that passage in my letter of the 12th of that month, wherein I say, "That it is much to be wished the time which has been spent in this "business had been employed in a correspondence for the defence of the Carnatick;" and for this reason, that seeing the necessity, I had at last adopted *that* recom-

† Vide Page 236.



mentation which the Committee so often and so pressingly urged to me throughout the course of many months: that the altercations which passed between the Committee and me were on my part voluntary, but on the part of the Committee necessity: that you know of no other crime the Committee has been guilty of toward me, but *that* of executing the orders of their Superiors, in desiring the reimbursement of the sums the Company had expended, and which were due from me; that I at length condescended to comply therewith; and had I at first listened to the Committee's cordial advice, which was in my own option, not being, as you are, accountable to Superiors, many months spent in vexatious litigations might have been profitably employed in the public service; and that the Committee, even now, were desirous of my sentiments on the present state of affairs, and had lost no time in urging me to declare them, that measures might be taken in conjunction with me suitable thereto, but that nevertheless they still remained in suspense.

I do say very sincerely that these expressions of the Committee, lamenting the loss of time past in fruitless altercations, were and are my expressions, and I mentioned the same in my letter of the 30th January last. † I will not term the Committee's desiring the Company's balance to be paid first, conformable to the orders of their Superiors, a crime on their part, *for you are under a necessity of complying with the orders of your Superiors*; still however, in any matter that is a little disagreeable to you, by representing the great distance of Europe, and the want of information on the part of your Superiors, when compared with yourselves (who are so much nearer) you do therein just as you think proper; *and any thing that is agreeable to you in the first place, there is no occasion for orders from your Superiors; but should they come, you put the same into execution, pleading your want of power to deviate therefrom.* It is true, that the Committee desiring ~~that~~ the Company's balance to the end of the year 1769 might be paid in preference, conformable to what their Superiors had wrote to them, was not in itself improper; but then that desire ought to have been expressed in such a manner as to have accomplished the Company's business, and at the same time been effected with the good pleasure of the Company's most sincere friends.

*From the Nabob of the Carnatic to Governor  
Du Pré, dated 25th November, 1770.*

*The Board's Remarks.*

(A) CONSIDER that a great part of the time that is passed has passed in fruitless altercations, and in confuting each other's propositions; the consequence of which I observed, and therefore consented to your desire; it was me therefore, certainly, who put an end to these altercations. Although I am not accountable to Superiors, yet it is not right that knowing this I should consent to every thing that is desired of me, let it be ever so contrary to the interests of my country or it's inhabitants. From the commencement

(A) THE Proceedings of the Select Committee will shew minutely every step that was taken, and the Committee think it will appear thereby, that they proceeded with all the gentleness and caution that the case would admit of; *but as they did not give up the point of preference in favour of the Company, but by persisting obtained more money from the Nabob than he would ever have paid voluntarily, the offence is unpardonable!* 'Tis true the Nabob put an end to the altercations, by complying at length with the Committee's reasonable

† Vide Page 202.

LETTER.

menacement of that strength of regard subsisting between me and the English Nation. I have never been deficient in mentioning my sentiments, nor will in future be, but *when* were they ever followed that they should now be so?

(B) As for instance;—it was my advice to Mr. Pigot not to give the Tinnevelly country to Moodely, and the same also respecting Ustoff Khan; in Mr. Palk's time also I frequently mentioned my sentiments respecting the Circars; and in Mr. Bouchier's, seeing the future difficulties which now the Committee and I are apprehensive of experiencing on account thereof, the laying waste of the country, and the distress of it's inhabitants, I gave my sentiments in writing not to agree to the assisting of Hyder Ally Khan; and now in your Government likewise have expressed them, particularly regarding the Marattas, in my letters of the 7th June and the 17th August last; and if the Committee persist now, the same as some months before, in *not understanding* what I said, there is no doubt but they will be in suspense, and for which I shall not be to blame.

You say, in order to convince me of your inclination to avoid controversy, you shall mention no more in reply to my above-mentioned letters than is absolutely necessary for your justification; that it was for that purpose, and no other, that your letter of the 9th April † was written. *That the case was, that some of my creditors had threatened to ruin you and the Committee, if they can, by prosecution at law, for having been instrumental in prevailing on me to pay the Company in preference to them. That the manner in which I put a sum of money in your hands, before you knew for what purpose it was intended, and declaring it was for their use, might have subjected the Committee and you to some disadvantage in their intended attacks; if it had not appeared, by a full and clear declaration, how and in what manner that money came into your hands; that this being done, those creditors may now make what use they can of it.*

3

REMARKS.

reasonable desire; they said so, and that it only depended on him to have done it sooner.

(B) The circumstances respecting the transaction in the affairs of the Tinnevelly country and the Circars, we beg leave to refer to the gentlemen who had the management of affairs at those times. With respect to the treaty of peace with Hyder Ally Khan, every individual of the Council at that time can truly say the same as the Nabob, that they disapproved of the peace, and particularly the article of alliance. But what alternative had we? The only one proposed by the Nabob was that of calling in the Marattas. We understand now, and have long understood very clearly the Nabob's inclination, which is at this very time to join the Marattas, but he has not candour enough to say so in express words, on the contrary he always professes a desire of peace, at the same time that the sentiments which he chuses to declare lead directly to that alliance.

† Vide Page 222.

## LETTER.

it. That you took no notice in your letter of the 9th April, of the transactions between my servants and your's, because they were the transactions of servants only, and that you are sorry it should have caused me to employ so much time in a matter of so little consequence :—all which I observed.

(C) Respecting the creditor's displeasure at you and the Committee, and your ill will towards them, I can say nothing, except expressing the concern I feel thereat. You may, if you please, term the sending for back of my treasurer, with money for my treasury, by force, a matter of no consequence, but I will not term it so; had my servants done such a thing, *then* every one would have seen the importance of this matter of no consequence, as my letter of the 1st May particularly mentions.

You say, that I sent to you Porto Novo Pagodas and Madras Pagodas as a deposit, that they were accordingly deposited by your consent, order and approbation, in the hands of the Company's Shroff, from which moment you became answerable for them; that they ought not therefore to have been taken out of his hands, without your knowledge and consent by my servants; that you were displeased with the Shroff and your servants for suffering it, and that they, to rectify their error, may possibly have ran or sent after my servants who carried it away; concerning which, all you can say is, that if they behaved in any respect improperly, you are sorry for it, and will reprimand them; that I should do the same also by my servants, who were more faulty, being the cause. That the necessity of finishing the dispatches for Europe had obliged you to shut yourself up for some time with the Secretary, which you accordingly did, and left orders that whoever should come to speak to you, should either wait without or come again; that whilst you were so engaged my servant came, and was told by your people of the cause that you could not be spoke with; that he being impatient, informed your Dubash of his business, and that

## REMARKS.

(C) These transactions are already sufficiently explained in the President's letters of the 9th of April †, and the 21st of May ‡.

† Vide page 236.

‡ Vide page 222.



LETTER.

REMARKS.

that the Dubash, not knowing with what intention I had sent Porto Novo Pagodas and Madras Pagodas, and not conceiving that there could be any harm in the exchanging them for others, complied with my servants' desire; but that my servants probably knew my intention therein, and should not therefore have executed his commission, by taking advantage of your's:—all which I observed. You yourself agree that the Pagodas were left in the Shroff's hands with your consent, order, and approbation; that from that time you became answerable for them, and that therefore they ought not to have been taken out of his hands without your knowledge or consent, which however my servants did. Notwithstanding the great attention paid to orders amongst the English, and that you especially, more than every one, are an observer thereof; how could the Shroff, at the desire of my servants, without your knowledge, deliver up to others those Pagodas which you had trusted to him? The running of the Peons who attend your person, and the bringing with them a note for the carrying back by force of my money and treasurer, caused me great astonishment, and made me very uneasy, thinking that this treatment was by your order; but by your letter I now find it was not so, that this was the treatment of your servants; which has made me still more uneasy and astonished, that 'till the receipt of my letter you should be unacquainted with the behaviour and actions of your servants. You tell me "That you esteem my servants more (D) to blame than your own." If your servant was unacquainted with your intention, how can you think it probable that my servant should be acquainted with mine? Your servant is more to blame than mine, for this reason; for he, by his own authority, without your order or knowledge, took the money out of the Company's treasury, and gave it to my servant, and then by force sent for the money again out of my treasury, together with my treasurer.

You tell me, that honour and reputation should be founded on the solid basis of a rock;

(D) For this plain reason the Nabob had, it is very evident, an object in view, which it is reasonable to suppose he instructed his servants how to execute. The President knew nothing of the matter, and was therefore unguarded. The money never was in the Company's treasury, nor did his servant send for it out of the Nabob's treasury; he sent a message after the Nabob's servants, who were carrying it away.

## LETTER.

rock; but that by what I say, it should appear as if the fame were to be shaken like a straw by the wind. That if I will lend, agreeable to the Company's recommendation, a favourable ear to the advice of their representatives, you will answer that my honour, my reputation, and my interest also, shall claim their constant attention, whether I be absent, or whether I be present, as their guest. That it is certain the laws of hospitality enjoin great attention from the host to the guest; protection, respect, and every convenience the family affords should be given; that you are in hopes you have not been deficient in all these points: that there are some attentions, however, due also from the guest to the host; and should discord arise in the family, it would be a most kind office in the guest to mediate a reconciliation: and that you shall only observe, that *this* is the Company's house, myself their guest, and the inhabitants their family.

It is very certain that honour and reputation ought to be like a rock, not like a straw, to be shaken about by every breath of wind; but my meaning was not as you took it. By God's blessing *Kings and the East-India Company are convinced of my honour and reputation; and 'till this time eight Governors have paid attention to the former, and I expect the same from you also; for wise men, conformable to their private estimation of the worth and dignity of their friends, treat them also in public, in order that before spectators nothing contrary thereto may appear. By what you say, I understand, that if I will listen to the advice of the Committee, you will answer that attention shall be paid to my honour and reputation; hitherto then, by your now mentioning it as conditional, you were not bound to pay (E) attention thereto; this is most surprising indeed.*

You mention, that there are some attentions also due from the guest to the host; and should discord arise in the family, it would

be

## REMARKS.

(E) This cavil hardly deserves a remark; a reference to the passage which gave rise to it, will be sufficient to shew that it is a mere cavil.

All the rest of the letter relates to the transactions relative to the creditors, which has already been sufficiently explained.