

MADRAS RECORD OFFICE.

Government of Madras.

DEPARTMENT.

Financial

G.O. No. 526

Press
~~Mis.~~

Dated 20. 10. 1868

B. No. 47-48

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Not to be folded or roughly handled

*Proceedings of the Madras Government, Financial Department,
20th October 1860.*

No. 47. Read the following letter from F. LUSHINGTON, Esq., Acting Accountant General, to the Chief Secretary to Government, Fort Saint George, dated 18th October 1860, No 237.

With reference to your letter of the 5th instant, forwarding copy of a letter from the Financial Secretary to the Government of India, dated 21st September 1860, and requesting me to obtain and submit to Government in a demi-official form, a statement of the views of the Directors of the Madras Bank as to the arrangements which should be made with the Bank for the withdrawal of their Notes from circulation, I have the honor to forward a communication* this day received from the Secretary of the Bank, expressive of their views on the subject in question.

* *In original.*

From ROBERT HUNTER, Esq., Secretary and Treasurer, to F. LUSHINGTON, Esq., Officiating Accountant General, Madras, dated 17th October 1860, No. 15-4.

With reference to the demi-official communication made by you to the Directors of the Bank of Madras, I am desired to forward you the annexed extract from the Proceedings of the Board held yesterday.

Extract from the Proceedings of a Meeting of the Directors of the Bank of Madras, held on the 16th October 1860.

"With reference to the demi-official communication made to the Board, by Mr. F. Lushington, Government Director, to the effect that the Government of India desire to know the views of the Directors respecting the withdrawal of the Bank's circulation, and the compensation which will be looked for from Government for the loss of it, it is resolved, to request Mr. Lushington to inform the Government, that supposing the compensation is to be made by the employment of the Bank in transacting Government business, of a profitable character, and by the granting of privileges more extensive than those now existing, the Board will not hesitate to enter into negotiation for the adjustment of these matters on a fair and equitable basis. In the first place it is suggested that the Government Bank with the Bank of Madras, guaranteeing a minimum balance to be fixed on the principle of a liberal compensation for the loss of the circulation, the published returns will show that the latter has of late years been steadily increasing in amount."

"The Bank proposes to make the Government disbursements, including the payment of the public dividends, upon a moderate scale of commission or allowance, to be agreed upon after the necessary data are furnished by Government. A similar arrangement may be made for making and receiving shipments of specie."

"With regard to privileges: all restrictions, now existing in the Charter, which were made on the ground that the Bank is one of issue, should be removed. Restrictions as to discounting, and the terms and period of advances may be removed, and, on the whole, the interests of the proprietors left as much as possible to be taken care of by themselves."

(True Extract.)

(Signed) ROBERT HUNTER,
Secretary and Treasurer Bank of Madras.

No. 48. To the Secretary to the Government of India, dated Fort Saint George, 20th October 1860, No. 526.

I have the honor to acknowledge your letter, dated 21st ultimo, No. 9,521, requesting to be furnished in a demi-official form with a statement of the views of the Directors of the Madras Bank as to the arrangements which should be made with the Bank for the withdrawal of

Proceedings of the Madras Government, Financial Department,
20th October 1860.

their Notes from circulation, on the introduction of the Government Paper Currency, and to forward, for the information of the Government of India, a copy of a communication from the Acting Accountant General, and its enclosure containing the views of the Directors on the subject.

(Signed) T. PYCROFT,
Chief Secretary.

Exd. S. T. Augustin.

Sept 20 - for 1st

Financial Department

N^o. 526.

To

The Secretary to the Government of India

Sir,

I have the honor to acknowledge your letter dated 21st Ultimo. N^o. 9521, requesting to be furnished in a demi-official form with a statement of the views of the Directors of the Madras Bank as to the arrangements which should be made with the Bank for the withdrawal of their Notes from circulation, on the introduction of the Govt. Paper Currency, and to forward, for the information of the Govt. of India, a copy of a communication from the Acting Accountant General ^{enclosure} and its enclosure containing the views of the Directors on the subject. ~~in question.~~

Dated 18th October 1860. N^o. 237.

Intd. St. George
20th October 1860.

I have &c.
JP

20. 10. 1875

Financial 1875 Report

47-526

To
The Secy: to the Govt:
of Quebec

20th October 1875.

Forwarding copy
of a Communication
from the Secy: of the
General also its
contents respecting the
arrangements which
should be made with
the Bank for the
withdrawal of their
notes from circulation
in the notes section
of the Govt: Paper
Currency.

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