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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No.	<u>660</u>	Press
		Mis.
<u>17-18</u>		
Dated	<u>11-9-</u>	18 <u>61</u> .

17-186/7Not to be folded or roughly handled

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*Proceedings of the Madras Government, Financial Department,
11th September 1861.*

No. 17. Read the following letter from C. H. LUSHINGTON, Esq., Secretary to the Government of India; to the Chief Secretary to the Government of Madras, dated Fort William, 23rd August 1861, No. 10,368.

Financial Department.

In continuation of my letter, No. 9,588, dated the 2nd instant, I am desired to forward to you a printed copy of the Memorandum of Agreement with the Bank of Bengal, with a view to a similar Agreement being concluded with the Bank of Madras.

2. I am desired at the same time to return the copy of the Charter of the Bank of Madras, as modified by the Directors of that Bank, which accompanied your letter, No. 280, dated 6th June

"I think that it will be necessary that the Bank of Bengal should have the authority of the Legislature for entering into such an agreement as the present, especially as regards that part of it which relates to the currency business and to the engagement by the Bank to cash the Government Notes."

last, with an intimation that it should contain authority of the nature described in the opinion of the Standing Counsel of this Government quoted in the margin, and with a request that it may be submitted to the Law Officers of the Madras Government for their opinion, with reference to the Paper Currency Act and the Terms of Agreement with the Bank of Bengal, to be adopted with necessary modification by

the Bank of Madras; and returned to this Government with the remarks of the Government of Madras with as little delay as possible.

3. With regard to the maximum and minimum balances referred to in your letter of the 6th June, the Governor General in Council is of opinion that 12 and 8 lacs are the highest that can be allowed, with reference to the amounts ($7\frac{1}{2}$ and $5\frac{1}{2}$ lacs) obtained from the average daily circulation ($16\frac{3}{4}$ lacs) stated in the previous correspondence as compared with the amounts settled with the Bank of Bengal, with reference to the average daily circulation of that Bank.

No. 18. ORDER THEREON, 11th September 1861, No. 460.

Resolved accordingly that the foregoing letter and its enclosures be forwarded to the Acting Government Solicitor in view to the copy of the modified Charter of the Bank of Madras being submitted to the Advocate General for his opinion, with reference to the Paper Currency Act and the Terms of Agreement with the Bank of Bengal, to be adopted with necessary modification by the Madras Bank.

2. A copy of the letter now received will also be furnished to the Accountant General, in reference to his letters, dated 21st and 27th May last, Nos. 21 and 29, and for communication of the last paragraph to the Directors of the Bank of Madras.

(Signed) J. D. SIM,
Secretary to Government.

Exd. T. O'Connor.

adopted

30
N^o 10368

From,

C. H. Lushington Esq^r
Secy to the Gov^t of India

To,

The Chief-Secretary to the Gov^t
of Madras

Finl. Depart. Sir,

In continuation of my letter, N^o 9588, dated the 2^d Instant, I am desirous to forward to you a printed copy of the Memorandum of agreement with the Bank of Bengal, with a view to a similar agreement being concluded with the Bank of Madras.

2. I am desirous at the same time to return the copy of the charter of the Bank of Madras, as modified by the Directors of that Bank, which accompanied your letter, N^o 280, dated 5th June last, with an intimation that it should contain authority of the nature described in the

"I think that it will be necessary that the Bank of Bengal should have the authority of the Legislature for entering into such an agreement as the present, especially as regards that part of it which relates to the Currency business and to the engagement by the Bank to Cash the Government Notes"

opinion of the standing Council of this Government quoted in the margin, and with a request that it may

be submitted to the Law Officers of the Madras Government for their opinion, with reference to the Paper Currency Act and the Terms of agreement with the Bank of Bengal, to be adopted

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adopted with necessary modification by the
Bank of Madras; and returned to this Govern-
ment with the remarks of the Government
of Madras with as little delay as possible

3. With regard to the maximum and
minimum balances referred to in your letter
of the 6th June, the Governor General in
Council is of opinion that 12 and 8 lacs
are the highest that can be allowed, with
reference to the amounts (7½ and 5¼ lacs)
obtained from the average daily circulation
(16¾ lacs) stated in the previous correspond-
ence as compared with the amounts settled
with the Bank of Bengal, with reference
to the average daily circulation of that
Bank.

I have the honor to be,
Sir,
Your most obed^t Servant

Fort William
The 23^d August 1861
X 77P

Wm. R. ...
Secy to the Govt of India

W. R.

Financial Department

Proceedings of the Madras Govt

Read the following letter from the Secretary to the Govt of India.

(Dated 23 Aug. 1861. No. 10368)

Order thereon. 11 Sept. 1861 No. 460.

Resolved accordingly that the foregoing letter and its enclosures be forwarded to the Acting Govt. Solicitor in view to the copy of the modified Charter of the Bank of Madras being submitted to the Advocate General for his opinion, with reference to the Paper Currency Act and the Terms of Agreement with the Bank of Bengal, to be adopted with

W. M.

R. M.

No 28th Aug. 1861

File 1861 Defect

From

The Secy to the Govt

India. No. 10368

28th Aug. 1861.

29th Sept. 1861.

Enc 2

No. 517

In confirmation of his letter of the 22nd Aug. 1861 on the subject of the new currency, forward a printed copy of the Memorandum of Agreement with the Bank of Bengal in view to a similar agreement being concluded with that of Madras. I return the copy of the Charter of the Madras Bank sent to him, with a copy of the instructions.

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with necessary modification by the Madras Bankers Association

2. A copy of the letter now received will also be furnished to the Accountant General in reference to his letter dated 21st & 27th May last. For 21 & 29. and for communication of the last para to the Directors of the Bank of Madras

J. D. S.

To the Secy. to the Government
with the enclosure
a Res^t General.
J. D. S.

11/9. Memo of Agreement
with the Bank of Bengal -
Modified Charter of the Bk of Madras
Act XIX of 1861.

16-210

14-18

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April 1887. Deposition
No 460
Pro: of Court
Dated 11th Decr 1887-