M.R.O. 1—77,000—8-6-31.

(1) Number of pages 6.

(2) Date of repair 3. 7. 89.

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

financial DEPARTMENT.

G.O. No. 520 Press/Mis.
46-47

Dated 15-7- 1862.

46-47 4/4

Not to be folded or roughly handled

FINANCIAL DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following letter from the Honorable E. DRUMMOND, Secretary to the Government of India; to the Chief Secretary to Government, Fort Saint George, dated Fort William, 30th June 1862, No. 4,341.

Financial Department.

I am directed to forward to you for any observations which the Government of Madras, or the authorities of the Presidency Bank, may have to offer on the subject, a copy of a letter, No. 3,820, dated the 7th instant, from the Secretary and Treasurer of the Bank of Bombay, representing that the paper upon which the Government Currency Notes are printed is unsuited for circulation among the Natives.

From JAMES BLAIR, Esq., Secretary and Treasurer, Bank of Bombay; to the Honorable A. D. ROBERTSON, Esq., Acting Chief Secretary to Government, Bombay, dated 7th June 1862, No. 3,820.

I am directed respectfully to draw the attention of Government to the fact that the paper upon which the Government Currency Notes are printed is entirely unsuited for circulation amongst the Natives.

Several cases have already occurred in which Notes have been presented in so tattered a condition as to place the Directors in a position of considerable difficulty, as whilst on the one hand the refusal to cash a Currency Note, from whatever cause arising, must tend to a certain extent to impede the circulation, so on the other, the Directors are unwilling to incur the responsibilityof cashing a Note, the registry of which would be impossible in a case where the number was missing.

The experience which the Directors have acquired, through the Bank's circulation, induces their conviction that although in England, where the Bank of England never re-issues a Note, this sort of paper may be excellently adapted for the purpose, still, in this country, where with a far more limited executive, the re-issue of the Notes as frequently as possible is absolutely necessary, the material of the Notes should be of a much stouter character.

It should not, also, be overlooked that the Notes are subjected to greater wear and tear from the ignorance and carelessness of Natives in India, than they would be in England from the same cause.

It should also be borne in mind that the Notes have not yet experienced the monsoon, which always operated injuriously on the much stronger material of which the Bank's Notes were composed.

The Directors therefore trust that this important point will receive consideration when fresh supplies of Notes are being prepared.

(A true Copy.)

(Signed) E. DRUMMOND,
Secy. to the Govt. of India.

ORDER THEREON, 15th July 1862, No. 520.

Ordered that the foregoing letter and its enclosure be referred to the Directors of the Bank of Madras; and also to the Accountant General, who will obtain and submit the opinion of the several Collectors in this Presidency on the subject adverted to.

(True Extract.)

Acting Chief Secretary.

To the Directors of the Bank of Madras.
,, Accountant General.

Exd. F. Cartledge.

The stouter the paper the more liable to tear when folded

No. 4341

To

The Chief Secretary to the Government of
Fort Saint George.

Financial Department.

Sir,

I am directed to forward to you for any observations which the Government of Madras, or the Authorities of the Presidency Bank, may have to offer on the subject, a copy of a letter, No. 3820, dated the 7th instant, from the Secretary & Treasurer of the Bank of Bombay, representing that the Paper upon which the Govt. Currency Notes are printed is unsuited for circulation among the Natives.—

I have the honor to be,
Sir,
Your most obedt. Servant,

Secretary to the Government
of India.—

Fort William,
The 30th June 1862.—

List of 25 July

Finl 1862 Deptt

~~Procdgs 11 of 18~~ [illegible] 62

From

The Secy to the Govt of India, Fl Dt 4341.

Df 20th June
Rd 14th July } 1862.

Encl 1.

No 583

Forwards for any observations which this Govt or the Authorities of the Presy Bank may have to offer on the subject Copy of a letter from the Secy & Treasurer Bank of Bombay representing that the Paper on which the Govt Currency notes are printed, is unsuited for Circulation among the natives.

Write an Order

14

No 520 - 15 July 1862

Ordered that the foregoing letter & its enclosure be referre
to the Directors of the Bank
of Madras, & also to the Ac-
-countant General, who
will obtain & submit the
opinions of the several Collectors in this Presidency on
the subject adverted to.

To the Directors of the Bank of Madras }
— " — Acctt General } Despd 15th "