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(2) Date of repair 21.7.39

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 828 Press
92-93 Mis.

Dated 22-12- 1863.

92-93 617

Not to be folded or roughly handled

FINANCIAL DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following letter from R. W. LODWICK, Esq., Acting Deputy Auditor and Accountant General; to the Chief Secretary to the Government of Madras, dated Fort Saint George, 14th December 1863, No. 295.

I have the honor with reference to the various orders relating to the Government Currency Notes, to submit copy of a Notification which I consider should be published in the Government Gazette.

2. Treasury Officers appear in some places to be in doubt as to the extent to which Government paper may be cashed, and I have reason to believe that in some instances the orders issued for the immediate change of Government Notes presented by *bonafide* travellers have been read to mean that none but travellers are to receive cash for Notes, though such an interpretation of the orders given is perfectly indefensible.

3. In my opinion it is highly advisable to encourage the circulation of Currency Paper in every possible way, and though the orders of the Government of India lay restrictions on the cashing of Notes *largely*, I think there can be no danger in permitting the *sale* of Notes to regulate the *exchange* and to make the latter nearly equal to the former.

DRAFT.

NOTIFICATION.

Treasury Officers are requested to observe that where Currency Notes meet with a ready sale there is no objection to such Notes being cashed on presentation to a considerable extent. The restrictions against cashing Notes are intended to prevent Treasuries being drained of silver, but there can be no objection to cash being paid in exchange for paper to an extent nearly commensurate with the rate at which the stock of Currency Notes is found to be diminishing, always provided the Officer in charge of the Treasury is satisfied that the Notes presented have not been made a vehicle of remittance by Merchants, *e. g.*: If it be found that Notes are *sold* at the rate of say 20,000 Rupees a month, it will be perfectly right to *cash* Notes up to nearly that amount monthly say 15,000 Rupees, should the Treasury Officer be certain that the parties presenting the Notes for payment have not received them in the way of remittance, but in the regular course of exchange for coin.

FORT SAINT GEORGE,
DY. AUDR. & ACCOUNTANT GENERAL'S OFFICE, (Signed) R. W. LODWICK,
14th December 1863. *Acting Deputy Auditor and Accountant General.*

ORDER THEREON, 22nd December 1863, No. 828.

The Governor in Council approves of the Acting Deputy Auditor and Accountant General's proposal to issue a Notification of the character proposed in the foregoing letter, with reference to the cashing of Currency Notes, but the word "issue" should be substituted for "sale," and the proviso that the Officer in charge of the Treasury should satisfy himself that the Notes presented have not been made a vehicle of remittance by merchants should be omitted. It does not appear how the Treasury Officers can satisfy themselves on this point, and so long as the payment of cash for Notes does not exceed the issue of Notes, the proviso is, in the opinion of the Governor in Council, unnecessary.

(True Extract.)

Chief Secretary.

To the Acting Deputy Auditor and Accountant General.

Exd. T. Dunn.

Draft. 2 3/

Notification

Treasury Officers are requested to observe that where Currency Notes meet with a ready sale there is no objection to such Notes being cashed on presentation to a Considerable extent. The restrictions against cashing Notes are intended to prevent Treasuries being drained of Silver, but there can be no objection to cash being paid in exchange for paper to an extent nearly commensurate with the rate at which the Stock of Currency Notes is found to be diminishing always provided the Officer in charge of the Treasury is satisfied that the Notes presented have not been made a vehicle of remittance by Merchants - E. G. If it be found that Notes are sold at the rate of say 20,000 Rs a month, it will be perfectly right to cash Notes up to nearly that amount monthly say 15,000 Rs, should the Treasury Officer be certain that the parties presenting the Notes for payment have not received them in the way of remittance but in the regular course of exchange for Coin -

Fort St. George
Dy. Audr. & Acct. Genl's Office
14th December 1863

W. Chadwick
Asst Dy. Audr. & Acct. Genl.

No. 295

FORT SAINT GEORGE,

DEPUTY AUDITOR AND ACCOUNTANT GENERAL'S OFFICE.

December 14th 1863.

THE ACTING DEPUTY AUDITOR AND ACCOUNTANT GENERAL,

Madras.

THE SECRETARY TO THE GOVERNMENT OF Chief

Madras-

I have the honor with reference to ~~Government~~ Order~~s No~~ ~~dated~~ the orders relating ~~186~~, to the Government Currency notes to submit copy of a Notification which I consider should be published in the Government Gazette —

2— Treasury Officers appear in some places to be in doubt as to the extent to which Govt paper may be cashed & I have reason to believe that in some instances the orders issued for the immediate change of Govt notes under immediate & bond fide travellers have been read to mean that none but travellers are to receive cash for notes though such an interpretation of the orders given is perfectly indefensible —

3— In my opinion it is highly advisable to encourage the circulation of Currency paper in every possible way & though the orders of the Govt of India lay restrictions on the cashing of notes largely I think there can be no danger in permitting the sale of notes to Regulate the exchange & to make the latter nearly equal to the former.

I have the honor to be,

Sir,

Your most obedient Servant,

P M Lodwick

Ag. Dy. Audr. and Acct. General.

Financial Department.

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following letter from the Acting Deputy Auditor and Accountant General.

Here enter 14th Decr 1863 No 295.

Order thereon 22d December 1863 No 828.

The Governor in Council approves of the Acting Deputy Auditor and Accountant General's proposal to issue a Notification of the character proposed in the foregoing letter, with reference to the cashing of currency notes, but the word "issue" should be substituted for "sale", and the proviso that the Officer in charge of the Treasury should satisfy

Rec. 24th Oct 63. 94

92-93

Financial — 1863

Dept.

Copy Letter & Order

Received Dec 22nd

No 828

Dated 14 Dec 63
Rec'd 15th
Ans'd

Fin. No 8814.

Forwards for the favorable consideration of the Government a Notification which it is proposed to issue under the provisions of Act XXVII of 1863 for the purpose of giving currency to the Government Promissory Notes authorized to be issued by the Act.

Order.

The Governor in Council approves of the Notification submitted with the foregoing letter, and directs that it be published in the Fort St George Gazette.

Resolved that Government sanction the Notification with the Notification

satisfy himself that the notes presented have not been made a vehicle of remittance by merchants, should be omitted
It does not appear how the Treasury Officers can satisfy themselves on this point, and so long as the payment of cash for notes does not exceed the issue of notes, the proviso is in the opinion of the Governor in Council, unnecessary.

To the Atg Dy Genl & Acctt General.

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List of Papers &c.

Financial 1863. Department.

No. 828

PROCEEDINGS *of* GOVERNMENT.

Dated 22nd December 1863.

Final mark Revenue

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