M.R.O. 1—77,608—8-6-37.

(1) Number of pages_____

(2) Date of repair 4.8.38

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 95 Press Mis.

32-33.

Dated 14-2- 18 65.

32-33 6/6

Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department,
14th February 1865.

No. 32. Read the following letter from J. R. BOYSON, Esq., Government Solicitor, Madras, to the Honorable A. J. ARBUTHNOT, Chief Secretary to Government, Fort Saint George ; dated 9th February 1865, No. 61.

I have the honor to acknowledge the order of Government noted in the margin (with its enclosures,) relative to the sufficiency, or otherwise, of the Madras Irrigation and Canal Company's Power of Attorney in favor of Mr. F. H. Henslowe, dated 26th January 1864, for authorizing him to deal with Government Securities belonging to, or standing in the name of, the Company.

Dated 31st January 1865, and made on letter from the Consulting Engineer, Madras Irrigation and Canal Company, to Government, of 23rd Idem No. 192.

2. I submitted the papers for the consideration of the Advocate General, with whom I have also conferred ; and,

3. I now forward a copy of his opinion, and return the order and enclosures above noted.

COPY—OPINION.

I think the Power of Attorney is not sufficient. It is very true that it contains an authority to draw, endorse, and negotiate Bills, or Notes ; but looking at the context, I am of opinion that these words only apply to private Bills and Notes—not to Government Securities. It is quite clear that Mr. Henslowe cannot *draw* a Government Promissory Note, and I believe it is the practice of the Government Office (a very proper practice) to require special power to enable parties to deal with Government Securities. Such a course is pursued by the Bank of England. Such a form will be found in "*The Bank of Bengal v. McLeod*"—5 Moore's I. Appeals, page 5.

2. The objects for which the Bills or Notes are to be drawn, endorsed, or negotiated are the ordinary business of the Company. As I understand Mr. Henslowe, what he now wishes to do is to receive the interest due on Government Promissory Notes deposited with him by the employees of the Company, as security for their good conduct. His endorsement is only by way of receipt for the interest ; a very different thing from endorsing a Bill or Note for the purpose of negotiating it. I do not think that the term *negotiating* applies to Government Securities, and I am clear that Mr. Henslowe's power contains no clause empowering him to draw the interest on Government Promissory Notes, and give a valid receipt for the same.

3. It by no means follows that because the Accountant General has erroneously recognized Mr. Henslowe's Power of Attorney hitherto, he should continue to do so. A blot is not a blot till it is hit : when an error is pointed out, the proper course is to avoid its repetition for the future.

(Signed) J. B. NORTON,
Advocate General.

7th February 1865.

(True Copy).

(Signed) J. R. BOYSON,
Government Solicitor.

No. 33. ORDER THEREON, 14th February 1865, No. 95.
Communicated to the Public Works Department.
(True Extract).

Chief Secretary.

To the Public Works Department (with letter from the Consulting Engineer, Irrigation and Canal Company, and its Enclosures).

Exd. J. H. Burns.

Copy Opinion.

I think the Power of Attorney is not sufficient. It is very true that it contains an authority to draw endorse and negotiate Bills or Notes: but looking at the context, I am of opinion that these words only apply to private Bills and Notes, not to Government Securities. It is quite clear that Mr. Henslowe cannot draw a Govt. Promissory Note, and I believe it is the practise of the Government Office – a very proper practise – to require a Special power to enable parties to deal with Govt. Securities. Such a course is pursued by the Bank of England. Such a form will be found in – The Bank of Bengal v Mc Leod. 5 Moore's P. Appeals page 5. –

2. The objects for which the Bills or Notes are to be drawn, endorsed or negotiated are the ordinary business of the Company. As I understand Mr. Henslowe what he now wishes to do is to receive the interest due on Govt. Promissory Notes deposited with him by the employees of the Company, as Security for their good conduct. His endorsement is only by way of receipt for the interest; a very different thing from endorsing a Bill or Note for the purpose of negotiating it. I do not think that the term negotiating applies to Govt. Securities, and I am clear that Mr. Henslowes power contains no clause empowering him to draw the interest on Govt. Promissory Notes and give a valid receipt for the same. –

3. –

3. It by no means follows that because the Accountant General has erroneously recognized Mr. Henslowe's Power of Attorney hitherto, he should continue to do so. A blot is not a blot till it is hit: when an error is pointed out, the proper course is to avoid its repetition for the future.-

9th Feb. 65.

Signed/ John V. Bruce Norton
Advr. Genl.

True Copy
L. R. Boyson
Govt. Solr.

No. 61.

Madras 9th February 1865.

From

John Robert Boyson
Government Solicitor - Madras.

To

The Honble A. J. Arbuthnot
Chief Secretary to Government
Madras.

Sir,

Dated 31st January 1865, and made on letter from the Consulting Engineer Madras Irrigation & Canal Company to Govt of 23rd Idem. No. 192. —

1. I have the honor to acknowledge the order of Government noted in the margin (with its enclosures) relative to the sufficiency or otherwise of the Madras Irrigation and Canal Company's Power of Attorney in favor of Mr. J. H. Henslowe dated 26th January 1864, for authorising him to deal with Government Securities belonging to or standing in the name of the Company.-

2. I submitted the papers for the consideration of the Advocate General, with whom I have also conferred; and.

3. I now forward a copy of his opinion, and return the Order and enclosures above noted.-

I have the honor to be,
Sir,
Your most obedient Servant,

J R Boyson

Govt Solr.-

Re
Sufficiency or otherwise of the Madras Irrigation and Canal Company's Power of Attorney in favor of Mr. J. H. Henslowe dated 26th January 1864, for authorising him to deal with Government Securities belonging to or standing in the name of the Company.

(Copy)
Advocate General's Opinion

Encls
In Letter from Govt Solr to Chief Secy to Govt No. 61 dated 9th February 1865.-

F. 1865 No. 83

R N 49

Rec'd 21st Feby.

1865 Dpt.

From The Govt. Sol.r, Madras.

To The Chief Secy. to Govt., Madras.

Dated 9th February 1865

Rec'd 11th

No. 61. Papers
(3 enclosures & 2 rets.)

No. 83.

Forwards Copy Advocate General's Opinion relative to the Sufficiency or otherwise of the Madras Irrigation and Canal Company's Power of Attorney in favor of Mr. J. H. — Henslowe dated 26th January 1864, for authorising him to deal with Government Securities belonging to or standing in the name of the Company. —

Written an order

No. 95. 14 February 1865.

Communicated to the Public Works Department

To Public Works Department
(with letter from the Secy. Engr. I. & B. &c. & 3 enclosures)

22483