M.R.O. 1—77,006—8-6-37.

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(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 870	Press / Mis.
25-26	
Dated 11-10-	18 36.

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25-26

Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department,
11th October 1866.

No. 25. Read the following Despatch from the Right Honorable the Secretary of State for India, to His Excellency the Right Honorable the Governor in Council, Fort Saint George; dated India Office, London, 6th September 1866, No. 71.

Extract letter from Bank of England, dated 17th February 1866.
Do. Despatch to India, dated 22nd February 1866, No. 42.
Do. Letter from Comptroller General of Accounts, Calcutta, of 19th May 1866.
Do. Letter from Secretary to Bank of Bengal, of 10th May 1866.
} Received from Government of India in letter, dated 13th June 1866, in reply to Despatch, No. 42 of 1866.
Letter to Bank of England, 25th July 1866.
Do. from do. 27th do.

I forward, herewith, copy of the correspondence noted in the margin, relative to the delay which is said to occur in the transmission from India to this country of Advices of enfaced Notes of the India Government, and I have to request that steps may be taken at your Presidency, for ensuring the earliest possible transmission of such Advices.

COPY.

Extract of letter from Bank of England, to the Secretary of State for India; dated 17th February 1866.

There is also a matter of considerable importance to which it is requested that the attention of the authorities in India may be drawn, viz., the delaying the transmission of Advices of enfaced Notes to a period subsequent to that at which the Notes themselves can be forwarded to this country. The result of this practice is that Notes are frequently presented for the payment of interest, or even for conversion into stock, without the Bank being in a position, at the time, fully to ascertain their genuineness, or the correctness of the period for which interest is claimed; information, which it is obvious, can only be corroborated by the Advices.

The irregularity applies equally to each of the three Presidencies.

COPY.

Extract Financial Despatch from the Right Honorable the Secretary of State, to the Government of India; dated India Office, London, 22nd February 1866, No. 42.

I forward, herewith, copy of a letter from the Bank of England, relative to an alleged change of practice in regard to the enfacing and advising of Notes of the Indian Government, the interest of which is to be paid in England; and I have to request that you will favor me, at an early date, with any observations which you may have to offer thereon.

Extract of letter from the Comptroller General of Accounts, to the Secretary to the Government of India, Financial Department; dated Calcutta, 19th May 1866, No. 363.

2. In reply, I have to submit copy of correspondence noted in the margin, and to state that I have requested the Bank to send, in future, Advices of all Notes enfaced direct to the Bank of England.

Letter to the Secretary Bank of Bengal, No. 11, dated 1st May 1866.
Do. from do., No. $\frac{1053}{P.161}$, dated 10th May 1866.

This appears to be the only way of securing that Advices of all enfacements shall be despatched by each outgoing Mail.

Extract of letter from Secretary to Bank of Bengal, to the Comptroller General of Accounts, Fort William; dated 10th May 1866, No. $\frac{1053}{P.161}$.

The Bank of England objects that Notes reach the Bank of England before the Advice. The Advice is closed in this Office and forwarded to the Financial Department, for transmission to London, generally one day before the closing of the Mail. Ample time is thus allowed for the despatch of the Advice with the Notes. I would, however, observe that a practice has long obtained of continuing the enfacement of Notes required by the Exchange Banks, frequently in cases of urgency, after the Advice has been closed. These Notes have hitherto been advised by the following Mail. Looking to the extent to which Government Promissory Notes are used at present for purposes of remittances, any interference with this practice would, it appears to me, be felt as a serious hardship by the

Mercantile Community of this city. You may, therefore, probably consider the expediency of allowing the Bank to send Advices direct to the Bank of England, and at the same time transmit to your office a duplicate Advice.

Any instructions which you may issue for the Bank's guidance, will be carefully noted and carried out.

COPY.

From the Under Secretary of State for India, to the Governor and Deputy Governor of the Bank of England; dated India Office, London, 25th July 1866.

Adverting to the letter from this office of the 28th February last, I am directed by the Secretary of State for India in Council to forward, for any observations which you may desire to offer, copy of a letter from the Government of India, dated 13th June 1866, with enclosures, on the subject of the representation made by the Bank of England regarding the inconvenience of the arrangements adopted in India, for the enfacing and advising of Notes of the Indian Government.

With reference to the last paragraph of Mr. Gray's letter of the 17th February 1866, I have to observe that no communication in regard to the more punctual advising of enfaced Notes appears to have been made by the Government of India, to the authorities of Madras and Bombay.

COPY.

From the Accountant General, Bank of England, to the Under Secretary of State for India, India Office; dated 27th July 1866.

I am directed by the Governor to acknowledge the receipt of your letter of the 25th instant, containing copies of letters from the Comptroller General of Accounts, Fort William, also from the Secretary and Treasurer of the Bank of Bengal, and in reply beg to inform you, that the various matters therein referred to have, with the exception of the Advices of enfaced Notes from Bombay and Madras, been placed on a footing in accordance with the views expressed in my letter to you of the 15th February last.

With reference to the Advices of enfaced Promissory Notes from Bombay and Madras, it would be advisable that the same course pursued at Calcutta should be carried out at those Presidencies.

No. 26.

ORDER THEREON, 11th October 1866, No. 370.

Ordered that a copy of the foregoing Despatch, and of its enclosures, be furnished to the Accountant General, and that he be requested to take the necessary steps for ensuring the earliest possible transmission to England of Advices of enfaced Notes.

(True Extract).

Chief Secretary.

To the Accountant General.

Exd. T. Cartledge.

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Financial Department.

PROCEEDINGS of the MADRAS GOVERNMENT.

Read despatch from the ~~Right Hon'ble the~~ Secy of State for India

/Dated 6 Sept '66 No 71/

Order - 11 October 1866 No 370.

Ordered that a copy of the foregoing despatch & of its enclosures be furnished to the Accountant General & that he be requested to take the necessary steps for ensuring the earliest possible transmission to England of Advices of enfaced Notes

JH

To Accountant General desp 17/10

Rec'd 23 Oct 1866

Financial 1866. Department.

No. 370.

PROCEEDINGS OF GOVERNMENT

Dated. 11 October 1866.

Ans'd 1/11/1704.

25. 26.