M.R.O. 1—77,006—8-6-37.

(1) Number of pages 18.

(2) Date of repair 4-3-40.

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Finance DEPARTMENT.

G.O. No. 383 Press
1260-141 ~~Mis.~~

Dated 21—3— 1873.

10/11

Not to be folded or roughly handled

No. 140. Read the following despatch from the Right Honourable the Secretary of State for India, to His Excellency the Right Honourable the Governor in Council, Fort St. George, dated India Office, London, 20th February 1873, No. 18 (Financial):—

I forward, herewith, copy of a letter from the Manager of the Delhi and London Bank, dated the 17th instant, and request that, under the circumstances therein stated, instructions may be given for the re-enfacement of the notes therein referred to for payment of interest in London.

2. Copy of a memorandum from the Bank of England on the subject is also forwarded herewith.

—

From the Manager of the Delhi and London Bank (Limited), to the Financial Secretary, India Office, dated 76, King William Street, London, 17th February 1873.

I beg leave to lay before you the following particulars respecting three notes of the Indian Government, 5½ per cent. loan of 1859-60, Nos. 013669, 015596, and 003393, for Rupees 500, Rupees 1,000, and Rupees 1,000, respectively, purchased by us on 22nd August 1871.

2. On these notes coming into our possession, we inadvertently wrote the words "Pay the Delhi and London Bank or order" over the *second* last endorsement instead of the last, and this we corrected by cancelling the words as written and re-inserting them in the proper place, over the signature of the last endorser, and the interest due on the 30th November 1871 was paid to us by the Bank of England without objection.

3. On 17th January 1872, the notes formed part of a remittance to our Agents at Bombay (the new Bank of Bombay) where they were sold, and subsequently (on 19th August 1872) they were enfaced for payment of interest at Madras on behalf of the buyer, who, however, soon afterwards returned them to our Agents, in consequence of their having been rejected on presentation at the Public Debt Office, Madras, for which the following reason was assigned by the Secretary and Treasurer there:—

"The cancelment of the words 'Pay Delhi and London Bank (Limited) or order' on the accompanying notes should be initialed prior to the interest being passed for payment."

4. Our Bombay Agents accordingly returned the notes to us, and we have, through the broker from whom we purchased them, endeavoured to procure the initials required but without success, as you will see from the broker's letter in original enclosed herewith, the person from whom he originally obtained them having since died and his clue to the endorser being thus lost.

5. I may add that the paper being rejected at Madras has resulted in a loss to us inasmuch as the sale had to be cancelled and prices are now much lower.

6. I, therefore, beg that, under the circumstances, you will have the goodness to direct the Madras Treasury to re-enface the paper in question for payment of interest in London, so that we may receive the interest here as in the first instance.

7. I would further beg the favour of your attention to the matter at your earliest convenience, so as to enable us to transmit the notes to India by the mail of Friday next.

—

From G. DE QUETTEVILLE, Esq., to the Manager of the Delhi and London Bank, dated 58, Old Broad Street, 5th February 1873.

I have made inquiries respecting the enclosed 5½ per cent. notes, and learn from my seller that the party to whom they previously belonged, but whose name does not appear on them, is dead, thus the connecting link of further tracing back the endorsements is broken.

2. I am, however, quite sure that no objection to the notes would have been made either in Calcutta or Bombay, there being really no proper ground for objection, as the Bank of England has had the notes for examination and paid the interest due on same.

Proceedings of the Madras Government, Financial Department,
21st March 1873.

BANK OF ENGLAND,
20th February 1873.

MEMORANDUM.

The Bank of England is of opinion that the Bank of Madras is not justified in refusing to pay the interest on the notes in question until the alteration thereon is initialed :—

1st.—Because the corrected endorsement makes the notes over to the same parties, viz., the Delhi and London Bank, as the endorsement cancelled.

2ndly.—Because the endorsement "Pay to the Delhi and London Bank (Limited)" was written and cancelled by the Delhi and London Bank themselves, and not by the person over whose signature in blank it was erroneously placed, consequently that person could not justly be called upon to initial an erasure with which he had nothing to do.

3rdly.—Because, for the above reasons, the Bank of England had already passed the notes, and they had also been subsequently passed by the Bank of Bombay.

No. 141. ORDER THEREON, 21st March 1873, No. 383.

The Accountant-General will arrange for the re-enfacement of the notes referred to.

(True Extract.)

Chief Secretary.

To the Accountant-General.

Exd. J. Wright.

Govt. of India.

FINANCIAL.

To

The ACCOUNTANT-GENERAL.

Dated March, 21st.

Read.

Read.

G. O., 21st March 1873, No. 583.

MARCH.
Nos. 140-141.

Directing the Accountant-General to arrange for the re-enfacement of certain notes of the Indian Government purchased by the Delhi and London Bank for payment of interest in London.

The Delhi & London Bank, Limited,
16 King William Street
London, 17th February 1873

Sir,

I beg leave to lay before you the following particulars respecting three notes of the Indian Government 5½ % Loan of 1859-60 Nos 013669 - 015596 & 003393 for Rs 500 - Rs 1,000 & Rs 1,000 respectively purchased by us on 22nd August 1871.

On these notes coming into our possession we inadvertently wrote the words "Pay the Delhi and London Bank or order" over the second last endorsement instead of the last, and this we corrected by cancelling the words as written and reinserting them in the proper place, over the signature

T. L Seccombe Esqre
Financial Secretary
India Office

signature of the last endorser, and the Interest due on 30th November 1871 was paid to us by the Bank of England without objection.

On 17th January 1872 the notes formed part of a remittance to our Agents at Bombay (the new Bank of Bombay) where they were sold and subsequently (on 19th Augt 1872) they were enfaced for payment of Interest at Madras on behalf of the buyer who however soon afterwards returned them to our Agents in consequence of their having been rejected on presentation at the Public Debt Office Madras for which the following reason was assigned by the Secretary and Treasurer there :-

"The cancelment of the words
"Pay Delhi and London Bank
Limited

"Limited or Order" on the
"accompanying notes should be
"initialed prior to the Interest
"being passed for payment".

Our Bombay Agents accordingly returned the notes to us and we have thro' the Broker from whom we purchased them endeavoured to procure the initials required but without success, as you will see from the Brokers letter in original enclosed herewith, the person from whom he originally obtained them having since died and his clue to the endorser being thus lost.

I may add that the paper being rejected at Madras has resulted in a loss to us in as much as the sale had to be cancelled and prices are now much lower.

I

I therefore beg that under the circumstances you will have the goodness to direct the Madras Treasury to re-enface the paper in question for payment of Interest in London so that we may receive the Interest here as in the first instance

I would further beg the favor of your attention to the matter at your earliest convenience) so as to enable us to transmit the notes to India by the mail of Friday next.

I am &c

(signed) J. W. H. Tilbery

Manager

Bank of England

20th February 1873

The Bank of England is of opinion that the Bank of Madras is not justified in refusing to pay the Interest on the notes in question until the alteration thereon is initialed.

1st Because the corrected endorsement makes the notes over to the same parties viz: The Delhi & London Bank, as the endorsement cancelled.

2nd Because the endorsement "Pay to the Delhi & London Bank Limited" was written and cancelled by the Delhi and London Bank themselves, and not by the person over whose signature in blank it was erroneously placed, consequently that person could not justly be called upon to initial an erasure with which he had nothing to do.

3rd Because for the above reasons the Bank of England had already paid the notes, and they had also been subsequently passed by the Bank of Bombay.

377

£ 0.21.4 hundreds 25 Feb 1880-141

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58 Old Broad Street
5th February 1873.

Dear Sir,

I have made enquiries respecting the enclosed 5½% notes, and learn from my seller that the party to whom they previously belonged but whose name does not appear on them, is dead, thus the connecting link of further tracing back the endorsements, is broken.-

I am however quite sure that no objection to the notes would have been made either in Calcutta or Bombay, there being really no proper ground for objection as the Bank of England has had the notes for examination and paid the

To The Manager
Delhi & London Bank

the Interest due on same.

I remain &c

(signed) G. de Quetteville

India Office. London.
20th February 1872.

377

Financial
No 18.

with enclosure.

My Lord

I forward herewith copy of a letter from the Manager of the Delhi and London Bank dated the 17th Instant, and regret that, under the circumstances therein stated, instructions may be given for the re-enfacement of the Notes therein referred to for payment of interest in London.

2. Copy of a Memorandum from the Bank of England on the subject is also forwarded herewith.

I have the honor to be
My Lord,
Your Lordships most obedient,
humble servant,

His Excellency
The Right Honble:
The Governor in Council
Fort St. George

Financial 1873 March
No. 5.

Financial
20th. Feby. 1873

The
Letter to Fort St. George
No. 18.

21st March 1873 No. 383.

This Accountant
General with enclosure
for the re-enfacement
of the notes referred to.

Received 15th. March 1873
Ent: Packet.
No. 518

Forwards copy of a
letter from the Manager of
the Delhi and London
Bank, and requests that
instructions may be given
for the re-enfacement
of the notes therein referred
to for payment of interest
in London.

To
His Accountant
General.

With enclosure.
Recd 15th March 1873 vide Bombay

Govt. of {1873} Madras.

Financial

To

The Accountant General.

Dated March 21.
Recd. Encl.

G. O. 21 March, 1873, No. 383.

Nos. [illegible]

Directing the Accountant General to arrange for the re-emplacement of certain Notes of the Indian Govt. purchased by the Delhi & London Bank, for payt. of interest in London.

To

The Accountant

General.

Order 15 March 1873 vide Bombay