M.R.O. 1—32,000—28-10-29.

MADRAS RECORD OFFICE.

Government of Madras.

Journal **DEPARTMENT.**

G.O. No. 1809 Press ~~Mis.~~

40-41

Dated 23-12 ~~19~~ 1940

Not to be folded or roughly handled

No. 40. Read the following Extract from the Proceedings of the Government of India, in the Financial Department, under date the 19th November 1858, No. 6702.

Read again Financial Consultation dated 26th June 1857, Nos. 39 to 41.

Read an Endorsement from the Home Department, No. 1922, dated 29th July 1858, forwarding for consideration and orders a letter from the Secretary to the Government of Bombay, No. 1743, dated 16th Idem, having reference to certain points connected with Government Promissory Notes belonging to unclaimed Estates transferred by the Administrator General to the Sub Treasurer.

Resolution.—On the 26th June 1857, it was decided that in cases in which any portion of the net proceeds of unclaimed Estates in the official charge of the Administrator General is composed of Promissory Notes, those Promissory Notes should be made over to the Sub Treasurer, and that it would be optional with the Sub Treasurer to defer the sale of them if the price of Government Securities at the time was such as to render it clearly disadvantageous to Government to dispose of them at once.

2. With reference to this decision, the Accountant General at Bombay raises a question "whether it would not be more expedient at once to cancel than to sell the Promissory Notes belonging to unclaimed Estates, transferred by the Administrator General to the East India Company under Sections 50 and 51 of Act VIII of 1855."

3. In submitting this question the Accountant General remarks, "It is uncertain when it will be practicable to dispose of these Promissory Notes advantageously. In the meantime the keeping of them entails considerable responsibility and useless labor, through the accruing interest on the Notes being realised when due."

4. As many Promissory Notes have recently been cancelled, there will not, he presumes, be any objection to the cancellation of the Notes in question.

5. He also solicits instructions as to the manner in which established claims to Estates should be disposed of, adding :—"In Section LII of the Act already cited, it is stated 'that the amount of the principal so carried to the credit and account of the East India Company, or so much thereof as shall appear to be due to the claimant,' shall be paid : but in the event of the Notes being sold, this would involve a distinct account being kept of the sale of each Note."

6. The Accountant General further requests to be informed, should it be decided that the Notes cannot be cancelled as suggested by him, whether it is absolutely necessary that the accruing interest upon them should be realized pending their sale.

7. The Government of Bombay solicits the instructions of this Government on the several points noticed by the Accountant General.

8. The Accountant General to the Government of India having been called upon to report as to the practice in similar cases in the Presidency of Fort William, states, "it was formerly the practice for the Administrator General to dispose of all such papers and make over the proceeds to the Sub Treasurer for credit to Government."

9. Since the orders of Government, however, dated 26th June 1857, above adverted to, were passed, "no transfer of Government Securities has taken place between the Administrator General and the Sub Treasurer on account of Estates whose balances have been unclaimed for 15 years."

10. With reference to the question raised by the Government of Bombay, of drawing the interest which may become due on the abovementioned Government Securities, he observes "if Government see no reason to revise the orders already passed regarding the custody and ultimate sale of the Notes, it would greatly simplify the transactions if interest were allowed to accumulate on the papers as long as they remained unsold in the hands of the Sub-Treasurer."

11. The Honorable the President in Council concurring in these remarks of the Accountant General to the Government of India, directs that so long as the papers remain unsold in the hands of the Sub-Treasurer, interest be allowed to accumulate on them. He sees no sufficient reason for modifying the orders already passed regarding the custody and ultimate sale of the Notes.

Fort St. George, Judicial Consultation, 4th January 1859.

ORDER—Ordered that a copy of the foregoing Resolution be sent to the Home Department, for communication to the Government of Bombay, and that the original paper received therefrom be returned.

Administrator General of Bengal ; Officiating Accountant General to the Government of India ; Accountants General, Fort Saint George, and Bombay ; & Sub-Treasurers, Fort William, Fort Saint George, and Bombay.

Ordered also that a copy of the Resolution be sent to the Government of Fort St. George, and to the Officers noted in the margin, for information and guidance.

(A true Extract.)

(Signed) C. HUGH LUSHINGTON,
Secretary to the Government of India.

No. 41. ORDER THEREON, No. 1809; dated 23rd December 1858.

Ordered to be communicated to the Accountant General, to the Administrator General and to the Auditors of his Accounts, in reference to Extract Minutes Consultation dated 6th August 1857, No. 963.

(Signed) T. PYCROFT,
Chief Secretary.

Evd. E. Cartledge.

17-18
11-8-57 No 1809

Ordered to be communicated to the Accountant General, to the Administrator General and to the Auditors of his accounts in reference to Extt. Mins. Cons. dated 6th August 1857 No 963.

Fort St George,
23d December, 1858.

Copy to Accts General
" Administrator General
" Auditors of his accts } Despd. 24th