

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.G.O. No. 193 Press
Mis.

Dated 5. 5. 1860

Box 21-22

4/4

Not to be folded or roughly handled

15

*Proceedings of the Madras Government, Financial Department,
for the month of May 1860.*

No. 21. Read the following letter from C. HUGH LUSHINGTON, Esq., Secretary to the Government of India, Financial Department, Fort William, the 16th April 1860, No. 3,203.

In referring the Madras Government, in reply to the Chief Secretary Mr. Pycroft's letter No. 103 dated 13th ultimo, to the Financial Resolution recorded on the 22nd March 1860 No. 2,379, (copy annexed) the Hon'ble the President in Council desires that that Government be informed that nothing more can be done at present, as the matter has already been submitted to the Right Hon'ble the Secretary of State.

2. The present papers will however be sent to the Secretary of State in continuation of the former despatch.

Ordered that a copy of the above Resolution be sent to the Government of Madras for information.

From R. P. HARRISON, Esq., Accountant General, Fort Saint George, to C. H. LUSHINGTON, Esq., Secretary to the Government of India, Calcutta, No. 2,026, dated 15th February 1860.

General Department.

"In a subsequent letter No. 327, dated 24th ultimo, I was requested to authorize the Sub Treasurer to receive from the Secretary the sum of Rupees 8½ lacs which the Trustees of the Fund were desirous to invest in the open 5½ per cent loan. I however did not consider myself authorized to do this pending issue of the pre-sent question, and informed the Secretary accordingly, intimating to him at the same time that I would refer the matter to the Government of India for orders."

With reference to the concluding portion of paragraph 2 of my letter No. 876, dated 12th December last, transcribed in the margin, and to the Proceedings of the Government of India, in the Financial Department, No. 613, dated 27th ultimo, I have the honor to enclose copy of a letter, No. 28, dated 10th instant, from the Secretary to the Civil Fund, for such orders as the Government of India may deem fit to issue.

2. I beg to state that the 5½ per cent loan was closed on Monday morning, the 13th instant, before the Proceedings of the Government of India above referred to reached me.

From W. HUDLESTON, Esq., Secretary to the Civil Fund, Madras, to R. P. HARRISON, Esq., Accountant General, Madras, No. 28, dated 10th February 1860.

As it is generally rumoured that the 5½ per cent Government loan now open is likely to be immediately closed, I am directed by the Trustees of the Civil Fund, with reference to the cor-

To Accountant General	November 24th	1859	respondence noted in the margin, to renew for-
To do.	30th	1859	mally the tender of eight and half lacs of Ru-
To Government	January 6th	1860	pees for investment in that loan, on behalf of
To do.	9th	1860	the Charity Branch of the Civil Fund and of

the Subsidiary Fund, as detailed in that correspondence, and to claim on behalf of those Insti-

tutions, that, should your objections to authorizing the Sub Treasurer to receive this investment still exist, they shall not be allowed to prejudice the interests of the Fund in the event of their being eventually over-ruled by superior authority, but that this offer shall be held to represent a *bond fide* investment, and carried to completion as such, although the loan may have been already closed, when the decision of the Supreme Government shall be received.

No. 2,379, FINANCIAL DEPARTMENT, FORT WILLIAM, THE 22ND MARCH 1860.

RESOLUTION.

The Honorable the President in Council desires that the Accountant General to the Government of Madras may be informed that the above papers will be forwarded to Her Majesty's Secretary of State for India, in continuation of the Despatch from this Department, No. 17 of

*Proceedings of the Madras Government, Financial Department,
for the month of May 1860.*

the 27th January 1860; that the investment applied for by the Trustees of the Civil Fund at Madras cannot now be permitted, and that the Fund must abide by the orders which may be issued by the Secretary of State on the previous references.

Ordered that a copy of the above Resolution be sent to the Accountant General to the Government of Madras, for information and for communication to the Trustees of the Madras Civil Fund.

Ordered also that the above papers and Order be forwarded with a separate letter to Her Majesty's Secretary of State for his consideration and orders.

(True Copy.)

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

No. 22.

ORDER THEREON, 5th May 1860, No. 193.
Ordered to be communicated to the Trustees of the Civil Fund.

(Signed) T. PYCROFT,
Chief Secretary.

FINANCIAL DEPARTMENT.

No. 103.

From

T. PYCROFT, Esq.,
Chief Secretary to Government, Fort Saint George,

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
FINANCIAL DEPARTMENT.

SIR,

With reference to the Proceedings of the Government of India, Financial Department, dated 27th January 1860, No. 613, I am directed by the Honorable the Governor in Council to forward the accompanying letter, 8th instant, from the Secretary to the Madras Civil Fund, submitting copies of the correspondence which has passed between the Trustees and the Accountant General on the subject of the investment of the surplus capital of the Fund, 9½ lacs of Rupees, in the 5½ per cent loan.

2. From this it will be seen that the Accountant General considers himself debarred from carrying out the orders of the Government of India, 27th January last—which permitted, conditionally, the investment of these funds—because the 5½ per cent loan has closed.

3. From the summary of correspondence prefixed to the Proceedings of the Supreme Government, 27th January 1860, No. 613, it will be perceived, that the Trustees of the Madras Civil Fund first applied for permission to invest a portion of their surplus capital in the then open loan, so far back as March 1859. The issue of orders on this application was deferred by the Government of India, pending the receipt of further information which was called for.

4. The information was furnished by the Madras Accountant General, on the 12th December 1859, and he at the same time forwarded a letter from the Trustees of the Civil Fund repeating their claim to be allowed to invest the surplus cash of the fund in the loan then open.

5. On the 9th January this Government transmitted to the Government of India a copy of the correspondence that had passed between the Trustees and the Accountant General relative to the proposed investment, and gave it as their opinion that, the right to invest, which had already been admitted in the case of the Military Fund, should similarly be recognized in the case of the Civil Fund."

6. Under date 27th January last, the Government of India resolved that, pending the orders of the Home Authorities on the general question, the investment applied for by the Trustees of the Civil Fund should be allowed, on the understanding that the 5½ per cent Notes would be cancelled in the event of the ultimate decision being in favor of non-transferrable Treasury Notes.

7. These orders were received at Madras by inland post on the 13th February, but meanwhile, under instructions conveyed by Telegraph, the 5½ loan had been closed.

NOTE.—The Telegram directing the closing of the Loan at Madras as soon as the sum of 80 lacs had been paid up was received at Madras on Saturday the 11th February. The 6 lacs wanting to complete the 80 were paid up immediately on the Treasury opening on Monday morning the 13th.

8. Considering that the original application of the Trustees came before the Supreme Government in March of last year, and that the Supreme Government had before them in December last a second application from the Trustees to the same effect, with all the information necessary for the decision of the question;

and considering that the Supreme Government on a review of the whole subject passed, on the 27th January last, orders authorizing the desired investment, the Madras Government cannot suppose that the closing of the 5½ per cent under instructions subsequently issued, will be allowed to prejudice the interests of the Fund, or to nullify the permission to invest, already given.

I have the honor to be,

Sir,

Your most obedient Servant,

FORT SAINT GEORGE, }
13th March 1860. }

Chief Secretary.

Read the following letter from W. HUDLESTON, Esq., Secretary to the Civil Fund; to T. PYCROFT, Esq., Chief Secretary to Government, Fort Saint George, dated 8th March 1860, No. 66.

1. With reference to the Order of Government, No. 81, dated 21st February 1860, which accompanied copy of the Proceedings of the Government of India, in the Financial Department, under date 27th January 1860, No. 613, I am desired by the Trustees of the Civil Fund to forward, for the information of the Honorable the Governor in Council, copies of correspondence on the subject between them and the Accountant General.

2. Although the Trustees are aware that the matter has been submitted by the Accountant General for the consideration of the Government of India, they still deem it desirable to solicit that the Government will be pleased, on behalf of the Trustees, to advocate the admission of their claim to complete the investment.

From W. HUDLESTON, Esq., Secretary to the Civil Fund, to R. P. HARRISON, Esq., Accountant General, dated 29th February 1860, No. 58.

With reference to copy of your letter to the Financial Secretary to the Government of India dated 15th February 1860, forwarded by you to the Trustees of the Civil Fund with copy of Extract from the Proceedings of the Government of India in the Financial Department under date the 27th January 1860, I have the honor to inform you, that a copy of these Proceedings has also been furnished to this Department by the local Government, and to request, on behalf of the Trustees, that you will inform me whether, from the circumstance of the 5½ per cent loan being already closed to the general public, you still consider yourself debarred from authorizing the Sub Treasurer to receive the amount tendered by them for investment in that loan.

From R. P. HARRISON, Esq., Accountant General, to the Secretary to the Madras Civil Fund, dated 2nd March 1860, No. 2170.
General Department.

In reply to your letter, No. 58 of the 29th ultimo, I have the honor to state that as the 5½ per cent loan is closed, I consider that I am debarred from authorizing the Sub Treasurer to receive the amount tendered by the Trustees of the Civil Fund, for investment in that loan.

(True Copies.)

(Signed) W. HUDLESTON,

Order thereon. 5th May 1860. No. 193.

Ordered to be communicated to the Trustees of the Civil Fund.

JF

To the Trustees of the Madras Civil Fund. {Dupl. 5.

1.
No 3203

FINANCIAL DEPARTMENT, FORT WILLIAM, THE 16TH APRIL 1860.

Resolution.

In referring the Madras Government, in reply to the Chief Secretary Mr. Pycroft's letter No. 103 dated 13th ultimo, to the Financial Resolution recorded on the 22nd March 1860 No. 2379, (copy annexed) the Hon'ble the President in Council desires that that Government be informed that nothing more can be done at present, as the matter has already been submitted to the Right Hon'ble the Secretary of State.

2. The present papers will however be sent to the Secretary of State in continuation of the former despatch.

Ordered that a copy of the above Resolution