M.R.O. 1—77,006—8-6-37.

(1) Number of pages 10

(2) Date of repair 6.7.38

(3) Initials of the Reference

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 239 Press ~~Mis.~~

B No 9-10

Dated 4 4 1863.

5/6

9-10

Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department, 4th April 1863.

No. 9. Read the following letter from J. L. LUSHINGTON, Esq., Acting Accountant General; to the Chief Secretary to Government, Fort Saint George, dated 6th February 1863, No. 367.

Book and Adjustment Department.

I have the honor to acknowledge the receipt of the order of Government, No. 51, dated 23rd ultimo, Financial Department, directing my attention to paragraph 3 of a Despatch from the Right Honorable the Secretary of State for India, No. 84, dated 16th December 1862, and requesting me to state whether any, and what arrangements have been made for guarding against the future payment of additional interest on the full amount of Securities purchased at a discount by the Managers of the several Funds.

2. In reply, I beg to state, that Mr. F. Lushington, acting under the views expressed in his letter to Government, No. 347, dated 20th March 1862, and which he supposed to be in accordance with the instructions from the Secretary of State, called on the Managers of the several Funds to make good the amount of discount gained, either by cash payment, or by cancellation of Notes. This call was responded to by the Directors of the Military and Medical Funds, who paid the amount of discount gained by those Funds, into the Government Treasury. But Government in their Order, No. 540, dated 23rd July 1862, intimated, as regards the Military Female Orphan Asylum that the requisition appeared to be erroneous, and in a subsequent Order, No. 701, dated 6th October 1862, expressed their concurrence in the view* taken by the Trustees of the Civil Fund, and directed that they should be acted upon.

* In which also Mr. Mangles, my immediate predecessor, concurred. Vide his letter to Government, No. 135, dated 1st August 1862.

3. The adjustment of donation is effected in this office; and in doing so, the donation has hitherto been excluded from the increased amount of Capital gained by discount. The more convenient plan, however, would probably be, to invest and set apart in a Promissory Note the Capital thus gained by each Fund, upon which no donation would be payable; and to this effect, words might be, by way of security, written across the Notes. It will not be possible in this case to set apart in Promissory Notes, the precise sum gained by discount—as Government Securities are only issued in sums of even hundreds—and if the course suggested, be approved, it will be necessary to issue Notes for sums a little below the exact amount of discount gained. For instance, the sum gained by the Civil Fund is Rupees 26,479, to meet which a Promissory Note might be obtained for Rupees 26,400.

4. If this mode of adjustment be approved of by Government, it will be necessary, with a view to uniformity, that the amount† already paid by the Military and Medical Funds, be refunded to them, and that the equivalent be set apart from their Government Securities, in the manner proposed above.

† Military Fund.....Rupees 19,103-2-4
Medical do. ..... ,, 1,748-1-8

No. 10. ORDER THEREON, 4th April 1863, No. 239.

In the foregoing letter the Acting Accountant General replies to the reference made to him, at the instance of the Secretary of State for India, to know whether any and what arrangements have been made for guarding against the future payment of additional interest on the full amount of Securities purchased at a discount by the Managers of the several Funds.

2. Mr. Lushington explains that the adjustment of donation is effected in his office, and that in making it, the donation has hitherto been excluded from the increased amount of Capital gained by discount. He suggests, however, that the more convenient plan would be, to invest and set apart in a Promissory Note the Capital thus gained by each Fund, upon which no donation would be payable, and that to this effect words might, by way of security, be written across the Notes.

Proceedings of the Madras Government, Financial Department,
4th April 1863.

Military Fund, Rupees 19,103-2-4
Medical ,, ,, 1,748-1-8

3. The Governor in Council approves of this mode of adjustment, and directs that the amount already paid by the Military and Medical Funds be refunded to them, and that the equivalent be set apart from their Government Securities in the manner proposed.

4. A copy of the letter above recorded and of these Proceedings will be transmitted to the Right Honorable the Secretary of State for India, with reference to his Despatch, dated the 16th December last, No. 84.

(Signed) A. J. ARBUTHNOT,
Chief Secretary.

Exd. T. McMootry.

Book and Adjustment Department. No. 367

3A

Fort Saint George,
Accountant General's Office,
6th February, 1863.

From

J. L. Lushington Esquire,
Acting Accountant General.

To

The Chief Secretary to Government,
Fort Saint George.

Sir,

I have the honor to acknowledge the receipt of the order of Government, No. 51, dated 23d Ultimo, Financial Department, directing my attention to paras 3 of a Despatch from the Right Honorable the Secretary of State for India No. 84, dated 16th December 1862, and requesting me to state whether any and what arrangements have been made for guarding against the future payment of additional interest on the full amount of Securities purchased at a discount by the Managers of the several Funds.

In reply, I beg to state, that Mr. J. Lushington, acting under the views expressed in his letter to Government, No. 347, dated 20th March 1862, and which he supposed to be in accordance with the instructions from the Secretary of State, called on the Managers of the several Funds to make good the amount of discount gained, either by Cash payment, or by cancellation of Notes. This call was responded to by the Directors of the Military and Medical Funds, who paid the amount of discount gained by those

those Funds, into the Government Treasury. But Government in their order, No 540, dated 23d July 1862, intimated, as regards the Military Female Asylum, that the requisition appeared to be erroneous; and in a subsequent order, No 701, dated 6th October 1862, expressed their concurrence in the view* taken by the Trustees of the Civil Funds, and directed that they should be acted upon.

The adjustment of donation is effected in this Office; and in doing so, the donation has hitherto been excluded from the increased amount of Capital gained by discount. The more convenient plan, however, would probably be to invest and set apart in a Promissory Note, the Capital thus gained by each Fund, upon which no donation would be payable; and to this effect, words might be, by way of security, written across the Notes. It will not be possible in this case to set apart in Promissory Notes, the precise sums gained by discount, as Government Securities are only issued in sums of even hundreds, and if the course suggested, be approved, it will be necessary to issue notes for sums a little short of the exact amount of discount gained. For instance, the sum gained by the Civil Funds, is Rupees 26,479, to meet which, a Promissory Note might be obtained for Rupees 26,400.

If this mode of adjustment be approved of by Government, it will be necessary, with a view to uniformity, that the amount already paid by the Military and Medical Funds, be refunded to them, and that the

* in which also Mr Mangles, my immediate predecessor, concurred. Vide this letter to Government, No 135, dated 1st August 1862.

× Military Fund 19,03.2.4
Medical do 1,748.1.8

5A

the equivalent be set apart from their Government Securities, in the manner proposed above.

I have the honor to be,
Sir,
Your obedient Servant,
J Lonsdale
Acting Accountant General.

Compd JM
Copied MSoobarayen

Financial Department.

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following letter from the Actg. Accountant General.

(Dated 6th Febry. 1863 - No. 367)

Order - 4th April 1863 - No. 339.

For the foregoing letter the Actg. Accountant General replies to the references made to him at the instances of the Secy. of State for India, to know whether any & what arrangements have been made for guarding against the future payment of additional interest on the full amount of securities purchased at a discount by the Managers of the several Funds -

Ido

Ans 15 Aug 62 — 45-50
" 23 Jany 63 - 2057
" 6 Feb 62 S.G
23 July 62 - 5740

Fin. Dept. to Govt. 10 Sept. 1862
No. 1863.

Actg. Accountant General
to Govt.
Dated 6 Feby 1863
No. 367

Copy
From the Chief Secretary to Government
to the Actg. Accountant General
Dated 1 July 1862
No. 55

Replied to
No. 367
4 April 63

Reports on a Despatch from the Right Honble the Secretary of State for India, regarding the arrangements for guarding against future payment of additional interest on the full amount of securities purchased at a discount by the Managers of the several Funds.

11-230

Dated 6 Feby 1863
Received 9 Feby 1863
No. 367
F.D. No. 377 of 63

9-10

2 Mr. Sushington explains that the adjustment of donation is effected in his Office, & that in making it, the donation has hitherto been excluded from the increased amount of Capital gained by discount. He suggests, however, that ~~He suggests, with respect to the increased amount of Capital gained by discount, that~~ the more convenient plan would be, to invest & set apart in a Promissory Note the Capital thus gained by each Fund, upon which no donation would be payable; & that to this effect words might, by way of security, be written across the Notes

3 The Governor in Council approves of this mode of adjustment; & directs that the amount already paid by the Military & Medical Funds be refunded to them, & that the equivalent be set apart from their Government Securities in the manner proposed.

Military Fund. Rs: 19,103-2-4.
Medical —"— 1748-1-8.

4 A copy of the letter above recorded

9A

recorded & of these Proceedings will be transmitted to the Right Honorable the Secretary of State for India with reference to his Despatch dated the 16th December last. No 84.

30 Dy: Adv: & Acctt General.
" Civil Paymaster.
" Secy: & Treasurer. Bank of Madras.
" Directors of the Military Fund.
" —"— Medical —"—
" Governors of the Military F.O. Asylums.
" Trustees of the Civil Fund.

dispd 11th

Fin. Dr. to Engr. 10th April
No. 6 of 1863.

Mode of adjusting amount guaranteed by discount on Bonds awarded to Funds

Kiel 1863. Department.

No. 239

PROCEEDINGS OF GOVERNMENT,

F 1st 347 of 60
604 of 63

Dated 4th April 63

Certain arrangements sanctioned with the view of guarding against the future payment of additional interest on the full amount of Securities purchased at a discount by the several Funds.

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