

[L. & M.]
[9,000-15-4-00.]

Local & Munl. (189) Department.

MISCELLANEOUS.

G.O., No. 2215 M

DATED 21-12-78

INDEXED.

[Despatch Abstract.]

Loan Communicating to the Municipal
Commissioners of Madras for very early report
~~letter from the Govt of India regarding the~~
of two lakhs required by the municipality for
Major expenses & requesting them to state
whether they agree to the terms offered by that
Government.

Local & Munl. (189) Department.

CURRENT No. 3820-Mo

Recd

Order

No. 2215-M. M. S. D. 21-12-98
H. M. 21-12-98
~~H. M. 21-12-98~~

From The Government of India
Finance and Commerce Deptt.

Communicated to the Municipal
Commissioners of Madras for very early report
as to whether they agree to the terms offered
by the Govt of India.

No. 5447

Dated 13-12-98.

Received 19-12-98

Registered

Enclosures

Spare copies.

SUBJECT.

Stating that if there is an
immediate necessity for funds
the Govt of India are prepared
to advance to the Madras
Municipality two lakhs of Rupees
at $4\frac{1}{2}$ per cent per annum
repayable in 3 months, provided
that immediate steps are taken
by the Municipality to raise a sum
for the purpose.

To The President M.C. Madras. Dated 20-12-98
H. M.

Calcutta, the 13th December 1898.

LOCAL & MUNICIPAL DEPT.

CURRENT No. 3820 M

To

The Secretary to the Govt of Madras
Local and Municipal Dept.

Sir,

I am directed to acknowledge the receipt of your letter No. 1866 M-Mis. dated the 1st November 1898, addressed to the Home Department, requesting that a loan of two lakhs of rupees, repayable in ten years, may be made to the Municipality of Madras to meet expenditure on plague preventive measures.

2 In reply I am to refer to the letter in this Department No. 5407-a, dated the 5th December 1898, and to say that the Government of India are unwilling to undertake to grant loans to Presidency Corporations, which, they consider, should borrow in the open market on their own credit. In the present case

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moreover, there seems to be no sufficient reason to consider it impossible for the Municipality to borrow in the market - provided that an adequate rate of interest, say five or six per cent, be offered.

I am however to say that if the Government of Madras consider that there is an immediate necessity for funds before a loan can be raised in the open market, the Government of India are prepared to advance two lakhs of rupees at $4\frac{1}{2}$ per cent per annum repayable in 3 months, provided that immediate steps are taken by the Municipality to raise a public loan and to repay the amount advanced by Government at the end of the period specified.

I have the honour to be,
Yours most obedient servant,

W. Wheeler

Off. Under Secy to the Govt. of India.

