

Local & Munl. (189) Department.

PRINTED.

G.O., No. 1793 M

DATED 2-12-99

To be
numbered
in 1899

[Despatch Abstract.]

Madras Munl waterwork loan of 1869-1873.

Submitting for the favourable consideration of the Govt of India the proposal of the Munl Commissioners of Madras that the annual payment towards the sinking fund of the — may be reduced from Rs. 28000 to Rs. 20000 and that all future payments may be allowed to accumulate with compound interest at 3 1/2 p.c.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
Cm 49/Inf 00							

Government (1899) of Madras. LOCAL AND MUNICIPAL.

Recd.

Regd.

} 1899.

Enclosures

Spare copies

Letter, No. 1793 M., 2nd December 1899.

DECEMBER.

Madras Municipal Water-works Loan of 1869-1873.

Submitting, for the favourable consideration of the Government of India, the proposal of the Municipal Commissioners of Madras that the annual payment towards the sinking fund of the — may be reduced from Rs. 28,600 to Rs. 20,000 and that all future payments may be allowed to accumulate with compound interest at 3½ per cent.

LOCAL AND MUNICIPAL DEPARTMENT.

LETTER—from

H. TREMENHEERE, Esq., I.C.S.,
Secretary to the Government of Madras,

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
DEPARTMENT OF FINANCE AND COMMERCE.

SIR,

I am directed to submit, for the favourable consideration of His Excellency the Governor-General in Council, the following request made by the Municipal Commissioners of Madras for a reconsideration of the terms under which the Madras Municipal water-works loan of 1869-1873 should be paid off.

2. The loan amounts to Rs. 14,30,000, and under the original terms the Municipality was to pay interest at 4 per cent. per annum and also a sum of Rs. 28,600 annually, i.e., 2 per cent. on the capital of the loan, towards a sinking fund, which with compound interest would extinguish the debt in 1899. The Commissioners then paid annually Rs. 57,200 for interest, besides Rs. 28,600 for investment as sinking fund, or Rs. 85,800 in all. But in 1883 it was proposed, with a view to lighten the financial burdens of the Municipality, that the interest derived from the investment of the accumulation of sinking fund should be appropriated by the Municipality for expenditure as part of their ordinary income instead of being credited to the sinking fund itself for increase at compound interest and that only the fixed annual payment of Rs. 28,600 should be credited to the fund. The result of this alteration, which was approved by the Government of India in Mr. Assistant Secretary O'Connor's letter, dated 31st August 1893, No. 2925, was that the extinction of the loan was deferred from 1899 to 1918. The accumulations of sinking fund on account of this loan on the 1st April 1899 amounted to Rs. 8,50,000.

3. The Municipal Commissioners now propose that while they should continue to credit to the general revenues the interest (Rs. 29,000) accruing on the sinking fund as it now stands, viz., Rs. 8,50,000, the annual payment towards the sinking fund for the future should be reduced from Rs. 28,600 to Rs. 20,000 and that all future payments should be allowed to accumulate with compound interest at 3½ per cent. Under this arrangement, the balance of the loan, viz., Rs. 5,80,000, will be extinguished within the prescribed period, viz., 1918, but there will, in the meantime, be an annual saving of about Rs. 8,600 to the Municipal funds. A costly scheme of drainage for the town has recently been undertaken and the Municipality has to strain its resources to the utmost in order to provide funds for meeting the annual payments on this account. I am therefore directed to recommend that the proposed arrangement may be approved.

I have the honour to be,

Sir,

Your most obedient servant,

H. TREMENHEERE,
Secretary to Government.FORT ST. GEORGE,
2nd December 1899.

Exd. C. M. Thambuswamy.

Government {1899} of Madras.
LOCAL AND MUNICIPAL.

Recd.

Regd.

1899.

Enclosures

Spare copies

Letter, No. 1793 M., 2nd November 1899.

NOVEMBER.

Madras Municipal Water-works Loan of 1869-1873.

Submitting, for the favourable consideration of the Government of India, the proposal of the Municipal Commissioners of Madras that the annual payment towards the sinking fund of the — may be reduced from Rs. 28,600 to Rs. 20,000 and that all future payments may be allowed to accumulate with compound interest at 3½ per cent.

Scp
Proof, for approval
with reference to the City Scp's note
on the original

28/11/99

Approved

H. I. 2/12/99

at

5th Dec 1899
at 2/12/99

LOCAL AND MUNICIPAL DEPARTMENT.

LETTER—from

H. TREMENHEERE, Esq., I.C.S.,
Secretary to the Government of Madras,

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
DEPARTMENT OF FINANCE AND COMMERCE.

SIR,

I am directed to submit, for the favourable consideration of His Excellency the Governor-General in Council, the following request made by the Municipal Commissioners of Madras for a reconsideration of the terms under which the Madras Municipal water works loan of 1869-1873 should be paid off.

2. The loan amounts to Rs. 14,30,000, and under the original terms the Municipality was to pay interest at 4 per cent. per annum and also a sum of Rs. 28,600 annually, i.e., 2 per cent. on the capital of the loan, towards a sinking fund, which with compound interest would extinguish the debt in 1899. The Commissioners then paid annually Rs. 57,200 for interest, besides Rs. 28,600 for investment as sinking fund or Rs. 85,800 in all. But in 1883 it was proposed, with a view to lighten the financial burdens of the Municipality, that the interest derived from the investment of the accumulation of sinking fund should be appropriated by the Municipality for expenditure as part of their ordinary income instead of being credited to the sinking fund itself for increase at compound interest, and that only the fixed annual payment of Rs. 28,600 should be credited to the fund. The result of this alteration, which was approved by the Government of India in Mr. Assistant Secretary O'Connor's letter, dated 31st August 1893, No. 2925, was that the extinction of the loan was deferred from 1899 to 1918. The accumulations of sinking fund on account of this loan on the 1st April 1899 amounted to Rs. 8,50,000.

3. The Municipal Commissioners now propose that while they should continue to credit to the general revenues the interest (Rs. 29,000) accruing on the sinking fund as it now stands, viz., Rs. 8,50,000, the annual payment towards the sinking fund for the future should be reduced from Rs. 28,600 to Rs. 20,000 and that all

future payments should be allowed to accumulate with compound interest at 3½ per cent. Under this arrangement, the balance of the loan, viz., Rs. 5,80,000, will be extinguished within the prescribed period, viz., 1918; but there will, in the meantime, be an annual saving of about Rs. 8,600 to the Municipal funds. A

costly scheme of drainage for the town has recently been undertaken and the Municipality has to strain its resources to the utmost in order to provide funds for meeting the annual payments on this account. I am therefore directed to recommend that the proposed arrangement may be approved.

I have the honour to be,

Sir,

Your most obedient servant,

FORT ST. GEORGE,
November 1899.

Exd. C. M. Thumbarwamy.

Secretary to Government.

Local and Municipal Department.

LETTER

To,

The Secretary to the Government
of India, Department of
Finance and Commerce.

Sir,

I am directed to submit for the favour-

able consideration of His Excellency the
General
Governor-in Council the following requestmade by the Municipal Commissioners of
Madras for a reconsideration of the termsunder which the Madras Municipal water
works loan of 1869-1873 should be paid off.

2. The loan amounts to Rs. 14,30,000,
and under the original terms, the Municipality was to pay interest at 4 per cent per annum and also a sum of Rs. 28,600 annually, i.e. 2 per cent on the capital of the loan, towards a sinking fund, which

with

His Excellency has found
the Chapt 9-0. which has been
included as directed by the
The amended Chapt 9-0
and the Chapt letter to the
of India are now
submitted for final
approval before you.

14/11/99

15/11/99

Shew me how
clean put 17/11/99
before you
18/11/99

10.1793 M
2.12.99

with compound interest would extinguish the debt in 1899. The Commissioners then paid annually Rs.57,200 for interest besides Rs.28,600 for investment as sinking fund or Rs.85,800 in all. But in 1885 it was proposed with a view to lighten the financial burdens of the Municipality, that the interest derived from the investment of the accumulation of sinking fund should be appropriated by the Municipality for expenditure as part of their ordinary income instead of being credited to the sinking fund itself for increase at compound interest, and that only the fixed annual payment of Rs.28,600 should be credited to the fund. The result of this alteration which was approved by the Government of India in Mr. Assistant Secretary O'Connor's letter, dated 31st August 1893, No.2925, was that the extinction of the loan was deferred from 1899 to 1918. The accumulations of sinking fund on account of this loan on the 1st April 1899 amounted to Rs.8,50,000.

3. The Municipal Commissioners now propose that while they should continue to credit to the general revenues the interest (Rs.29,000) accruing on the sinking fund as it now stands viz. Rs.8,50,000, the annual payment towards the sinking fund for the future should be reduced from Rs.28,600 to Rs.20,000 and that all future payments should be allowed to accumulate with compound interest at $5\frac{1}{2}$ per cent. Under this arrangement, the balance of the loan, viz. Rs.5,80,000 will be extinguished within the prescribed period, viz. 1918;

but

Voie go $\frac{1366 \text{ Fl}}{3-7-83}$ D7

in go $\frac{2067 \text{ m}}{18-9-83}$ E7

Rs

Total loan - -	14,30,000
Accumulations of sinking fund on the 1 st April 1899	8,50,000
Balance.	5,80,000

28

but there will in the meantime be an annual saving of about Rs.8,600 to the Municipal funds. A costly scheme of drainage for the town has recently been undertaken and the Municipality has to strain its resources to the utmost in order to provide funds for meeting the annual payments on this account. I am therefore directed to recommend that the proposed arrangement may be approved.

(From orders)

I have &c.

V.R
13/11/99

MF
xi. cf
1A

Depd 7/12/99

First copy sent to Press. 22-11-99

Returned for signature. 5-12-99

Despatched in print. 6-12-99

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CURRENT No.

ENCLOSURES TO G. No.

ORDER OF GOVERNMENT

LETTER OF GOVERNMENT. *India A*

STATEMENT WITH DITTO.

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