

Marine (1896) Department.

G.O., No. 581 Marine

DATED 26 August 1896

[Despatch Abstract.]

Madras Harbour Trust Board. Proceedings
Financial Department directing that the
Government ^{of India} be requested to accord sanction
to the issue of debentures for the loans proposed
to be raised by the — to repay the debt due to
Government and to provide funds for harbour
improvements, Communicated to the Chair-
man, Harbour Trust Board.

BACK PAPERS.

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

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
1094							

Marine (1896) Department.

CURRENT No. 900

Order 581 Marine, 26 August 1896

Communicated to the ^{From} The Financial Dept
Chairman Harbour Trust Board

The Ch H. S. A. ✓
26/8/96
Dated 14/9/96

No. 453.

Dated 5th August 1896
Received 24 August 1896
Enclosures
Spare copies

SUBJECT.

Madras Harbour Trust Board
Directing that the Govt of India
be requested to accord sanction
to the issue of debentures for the
loan proposed to be raised
by the ——— to repay the debt
due to Government and to provide
funds for harbour improvements

BACK PAPERS.

FURTHER PAPERS.

G.O.	No.	Department.	Date.
507	410E	mar	20-8-86
478	-	mar	17-7-86
-	276E	-	4-7-86
368	-	mar	16-5-86
226	-	-	22-5-86
210	-	-	1-4-86
119-20	-	-	26-3-86
-	66E	-	26-2-86
952	-	tail	15-1-86
190	-	mar	4-12-85
47	-	mar	1-7-85
866-67	-	tail	9-2-85
792	-	-	22-10-84
152A	-	marine	27-9-84
319	-	-	19-8-83
253	-	-	6-11-89
361	-	tail	2-9-89
174	-	mar	10-6-89
no 420	-	-	18-6-89
			8-7-84

G.O.	No.	Department.	Date.
	446	Mar:	9-9-86

No. 453, FINANCIAL, 5TH AUGUST 1896.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

READ—the following paper:—

G.O., No. 478, Marine, dated 4th July 1896.

ABSTRACT.—Passing orders regarding the loan proposed to be raised by the Madras Harbour Trust Board by issue of debentures, to repay the debt due to Government and to provide funds for harbour improvements.

ORDER—No. 453, Financial, dated 5th August 1896.

The Government of India will be addressed.

[Here enter letter, No. 454, Financial, dated 5th August 1896.]

(True Extract.)

Reddish
Chief Secretary.

To the Marine Department.

Ed. A. Raitt.

Gobt. of {1896} Madras.
FINANCIAL.

Issued

Recd.

Encl.

G.O., No. 453, 5th August 1896.

AUGUST.

Madras Harbour Trust Board.

Directing that the Government of India be requested to accord sanction to the issue of debentures for the loan proposed to be raised by the — to repay the debt due to Government and to provide funds for harbour improvements.

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(True Extract.)

J. F. PRICE,
Chief Secretary.

To the Marine Department.

LETTER — to the Secretary to the Government of India, Finance and Commerce Department, No. 454, Financial, dated Ootacamund, 5th August 1896.

In my letter, No. 318, Financial, dated 6th May 1896, it was intimated that this Government had under consideration a proposal made by the Madras Harbour Trust Board to raise a debenture loan in the open market in order to enable it to repay the whole of its debt to Government and to meet further liabilities in connection with harbour improvements, &c.

	LAKHS.	
* Balance due on 1st April 1895	47.24	
(vide Finance Accounts)	1.00	
Deduct amount repaid in April 1895.	46.24	
Loan sanctioned in Finance and Commerce letter, No. 1970 A., dated 27th April 1895	.82	
Loan sanctioned in Finance and Commerce letter, No. 5324-A., dated 8th November 1895	3.73	
	50.79	
Deduct amount repaid in April 1896. .	1.00	
Balance due to Government	49.79	
or 50 lakhs in round numbers.		

2. I am now to explain that on the 1st April 1896 the Harbour Trust Board had an invested capital of about 7.70 lakhs and that a surplus of .30 is anticipated on the transactions of the current year. It is proposed to issue debentures for a sum of 50 lakhs at $3\frac{1}{2}$ or $3\frac{3}{4}$ per cent. according to the state of the market and it is expected that the debentures will fetch a premium of at least 3.50. The total assets will thus amount to 61.50 lakhs. With this sum the Board would repay the whole of the outstanding debt to Government—viz., 50 lakhs * in round numbers—and could also spend 10 lakhs on harbour improvements, and have in hand a balance of 1.50 lakhs as reserve, to be invested unless and until required to be spent.

3. It is proposed that the loan should run for thirty years and should be liquidated by a sinking fund which would at first amount to .75 lakh per annum. This sum being invested at 3 per cent. would enable the Board with the aid of its annual surpluses to pay off 15 lakhs of the loan at the end of the first fifteen years. By raising the annual instalments to 1.62 during the last fifteen years, the remaining 35 lakhs will be procured.

4. The details of the calculation are shown in the statement appended to this letter. It will be seen that the income from harbour dues, &c., is placed at 4.77 lakhs throughout the period of thirty years, although the actuals in 1895-96 amounted to 4.94 and the estimate of the current year has been fixed at 4.88. On the other hand, the interest on the loan has been taken at 4 per cent., although it will probably be possible to borrow at $3\frac{1}{2}$ or $3\frac{3}{4}$ per cent. and, nevertheless, to realize a premium of 3 or 4 per cent.

5. It is expected that the loan will be extinguished in 1926-27, and that the Board will then have a balance of 2 lakhs in hand.

6. I am to request that the sanction of the Government of India may be accorded to the issue of the proposed debentures at an early date and to the refund of the amount due to Government in the course of the current year. In this case, the further loan of 10.18 lakhs asked for in my letter referred to in paragraph 1 *supra* will not be required.

7. The enquiries in your letter, No. 2948-A., dated 7th July 1896, will be replied to separately.

J. F. PRICE,
Chief Secretary.

APPENDIX.

Harbour Improvements—Revised financial forecast as framed in the Marine Department.

Date.	Capital funds and debt.	Receipts.				Capital.				Expenditure.				Difference between receipts and expenditure.	Sinking fund at the end of the year.	Remarks.		
		Interest at 3 per cent. on invested funds and cash.	Surplus port funds.	Income from harbour dues.	Total.	Interest on capital debt at 4 per cent.	Capital.		Revenue.		Total.	Total capital and revenue.						
							Capital expenditure.	Repayment of advances and sinking funds.	Ordinary expenditure, revenue, repairs.	Petty construction and fish-ment.								
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
End of																		
1894-95	47,24,242	8,34,718	43,110	1,38,531	4,51,309	6,32,950	2,22,913	3,19,817	(b) 6,00,000	11,42,730	1,88,014	23,447	(c)	2,11,461	13,54,191	(d) 7,21,941	RS.	
1895-96	50,79,227	7,50,112	14,074	33,000	4,94,347	5,42,321	2,27,607	4,54,985	(b) 1,00,000	7,82,592	2,02,330	29,589	(c)	2,81,919	10,14,511	(d) 4,72,190	..	
1896-97	50,00,000	7,70,472	(c) 53,740	40,000	4,77,000	5,81,000	2,11,472	10,00,000	(b) 51,00,000	63,11,472	1,84,000	16,000	(c)	2,00,000	65,11,472	(e) 6,20,472	..	
1897-98	..	1,50,000	4,500	40,000	4,77,000	5,21,500	2,00,000	..	75,000	2,75,000	1,84,000	12,000	30,000	2,26,000	5,01,000	20,500	77,250	
1898-99	..	1,70,500	5,115	40,000	4,77,000	5,22,115	2,00,000	..	75,000	2,75,000	1,84,000	12,000	30,000	2,26,000	5,01,000	21,115	1,56,818	
1899-00	..	1,91,615	5,748	40,000	4,77,000	5,23,401	2,00,000	..	75,000	2,75,000	1,84,000	12,000	30,000	2,26,000	5,01,000	22,401	3,23,186	
1900-01	..	2,13,363	6,401	40,000	4,77,000	5,24,073	2,00,000	..	75,000	2,75,000	1,84,000	12,000	30,000	2,26,000	5,01,000	23,073	4,10,132	
1901-02	..	2,36,764	7,073	40,000	4,77,000	5,24,765	2,00,000	..	75,000	2,75,000	1,84,000	12,000	30,000	2,26,000	5,01,000	23,765	4,99,686	
1902-03	..	2,58,387	7,765	40,000	4,77,000	5,25,478	2,00,000	..	75,000	2,75,000	1,84,000	12,000	30,000	2,26,000	5,01,000	24,478	5,91,927	
1903-04	..	2,82,602	8,478	40,000	4,77,000	5,26,212	2,00,000	..	75,000	2,75,000	1,84,000	12,000	30,000	2,26,000	5,01,000	25,212	6,86,863	
1904-05	..	3,07,292	9,212	40,000	4,77,000	5,26,989	2,00,000	..	75,000	2,75,000	1,84,000	12,000	30,000	2,26,000	5,01,000	25,969	7,84,793	
1905-06	..	3,32,292	9,969	40,000	4,77,000	5,27,748	2,00,000	..	75,000	2,75,000	1,84,000	12,000	30,000	2,26,000	5,01,000	26,748	8,85,587	
1906-07	..	3,58,261	10,748	40,000	4,77,000	5,28,550	2,00,000	..	75,000	2,75,000	1,84,000	12,000	30,000	2,26,000	5,01,000	27,550	9,89,405	
1907-08	..	4,12,559	12,377	40,000	4,77,000	5,29,377	2,00,000	..	75,000	2,75,000	1,84,000	12,000	30,000	2,26,000	5,01,000	28,377	10,96,837	
1908-09	..	4,40,936	13,228	40,000	4,77,000	5,30,228	2,00,000	..	75,000	2,75,000	1,84,000	12,000	30,000	2,26,000	5,01,000	29,228	12,06,477	
1909-10	..	4,70,164	14,105	40,000	4,77,000	5,31,105	2,00,000	..	75,000	2,75,000	1,84,000	12,000	30,000	2,26,000	5,01,000	30,105	13,19,921	
1910-11	..	5,00,269	15,008	40,000	4,77,000	5,32,008	2,00,000	..	75,000	2,75,000	1,84,000	12,000	30,000	2,26,000	5,01,000	31,008	14,36,769	15 lakhs paid off, the difference being met from invested funds and surplus.
1911-12	35,00,000 (g)	4,68,048	14,941	42,000	4,77,000	5,33,041	1,40,000	..	1,62,000	3,02,000	1,84,000	10,000	30,000	2,24,000	5,26,000	7,041	1,66,860	
1912-13	..	4,75,087	14,952	42,000	4,77,000	5,33,263	1,40,000	..	1,62,000	3,02,000	1,84,000	10,000	30,000	2,24,000	5,26,000	7,253	3,38,726	
1913-14	..	4,82,340	14,970	42,000	4,77,000	5,33,470	1,40,000	..	1,62,000	3,02,000	1,84,000	10,000	30,000	2,24,000	5,26,000	7,470	5,15,748	
1914-15	..	4,89,810	14,984	42,000	4,77,000	5,33,694	1,40,000	..	1,62,000	3,02,000	1,84,000	10,000	30,000	2,24,000	5,26,000	7,694	6,98,080	
1915-16	..	4,97,504	14,995	42,000	4,77,000	5,33,925	1,40,000	..	1,62,000	3,02,000	1,84,000	10,000	30,000	2,24,000	5,26,000	7,925	8,85,882	
1916-17	..	5,05,429	15,003	42,000	4,77,000	5,34,163	1,40,000	..	1,62,000	3,02,000	1,84,000	10,000	30,000	2,24,000	5,26,000	8,163	10,79,318	
1917-18	..	5,13,592	15,008	42,000	4,77,000	5,34,408	1,40,000	..	1,62,000	3,02,000	1,84,000	10,000	30,000	2,24,000	5,26,000	8,408	12,78,558	
1918-19	..	5,22,000	15,000	42,000	4,77,000	5,34,650	1,40,000	..	1,62,000	3,02,000	1,84,000	10,000	30,000	2,24,000	5,26,000	8,660	14,83,775	
1919-20	..	5,30,680	15,000	42,000	4,77,000	5,34,920	1,40,000	..	1,62,000	3,02,000	1,84,000	10,000	30,000	2,24,000	5,26,000	8,920	16,95,148	
1920-21	..	5,39,580	15,000	42,000	4,77,000	5,35,187	1,40,000	..	1,62,000	3,02,000	1,84,000	10,000	30,000	2,24,000	5,26,000	9,187	19,12,862	
1921-22	..	5,48,767	15,000	42,000	4,77,000	5,35,463	1,40,000	..	1,62,000	3,02,000	1,84,000	10,000	30,000	2,24,000	5,26,000	9,463	21,37,108	
1922-23	..	5,58,230	15,000	42,000	4,77,000	5,35,747	1,40,000	..	1,62,000	3,02,000	1,84,000	10,000	30,000	2,24,000	5,26,000	9,747	23,66,081	
1923-24	..	5,67,977	15,039	42,000	4,77,000	5,36,039	1,40,000	..	1,62,000	3,02,000	1,84,000	10,000	30,000	2,24,000	5,26,000	10,039	26,06,982	
1924-25	..	5,78,016	15,340	42,000	4,77,000	5,36,340	1,40,000	..	1,62,000	3,02,000	1,84,000	10,000	30,000	2,24,000	5,26,000	10,340	28,51,021	
1925-26	..	5,88,356	15,661	42,000	4,77,000	5,36,651	1,40,000	..	1,62,000	3,02,000	1,84,000	10,000	30,000	2,24,000	5,26,000	10,661	31,03,413	35 lakhs paid off leaving a surplus of Rs. 2,02,420.
1926-27	Nil.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	
1927-28	..	(h) 2,02,420	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	

15 lakhs paid off, the difference being met from invested funds and surplus.

35 lakhs paid off leaving a surplus of Rs. 2,02,420.

(a) This sum represents the total of the loan to be raised and the interest on invested funds as shown below:—

The loan of 50 lakhs with premium at 7 per cent.		RS.
Interest on invested funds	..	53,50,000
..	..	24,000 (approximately).
Total	..	53,74,000

(b) This is wholly for the repayment of loan.

(c) Included in capital expenditure, but not shown under receipts.

(d) Deficit is met from invested funds (column 3) leaving a balance in 1897-98 of Rs. 1,50,000.

(e) 14,36,769 + 5,00,269 + 31,008 = 19,67,046 (vide column 3).

(f) (31,03,413 + 5,85,356 + 10,661) = 36,90,430 (do.

Govt. of {1896} Madras.
FINANCIAL.

Issued

Recd.

Encl.

G.O., &c., Nos. 453, 454,
5th August 1896.

AUGUST.

Madras Harbour Trust Board.

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