

Marine (1897) Department.

G.O., No. 888 *ua*

DATED 29 Oct 1897

[Despatch Abstract.]

Debenfusa loan, Ros: Annual Sept 6mths.
Letter from the Govt of India declining to re-
consider the order cancelling the sanction
previously given to the issue of a — of 50
lakhs by the Madras Harbour Trust Board
Comd to the Chairman of that Board.

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

Communicating letter from the
Govt of India declining to re-
consider the order cancelling
the sanction previously given
to the issue of a debenture
loan of 50 lakhs by the
Madras Harbour Trust & Board

The Chairman, H. T. Bd.

BACK PAPERS.

FURTHER PAPERS.

No.	Date.
509 E	7-8-97
429 E dy	28-6-97
496 mar	28-5-97
310 mar	30-3-97
275 mar	20-3-97
157 ^E mar	5-3-97
~~708 mar~~	~~14-10-96~~
745 mar	2-11-96
708 ..	14-10-96
446 E	9-9-96
442 E	9-9-96
581 mar	26-8-96
410 E	20-8-96
507 mar	17-7-96
478 ..	4-7-96
368 ..	22-5-96
226 ..	1-4-96
210 ..	26-3-96
119-20 ..	26-2-96
9527 mil	4-12-95
746 mil	8-8-93

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2,000-24-8-97

Financial

Department



PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read again G.O.Nos. 580-81, dated 27th July 1897.

also

READ the following paper:—

From the Government of India, Finance and Commerce
Department, No. 4229-A, dated 21st September 1897:-

I am directed to acknowledge the receipt of your letter No. 581, Finl., dated the 27th July 1897, recommending a reconsideration of the orders of the Government of India contained in this department letter No. 1889-A, dated 27th April 1897, which cancelled the sanction previously given to the issue of a debenture loan of 50 lakhs by the Madras Harbour Trust Board in view of the fact that there was no definite and immediate prospect of the loan being floated.

2. It is urged that owing to unavoidable delay in obtaining a fresh sanction of the Government of India and in advertising for tenders, the Trustees may not be in a position to act promptly and to seize any opportune turn of the market which may present itself and that the opportunity for successfully floating the loan may thus be lost. The Madras Government accordingly recommend that the sanction should be revised^v and allowed to remain operative though there is still no immediate intention of acting on it.

3. The question whether a standing sanction can legally be given to the raising of a loan of 50 lakhs by the Madras Harbour Board is at least doubtful, and in all similar Acts the requirement of the sanction ^{by the} ~~of~~ Government applies to some particular project for raising a specific

loan,

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loan, and not to a general permission to enter the market whenever convenient. The Government of India in any case are not prepared to depart from the previous practice in this respect, and are unable to give the general sanction referred to.

4. I am also to point out that if the proposal is intended to include a general permission to the Trustees to tender to the Government a repayment of 50 lakhs of rupees without previous notice to and arrangement with, the Government of India, it is not in the opinion of the Governor General in Council one that the Government can accept.

5. The circumstances of the month of September 1896 were altogether exceptional, and although it may be true that through ~~delays~~, for which the Government of India are unable to consider themselves responsible, ^{the} The Trustees were prevented from taking advantage of a favourable condition of the market, there seems no reason to think that, with the use of the telegraph in case of urgency the requisite legal sanction cannot in future be obtained without risk of prejudice to the Trustees.

O R D E R:- No. 860, dated 14th October 1897.

Communicated to the Marine Department.

(True Extract)

Mr Couchman.

for Chief Secretary.

To the Marine Department.

P.S.
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26/10/97