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MADRAS RECORD OFFICE.

Government of Madras.

Public DEPARTMENT.

G.O. No.	146	Press Mis.
Dated	2-2-	18 69

Not to be folded or roughly handled

Proceedings of the Madras Government, Public Department,
2nd February 1869.

No. 22. Read the following letter from the President of the Madras Municipal Commission, to the Chief Secretary to Government, Fort St. George, dated Madras, 28th January 1869, No. 55.

Although the Municipal Act does not require that Proceedings of Special Meetings should be forwarded to Government, the subjects discussed at the Meeting on the 21st instant were so important, that I think it my duty to bring them to the notice of Government.

2. The object of this Meeting was to receive and adopt the report of a Committee which was appointed on the 31st of July 1868, with instructions to examine the Municipal accounts, and the state of the collections with special reference to the heavy arrears which have accumulated; also, to report on certain frauds committed by employes in the Collector's Department, which had been discovered during the past year, and finally to inquire into the general system of management of the Department.

3. The report, which I beg to enclose, exhibits the fact that there had been, for many years, great laxity of system in the administration of Municipal affairs; a want of efficient check in respect of the collections; and very considerable negligence on the part of those to whom were entrusted the assessment of taxes and the collection of Municipal revenues.

4. The report enters very fully, both into the short-comings of the past, and into the method to be adopted for the future. The Committee having been appointed at my instance, I may say that I have, with certain reservations, accepted very cordially the results of their labours, and shall, to the best of my ability, endeavour to carry into effect their recommendations, which would appear to have been adopted after most careful and searching inquiry and consideration, and to be well-adapted to promote the interests of the rate-payers.

5. The Government will observe from the report of the Committee, and from the Proceedings of the Special Meeting, herewith forwarded, that very severe blame has been cast upon some of the officials of the Municipality, especially the Collector Mr. Jesudasen, and the Assessor Mr. Bazely.

6. At the Meeting the question was raised as to whether the Government should not be solicited to remove the Collector from his office, and that the Commissioners should dismiss the Assessor.

7. At the same time it was distinctly stated that there was no ground for making a reflection on Mr. Jesudasen's character in respect of honesty, but his ability to fill his present situation was questioned; and had not the Resolution to request of Government his removal been negatived by so large a majority of the Commissioners, I should have felt it my duty to recommend that Mr. Jesudasen's services should be dispensed with.

8. But as this Resolution was not carried, I am induced to delay making to Government any such proposal in my capacity of President.

9. I would venture to remind the Government that the short-comings of Municipal officials are of ancient date, and are to be attributed, in a great measure, to a faulty and inert system of management and control of the various Departments,

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which I, as President, inherited from my predecessor, and I am not without hope, and indeed shall be very much disappointed if, by a careful observation of the recommendations contained in the report, the Municipal administration is not placed on a firm and satisfactory footing in future.

10. I however propose, with the permission of Government, notifying to the
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| Mr. Jesudasen. | Officers marginally noted, who receive |
| „ Wheeler. | their appointments from Government, |
| „ Bazely. | and also to the Assessor, who holds his at |

the hands of the Commissioners, that they must consider themselves on probation at present, and that the retention of their offices will depend upon the report of a Committee, which I purpose asking the Commissioners to sanction the appointment of at the expiration of six months, as to their efficiency.

11. I have included Mr. Wheeler, the Sanitary Inspector, in the list; for, though I consider him a very good Executive Officer, and he has worked to my satisfaction, I have been exceedingly dissatisfied with the report made of his conduct and bearing towards the Finance Committee, as instanced by the Chairman, Mr. Gover, at the Special Meeting, and can only regret that this was not brought more prominently to my notice, or to that of my Assistant, at an earlier period. I trust, however, that the strong vote of censure passed on this Officer at the Meeting, and a Memorandum drawn up by me after the Meeting expressing my extreme displeasure at his conduct, may have the desired effect, and that Mr. Wheeler may, by his future conduct and respectful demeanour toward the Commissioners, restore himself to favor.

12. I trust the views herein expressed may meet with the favorable consideration of Government.

At an adjourned Special Meeting of the Municipal Commissioners under Act IX. of 1867, held at their Office in Errah Bauloo Chetty Street, Black Town, on Thursday the 21st day of January 1869.

PRESENT.

Colonel C. A. DENISON, *President.*

Dr. D. H. Paterson.	Mr. J. W. Gantz.
G. Narasimulu Chetty Garu.	Mr. Cyrus Grant.
Y. Vencataramiah Garu.	Mr. F. Doderett.
C. Parthasarady Naidoo Garu.	Mr. C. E. Gover.
V. Kristnama Chariar.	Mr. G. Hamnett.
C. V. Iyasawmy Moodelliar.	Mr. J. Grose.
M. S. Sadagopa Moodelliar.	Mr. J. P. Waller.
Mr. J. G. Coleman.	Janay Jahankhan Bahadoor.
P. Somasoodrum Chettiar.	P. T. Ramanjalu Naidoo Garu.
P. Chukka Chettiar.	Lieutenant-Colonel T. Gillilan.
A. Alwar Chettiar.	The Honorable Meer Humayun Jah Bahadoor.
C. V. Parthasarady Iyengar.	M. Vencatasawmy Naidoo Garu.

The President addresses the Meeting as follows :—

GENTLEMEN.—We have met to-day for a very important purpose, viz., to consider the report of the Finance Committee, and which I hope may be the means of inaugurating a new system in our Municipal accounts and affairs generally; for there can be no doubt but what for years past they have

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been in a chronic state of disease, and though I believe I have done my best for the two years I have been in office, no doubt more might have been done; but I knew when I commenced work I had a very up-hill task before me. I take credit to myself, however, for having been the means of getting the Finance Committee appointed, and whom I now take this opportunity of publicly thanking for the great pains and trouble they took in unravelling such a mass of confusion as existed in the accounts. I consider that the thanks of the Commissioners and the public are justly due to those gentlemen, for they had no enviable task before them.

Gentlemen, I will not detain you by any further preliminary remarks as we have much before us to-day, and I would beg to suggest that Mr. Gover, the Chairman of the Finance Committee, be requested to bring up the report, prefacing it with such observations as he may consider necessary. I would then read a few addenda to my Memorandum of the 30th of November, which was circulated with the report, after which it will be open for any Commissioner to address the Meeting, and we shall, I hope, be able to come to a clear and definite conclusion as to how matters shall in future be conducted; it is and has ever been my earnest wish and endeavour so to work with the Commissioners, whom Government has appointed to assist me in what I may say is rather a difficult and onerous duty, as to merit the confidence of Government, the Commissioners, and the public. If there is no objection to the course suggested by me, I will now ask Mr. Gover to bring up the report.

Mr. Gover then introduced the Finance Committee's Report. He said that his remarks would be as few as possible. It would, in the first place, he thought be well if the Commissioners could make up their minds to pass by all irritating matters. The Commissioners had not altogether been pleased with the President's Memorandum on the Finance Committee's Report; but it would not mend matters if any reply were made. The President had now expressed his appreciation of the service rendered by the Finance Committee, and he would advise the Commissioners to let this override all other matters. He would, therefore, refer to two or three matters to which the President had objected. Mr. Gover, after alluding to the paragraphs in the report to which Colonel Denison had taken exception, explained that it had not been in the least intended in those paragraphs to cast any reflection on the President. He would next turn to Mr. Vencataramiah's dissent, which was to be found in page of the Report. Mr. Vencataramiah differed with the Committee on the subject of certain discrepancies. He thought discrepancies having been explained should not have been afterwards alluded to. Mr. Gover was of opinion that the mere fact that the discrepancies had been explained by Mr. Bazely and Mr. Jesudasen did not show that they had not existed, and he could not, therefore, agree with Mr. Vencataramiah that the discrepancies having been explained they should not have been alluded to. The Committee had been composed of seven members, and the report having been drawn up with very great care, was a candid and thorough one. Nothing was entered in it without being fully discussed, and care had been taken to present in it only what could be relied upon.

Colonel Denison then read the addenda to his Memorandum of the 30th November 1868.

The Trade Tax Statement of 31st October 1867 was examined in the General Department, so far as the collections were concerned, and these corresponded exactly with the entries in the

Paragraph 5. Ledger; the correctness of the balance outstanding could only be ascertained in the Collector's Office by examining and totalling the bills in the hands of the Conicopillies, which was not done until December, and the result was not reported to me by the Collector as it should have been.

The Statement, dated 16th December 1867, furnished by the Collector at the request of Colonel Gillilan, started with the balance shown in that furnished by Mr. Bazely, and dated 31st October 1867, viz., Rupees 3,49,807-8-0. The collections corresponded with the entries in the Ledger.

The second Statement, furnished by the Collector at the request of Colonel Gillilan, dated 17th March 1868, started with a balance of only Rupees 2,64,117, and this, as before stated, reached me so late that there was not time to examine it, prior to my handing it over to Colonel Gillilan at

the Meeting, and he did not discover the discrepancy till some time after; it was, however, I consider, most inexcusable on the part of the Collector to have furnished that Statement without pointing out the difference between the balance of his former Statement, and that brought forward in the latter. I can only suppose he was himself ignorant of the difference, and that he signed the latter Statement without taking the trouble to examine it carefully; if he did examine it, then his silence was all the more reprehensible.

I have already explained to the Committee, in my Memorandum of the 14th of May last, that only the collections of Trade Tax figure in the Ledger, the demand could not be relied upon as it contained a number of fictitious names, and still more of real ones twice and thrice entered in the Collector's Registers.

The copy of the requisition, stated by the Collector to have been delivered to Mr. Bazely in person, differs materially from the original list shown by the Collector to Mr. Cardozo, and yet the former stated to the Committee that, after showing the requisitions to Mr. Cardozo, he went straight into Mr. Bazely's room and gave him the very paper Mr. Cardozo had seen; this is evidently a misstatement.

Paragraph 19. There would appear to have been more laxness in the issue of duplicate bills under the present than under former Collectors.

The Collector did not bring this to my notice until the 12th of August 1868, and he subsequently reported the Conicopilly had made good the amount; but I was not going to keep him in the Department.

Paragraph 26. I consider the Collector should be called upon to explain this.

The "Sumprathies" keep their accounts in English, and if their services are dispensed with, they must be replaced by trained Accountants, who will require higher pay.

Paragraph 36. The owners of houses and lands will not pay a full year's rate, when their property is unproductive it is hard enough for them to pay a moiety when the house remains empty for more than six months.

Paragraph 39. I modify my concurrence in this paragraph, and consider that the Remission Department should remain in the Collector's Office; the accounts may be checked and the bills deposited in the General Department; but it is desirable

Paragraph 41. the Collector's record should show every transaction relating to a bill from its issue to its recovery or remission; the General Department should be one of audit.

Paragraph 42. The Distraining Officers recover a far larger amount than is shown by the proceeds of property actually sold; a large portion is redeemed on the spot, and still more prior to day of sale.

Paragraph 43. The percentage system will not suit the present Conicopillies, and the Collector would, I imagine, find it difficult to supply their places; it would, perhaps, be better to give the work out to a Collector on commission as is done at Calcutta.

Paragraphs 57 to 60. The present system is understood by all parties, and the introduction of a new and more complex one will not, I imagine, be acceptable to the public.

The tax on vehicles and animals is not collected in the same way as the others; the public apply for licenses and pay the tax into the Collector's office half-yearly.

Paragraph 61. I do not know how the Committee got at the sum of nearly 70,000 Rupees as to credit of Improvement Fund, it is 40,355-9-0, which should be at once devoted to improvements such as were submitted by me in the budget, and also to improvements in John Pereiras.

Paragraph 63. The revision of assessment for 1869 was stopped by the Commissioners on the 9th of December last, so it will certainly not be completed by the 30th of March next; the rate must be fixed by the Commissioners, and sanctioned by

Paragraph 64. the Government before notice can be given that the Registers are ready for inspection of the public; it is also necessary that the amount of rating should be first filled in.

A new set of Registers has only lately been printed to last for three years; it will be an unnecessary expense at present to adopt the new form recommended by the Committee.

Paragraphs 66 and 67. Until a Street Wari Index is completed, the present form of Register had better stand as it is for each Division.

Paragraph 68. Mr. Cardozo has exculpated himself from the charge of "doing nothing but what he was ordered," in his letter to my address, dated 3rd December 1868.

Paragraph 70. The Municipal Act should be revised both by a Committee and by a Barrister, as it is full of legal flaws, and has required constant reference to our Solicitors.

Paragraph 72. In paragraph 111 of my Memorandum of the 30th November, I have stated my opinion as to this, and see no reason to change it.

Paragraphs 76 to 82. The adoption of the Committee's recommendations will increase the office work, and if it is not closely supervised by the Sanitary Inspector, it will fall into confusion.

Paragraphs 83 to 88. The Act provides for payment of a Government Auditor out of Municipal funds; if the Commissioners wish a separate audit to be made every two months, the Act must be revised.

Paragraph 90. Plans and estimates of large works and improvements will, in future, be submitted to the Commissioners in the 3rd quarter of each year entry in the budget.

Paragraph 104. The maximum should be 1000 Rupees. Provision having been made in the budget for 1869, for raising Mr. Stephenson's salary to Rupees 300 per mensem, it is only necessary for the Commissioners to sanction its retrospective effect from 5th of June 1868, the date on which he took charge of the Engineer's Office.

Paragraph 105. Mr. Vencataramiah observed that in his dissent he had only stated that after it was clear to the Committee that there was no discrepancy, there was no necessity for any comment.

Mr. Coleman then addressed the Meeting:—

CHAIRMAN AND GENTLEMEN.—We have met to-day to consider the report of the Finance Committee upon

Firstly.—The discrepancy in the account pointed out by Colonel Gillilan.

Secondly.—The disputes which have occurred between the Collector and Assessor.

Thirdly.—The state of the collections with special reference to the immense arrears which have accumulated.

Fourthly.—The frauds that have been discovered in the course of the year.

Regarding the first, the Committee state that they found that the Collector's Department has been for years in a most disgraceful state of inefficiency, and that succeeding Collectors made no earnest effort to reform the Department.

They also state that, since December 1867, no single correct account has been presented by Dr. Jesudasen, and that none of the explanations given to Mr. Mackey accord with each other. They draw special attention to the fact, *that it has only now been discovered* that a sum of about 11,000 Rupees has *been twice* remitted by the President, and they are unanimous in their conclusion that the Collector is not conversant with the most ordinary transactions of his office, and has trusted entirely to subordinates, signing apparently whatever paper was set before him.

They further inform us, with regret, that the statements given by Messrs. Bazely and Jesudasen, when the President demanded an explanation of the discrepancy, were not only unsatisfactory, but absolutely untrue.

This report prominently brings to our notice another and worse instance of want of good faith, for which the Committee held the present Collector solely responsible. In his report of 19th May 1868, Dr. Jesudasen reported that there was a balance of Trade Tax due on March 14th of Rupees 2,99,575-8-0. This balance did not exist, and we are compelled to report that Dr. Jesudasen *knew*, or ought to have known, it did not exist; for in his return, dated 17th March, he had reported a balance due of only Rupees 2,44,298-8-0 for the very same day, March 14th. There may have been a mistake concerning the balance in December, but there could have been none with regard to that of the 14th March. Mr. Jesudasen may have correctly drawn his statement from the form of October 31st, but we find that he believed that form to be incorrect, and that the wording of his accompanying Memorandum was calculated to mislead the Commission by concealing the actual difference which he knew to exist.

Now, with regard to disputes between the Collector and Assessor, the Committee state that a very bad feeling existed between them. The accusations always proceeded from the Collector against the Assessor, and to have been generally unfounded, and that the Committee also considered that the Collector might have *justly* complained that his Assistant had not given him such zealous aid as he ought to have done.

Regarding frauds they state that a "tremendous amount of rascality and pilfering" has been going on for years past, yet, with one exception, none was detected.

Inquiry proved that the Check Register, which contained the entry of the payment of the bills, contained very frequent erasures. The entry of payment had actually been made, but no care had been taken to transfer this entry, or the money to the cash-keeper's books and chest. The consequence was that the Conicopilly erased the entry and pocketed the money in several instances.

Another serious circumstance that the Committee bring to our notice is that, upon the representation of a Bill Collector having lost a bill, a duplicate was immediately issued, without inquiry, without even being marked "duplicate," thus facilitating the commission of fraud. Bills were known to be missing, and yet, in the face of this knowledge, no steps were taken by the Collector to ascertain the cause. Again, when payment for License Tax was tendered, a duplicate bill was given, and the original never recalled, owing to no registry being kept of the name of the Bill Collector to whom it was delivered. When this state of things was discovered, orders were issued for the return of bills for which duplicates were issued. One Bill Collector returned 600 bills—others less! This will give you a final idea of the vigilance that has been exercised in this department.

In March a remission of Rupees 23,460 was ordered by the President. The bills were made up into a sealed packet, accompanied by a series of Memoranda, giving a careful description of the bills thus included and to the amount named. This sealed packet should have been sent to the President's Department, *but was kept in the Collector's almirah*. When Mr. Gover and Mr. Mackey inspected the office, this packet was produced, and both saw the detailed Memoranda,

exhibiting bills to the full value. Shortly afterwards, when these gentlemen desired to examine the packet, it was found open, and bills, to the value of Rupees 3311, were missing!!!

Another matter of equal importance arises in connexion with these remitted bills. The practice of the office is that all cancelled bills shall be defaced by being stamped over the signature with the word "cancelled." On examining the bills remaining from the Rupees 23,460, it was found that many were not marked at all, while others were endorsed in pencil. Now, gentlemen, the probability is that these bills may be presented again for payment, depend upon it we shall not get the proceeds!!!

Some two years ago I had good reasons to suspect that the Collector's and Assessor's Offices were not in that healthy state of management which ought to exist: in fact that these departments were the very reverse of it. I made strenuous efforts to reorganize the Department, and my worthy colleague, C. Parthasarady, will bear me out in this. But the difficulties that existed were so great that I was obliged to abandon my own proposition.

The careful and elaborate investigation that has been lately made, has disclosed a state of affairs, not only corroborative of my suspicions, but of a great deal more which has not come to light.

The two gentlemen most deeply implicated in the neglect of duty are Dr. Jesudasen and Mr. Bazely, both equally deserving of the greatest reprehension. Dr. Jesudasen seemed totally ignorant of the common concerns of his office, signed any paper put before him with the greatest indifference. We have statements of Messrs. Jesudasen and Bazely not simply unsatisfactory, but absolutely untrue. In Dr. Jesudasen's statement of May last, he reported a balance of nearly three lakhs of Rupees, a balance which he must have known *did not exist*, drawing up his statement from a form which he believed to be incorrect, with a Memorandum calculated to mislead the Commission on this point. Regarding these accounts the President and his Assistant receive a share of the blame for not personally checking and affording proper supervision. I take leave to demur to this accusation, for it is impossible that the President could supervise and guarantee the correctness of every statement submitted to him. The Head of no Office in existence could warrant of his own knowledge the correctness of details set before him.

It is true he is made responsible, but is not morally so which must appertain to the subordinates to whose good faith and honesty every Head of an Office must necessarily trust.

The grossly discreditable way in which the Collectors neglected their duty is exceedingly conspicuous. Dr. Jesudasen is considered to have no share in introducing the evils which he knew to exist, but I do not consider this sufficient to exonerate him, in any degree, from the charge against him.

The amount of fraud and cheating, going on for so many years, is quite astounding, and the Collector and Assessor who could calmly ignore such a state of things, and permitted the recurring of them during their own tenure of office, without taking vigorous measures to trace and detect them, ought to be peremptorily removed. It is quite incredible that they could have been ignorant of such a fact, had the slightest attention been paid to the state of the books. The very fact of the numerous erasures ought to have drawn the attention of any one with the slightest knowledge of his duties. The fact, too, of so many Conicopillies having been discovered or suspected in these fraudulent transactions would have infused into the minds of any one of common sense, ample cause for suspicion had he cared sufficiently about the way his duties were performed. The confusion in which bills were kept and issued opened the door for fraud, and rendered it totally impossible for the Commission to say what was the real value of its balances of bills due. Some of the Conicopillies had lost their bills and others had some in excess; while no attempt was made by the Collector to inquire into these discrepancies; notwithstanding it was ascertained that one man had misappropriated the proceeds of missing bills to his own use, the Collector took no steps to ascertain whether bills of other Conicopillies were correct. To add to this undesirable confusion bills had been counted as paid, and again as being due, duplicate bills are made out, while the originals are in the hands of Conicopillies, this causing a double demand on the tax-payers, and missing balances being in the hands of the Conicopillies, they were counted twice over, the balance shown in the amounts being consequently in excess of what it ought to be, bills that should have been cancelled were

either not cancelled at all, or only so in pencil, and the Collector alone is responsible for all this gross neglect and irregularity. The allegation of the Collector that he had adopted complete means of preventing fraud, was evidently an incorrect statement, the books being kept so carelessly as to render the keeper perfectly useless as a clerk. To suppose that Dr. Jesudasen is, in any way, exempt from responsibility because he found the accounts in the same state as he has continued to have them, is an evident absurdity on the face of it.

I have read Mr. Bazely's defence, and consider it highly unsatisfactory, the testimony adduced of the great confusion and irregularity of his and other Departments of the office cannot, for a moment, be palliated by any number of testimonials to his efficiency in book-keeping upon which the present resolutions must furnish an ironical commentary. The plasticity of conscience which has permitted the Collector and Assessor to tolerate so long a system of combined irregularity and fraud is so highly reprehensible, that in no other office whatever would the incumbents have been permitted to retain their places. Mr. Bazely's reputation as an Accountant stands high in this Presidency, the higher that estimation the more conspicuous become his carelessness and his culpability. He has been for many years in the office, and cannot plead ignorance as an excuse for the state of things, of which we have as yet but a partial revelation.

When I look upon the whole of the revelations of the Committee regarding the laxity with which the respective duties of Messrs. Jesudasen and Bazely have been performed, only one rational course can be determined on, viz., that this sink of corruption and hot-bed of rascality should undergo a complete purification and renovation—a more fitting opportunity than at present could never occur. Mr. Cardozo is about to leave us, probably never to join us again. Messrs. Bazely and Jesudasen have proved themselves unfit, and should, therefore, be removed by application to Government. Misplaced leniency under the circumstances, could have only an evil influence, and it is imperative, that where so many interests are at stake, and where the negligence has been so wholesale and deliberate, that no consideration for personal interests should usurp the place of what is due to the rate-payers of Madras, and the immediate removal of the delinquents is called for by every consideration attached to the dignity and integrity of the Corporation.

The Committee, in remarking upon the state of the audit of the number of accounts, truly remark that they may be said never to have been audited at all. To suppose that any gentleman is competent to audit the complicated accounts of the Municipal Department, without any previous personal knowledge, and of the details and management of the several departments, is a fallacy in the highest degree, and the unsatisfactory state in which we find the Municipal accounts is quite sufficient comment upon the practice. It is quite a farce and a fallacy to continue it anywhere. It is neither useful nor ornamental. I do not believe in any audit, unless the Auditor is a part of the establishment, and is quite conversant with all the minutæ in the department, and can certify to every entry of his own personal knowledge. The mere confirmation of an abstract and verifying the details of it is not sufficient, unless he can, of his own knowledge, certify as to the real state of facts. It is the whitewash which the public bodies and Corporations have recourse to, to conceal what, in many cases, may be a rotten state of things. This is a subject worthy of your future consideration. The remedy for this descriptive state would be the appointment of salaried Auditors in the service of the Corporation, to supplant the slipshod auditing which has hitherto been tolerated.

Colonel Gillilan had hoped that some Native gentleman would have risen to second the reasonable Resolution of Mr. Coleman. He felt that it was due to the Commissioners themselves and to the public that the matter, with regard to the accounts, should not be passed over. When he first saw the large figures he knew there was something wrong, and when he asked for explanation, each explanation that was given only made the accounts more and more doubtful. He would second Mr. Coleman's Resolution, but he did not second Mr. Coleman's remarks touching the honesty of Mr. Jesudasen and Mr. Bazely. He was always slow in attaching dishonesty to any person. He was aware that, unless a person was well up in accounts and acquainted with all the details, he would be greatly puzzled at having to deal with arrears. He could well understand the position of the gentlemen who was held to be responsible for the accounts. Mr. Jesudasen did not understand the accounts, and could not give any explanation. He did not impute any dishonesty to Mr. Jesudasen

who had never been brought up to accounts; Mr. Jesudasen was a doctor, and doctors, he knew, (he did not know whether any doctor was present,) did not make the best Accountants. (On Colonel Gillilan discovering that Dr. Paterson was present he said that there was an exception to every rule, which occasioned great laughter). He could understand that Mr. Jesudasen, being transferred to a department in which accounts were involved, had accepted statements which were put before him by his subordinates. Colonel Gillilan, therefore, seconded Mr. Coleman's Resolution without imputing any dishonesty to Mr. Jesudasen. He thought that the friends of Mr. Jesudasen would best consult the interest of that gentleman if they would apply to Government to remove him from his present post, and place him in a position where his talents and integrity might be turned to account.

Mr. Coleman explained that he had no intention to cast any imputation on Mr. Jesudasen's moral character.

Mr. Gover also observed that there was nothing in the report imputing dishonesty to Mr. Jesudasen or Mr. Bazely.

As it was clear that no application to Government for an Auditor could be made before the Municipal Act was revised, the matter with regard to the Auditor was dropped. Mr. Coleman's Resolution, which was seconded by Colonel Gillilan, then ran thus: "that application should be made to Government for the immediate removal of Mr. Jesudasen Pillay, and that Mr. Bazely be removed by this Board from his office."

Mr. Kristnama Charriar remarked that Government did not appoint Mr. Jesudasen, owing to any special fitness for the post he occupied. If fitness for posts were to be taken into consideration, the report of the Finance Committee showed that there were several persons who were unfit for their duty.

The President.—I bow to that remark. (Laughter).

The Resolution on being put to the vote was lost, a large majority being against it.

Mr. Narasimulu Chetty, in reference to explanations which had been offered by Mr. Jesudasen, Mr. Bazely, and Mr. Tavagram, proposed the following Resolution:—"That no officer of the Board should be permitted to remark upon its proceedings, or upon reports which are to be submitted to it, until called upon to do so by the Commissioners."

Dr. Paterson thought that the proceeding with regard to Mr. Jesudasen had been out of order.

Colonel Gillilan observed that he had had Mr. Jesudasen's explanation before him, as it had been circulated with the other papers. He thought that full justice had been done to Mr. Jesudasen.

Dr. Paterson still held that the Commissioners had acted out of order with regard to Mr. Jesudasen.

The President observed that it was customary in the office to allow a person who was accused of anything to defend himself. Surely the Commissioners were not going to resort to such an un-English proceeding as to shut out parties accused from making any defence. If a charge were brought against him (the President) he would like to be allowed to afford an explanation.

Mr. Gover said that though an Englishman he could not but fully support the motion of Mr. Narasimulu. He had had much experience in business, and his experience taught him that when proceedings were before a Board or Committee no subordinate should be allowed to make any comments on the proceedings. The Committee was the guardian of its own honor, as well as of the honor of the subordinate. He did not object to subordinates affording an explanation, but the question was, when should it be made. It had been, he thought, understood at the last Meeting when Mr. Wheeler's case was brought before the Board that a subordinate could not make any remarks on proceedings before the Board. He, therefore, thought that Mr. Jesudasen's, Mr. Bazely's, and Mr. Tavagram's explanations ought not to have been received.

Mr. Grose said that there was a great difference between the case of Mr. Wheeler and that of Mr. Jesudasen and Mr. Bazely. In Mr. Wheeler's case, the portions of the report which had reference to him were shown to Mr. Wheeler before the report was submitted to the Board, and he made some remarks and very improper remarks too on it. In the present case it was understood that the subject would be discussed, and the explanations had been under consideration. He ap-

proved of the Resolution proposed by Mr. Narasimulu in the abstract, but would suggest that it be modified and adopted.

Colonel Gillilan thought that some distinction should be made with regard to subordinates. Considering Mr. Jesudasen's position it was only due to him that the President should have given him an opportunity of defending himself. Without his explanation the Commissioners could not have conscientiously acted in the matter. As for his own part if he had not seen the explanation, Colonel Gillilan would have requested that the Meeting be adjourned to give Mr. Jesudasen time to afford an explanation.

Mr. Vencataramiah thought that there was a technicality in the matter. The gentleman in question had no reason to anticipate what would be done. The question was how did the report get into their hands?

Mr. Gantz said that he was anxious that the Commissioners should be allowed time to consider the case of Mr. Bazely and Mr. Jesudasen. Dismissal was really a heavy punishment.

Dr. Paterson again urged that Mr. Jesudasen and Mr. Bazely should be treated honestly and fairly.

Mr. Narasimulu Chetty's Resolution being put to the vote was carried.

The President after this said the vote of the Commissioners placed him in a false position. He had all along no confidence in Mr. Jesudasen. The Commissioners had, by their silence, shown that they approved of the appointment of the present Collector. He could not be the President so long as Mr. Jesudasen was the Collector.

Mr. Gover observed that when the report went up to Government the same facts which were before the Board, being before Government, the Government would probably carry out the wish of the President.

Mr. Vencatasawmy Naidoo, being of opinion that several who were in the office were at fault, proposed: "That in the reviewing the Report of the Finance Committee the Board are not prepared to apportion the blame due to the various officers of the Municipality on account of the irregularities brought to light in the office, and feel that they are the result of a course of neglect which dates from many years back." The Resolution being seconded by Mr. Iyasawmy Moodelly was put to the vote and carried.

Dr. Paterson said that a great number of the Commissioners felt themselves in painful positions. The report had made an exposure of facts of which they could not but be ashamed. He thought that in this case they would have arrived at a more satisfactory conclusion, if they had gone deliberately to work. He received Mr. Jesudasen's explanation too late to enter into it. Colonel Gillilan had observed that medical men were permanently unfit for dealing with figures (laugh), so a great deal of time would be required for his unfinancial head to understand the account. After a few more observations, Dr. Paterson proposed—that the Board resolve to adopt the remedial measures recommended by the Committee, and strongly recommend that they be carried out.

The following amendment was proposed by Mr. Grose, and seconded by Colonel Gillilan, but on being put to the vote was lost:—That the Commissioners desire that such of the remedial measures proposed in the Financial Committee's Report as have been approved by the President in the Memoranda read to the Board be introduced forthwith.

After some further discussion Dr. Paterson's proposition being put to the vote was carried. The words "in communication with the Finance Committee" were added before the Resolution was put to the vote.

Mr. Gover then made some observations as to the manner in which Mr. Wheeler, the Sanitary Inspector, had treated the Finance Committee when he was called upon to supply them with information. He acknowledged having received much assistance from the heads of the other Departments, but Mr. Wheeler, though treated by the Committee with the greatest consideration and courtesy, had set himself against the Committee. It was then proposed by Mr. C. V. Parthasarady Iyengar, and seconded by Mr. Sadagopa Moodelly, and carried:—That having heard the statement of the Committee with regard to the extraordinary conduct of Mr. Wheeler, the Commissioners re-

cord their emphatic condemnation of the action of the Sanitary Inspector, and express their surprise that any servant of the Commission appointed by Government should have acted in such a manner.

It was next proposed by Mr. Gover, and seconded by Mr. Vencatasawmy Naidoo, and carried:—That the payments to Messrs. Mackey, Axelby, and Quinn recommended by the Committee be disbursed, and that Mr. Stephenson's salary be increased to Rupees 300 per mensem, with retrospective effect from the 5th June 1868.

Lastly, it was proposed by the President, and seconded by Colonel Gillilan and carried:—That the best thanks of the Commissioners be voted to the Chairman and Members of the Finance Committee for the most able and exhaustive report to which they had devoted so much of their valuable time.

The Meeting then terminated.

(Signed) C. DENISON,
President of the Municipal Commission.

MEMORANDUM BY THE PRESIDENT ON THE REPORT OF THE FINANCE COMMITTEE.

MUNICIPAL OFFICE, MADRAS, November 30th, 1868.

Late on the evening of the 28th instant, I received the proof copy of the Finance Committee's Report from the Chairman; I have not had, therefore, so much time to consider this very voluminous document as I could have wished, as I am desirous that the remarks I have to make on it should be in the hands of the Commissioners together with the report, for though I concur very generally with the Committee, I am compelled to take exception to some of their remarks, and will deal with them paragraph by paragraph.

Paragraph 4.—I fully concur with the Committee in their opinion as herein expressed, and that Mr. Norman Morison, when Collector, by all I have been able to discover, was the means of first getting the department into such a state of chaos, and his successors should have been men of a very different stamp to those appointed, and though I take blame to myself for having assented to the confirmation of Mr. Bazely's appointment in 1867, I was always strongly opposed to the appointment of the present Collector.

Paragraph 5.—Most undoubtedly it was the duty of Mr. Bazely to have handed to Mr. Jesudasen a complete statement of his accounts, as it was equally the duty of the latter to have insisted on receiving one, and equally certain that the discrepancy alluded to should have been detected in the General Department, and had this been brought to my notice at the time, much of all that has subsequently occurred might have been avoided.

Paragraph 6.—Although here again I blame the General Department for allowing such incorrect returns to be submitted to me when, in the multiplicity of the President's duties, it is impossible he can go into all the details of the office, what may I ask can be said for an officer holding so important an office as Municipal Collector, whom the Committee state since December 1867 never presented a single correct account, and none of whose explanations to the Auditor tally with one another. I cannot exonerate myself from blame in having twice remitted a sum of about 11,000 Rupees; but what business had the Collector to presume to get my signature to such a document; the Committee are quite correct in saying he is not conversant with the most ordinary transactions of his office, and has trusted entirely to his subordinates; but incorrect returns should not have found their way to my office table.

Paragraph 7 is strong condemnation of both Mr. Jesudasen and Mr. Bazely.

Paragraph 8 is strong condemnation of the Collector.

The statement submitted by the Collector on the 19th of May last, could not, however, have been examined by Mr. Cardozo, as he left Madras on privilege leave for two months on the 16th of that month.

Paragraph 9.—I regret that I must, to a certain extent, concur with the Committee in the opinion herein expressed, but am not going to shirk any of the responsibility devolving upon myself as head of the Executive, still I should not have been placed in such a position, and it requires a

clearer head than mine to detect, in addition to my other onerous duties, in such a mass of figures as are constantly coming before me, such inaccuracies and misstatements, as the Committee have detected in their careful and searching scrutiny.

Paragraph 11.—I do not concur with the Committee in their opinion that the disputes between the Collector and Assessor should not have been referred to them. I had borne with these disputes for some time, and at last when I found how very seriously impeded by them was the work of the office, I had only that alternative; true, as the Collector was appointed by Government, I might have reported direct that I could not carry on the duties of my office with the Collector given me; but I consider I should have been wanting in courtesy towards the Commissioners had I not first brought the matter to their notice; my course would have been very clear, and I should have known very well what to do, had I possessed the same powers with regard to these two officers as are vested in me in Section 14 of Act IX. of 1867.

Paragraph 12.—With the conflicting statements of the Collector and his Assistant, it is impossible to get at the truth of this matter; there can, however, be no doubt of the error committed by Mr. Bazely in not giving a properly verified statement, equally so, no doubt, that the Executive were to blame in not seeing that the information asked for by the Collector was furnished him. I should be glad if the original Memorandum, stated by the Collector to have been given to Mr. Bazely, was forthcoming.

Paragraph 13.—I do not think that these charges of Mr. Jesudasen's against Mr. Bazely were passed unnoticed in the President's Department, and that there must have been some Memorandum of mine which the Committee have not seen "lying on the table of the President's Department." I presume the Committee do not mean to say the Registers were lying on my office table at the time, if so it is incorrect; if on the Manager's table then I blame him most emphatically for not having brought the matter to my notice, and fully endorse the last sentence of this paragraph.

Paragraph 14.—The Collector and Assessor were perfectly well aware that if they had put before me any suggestion by which the Registers could have been completed earlier, I should, if I considered their arguments were sound, have at once complied; it is not for the Head of the Executive to consider and initiate all these minor details, I rely, and must do so to a considerable extent, on the Heads of Departments, in these two instances my reliance was futile.

"Grossly discreditable way," as applied to the Executive for having permitted the Collectors to perform or rather leave unperformed their duties, is strong language indeed; the Committee have had a troublesome and difficult task to perform, and may be allowed a little latitude in expressing themselves, but it can scarcely be called Parliamentary language.

Paragraph 16.—Was it not the duty of the Collector as Head of the Department in which these frauds were discovered, to submit to the President some plan for the prevention of a recurrence of them?

Paragraph 17.—I concur in these remarks.

Paragraph 18.—Of course erasures such as these were not likely to be made for any good purpose; but as to "the President not understanding the effect of alterations so numerous, extensive and systematic," I do not know what the Committee mean by such a statement; they had before them at the time all the papers connected with this subject, viz., my Memorandum of the 21st of January calling on Mr. Cardozo to report specially on this, that gentleman's full report of the 24th idem, and my Memorandum of the 25th idem. In Mr. Cardozo's report he alluded to the state of the Conicopillies' Check Books, and considered the cash-keeper guilty of gross neglect in allowing these books to be out of his custody for days together and in not detecting and bringing to the notice of the Manager and Collector the numerous erasures that were made in them; he also considered that Mr. Sairs was most negligent of his duties, as Manager, in not putting a stop to the practice of making erasures in the Office Registers and Books which were under his immediate charge. From January to March, the Collector and his subordinates were engaged in examining the accounts of the several Conicopillies and the uncollected bills; it was the duty of the Collector to have informed the President that No. 13 Conicopilly's accounts were in a suspicious and unsatisfactory state, and that he had absented himself from office for several days prior to absconding,

but it was not until the whole of the Conicopillies' accounts were examined that No. 13 was reported as a defaulter. I am glad to say that this man is now under sentence of two years' rigorous imprisonment. It is, however, quite true that the extensive nature of these erasures was not brought to my notice as it should have been by the Collector, and this the Chairman of the Finance Committee did himself in my office, but as to the Committee's report, I will not permit myself or my Assistant to be so misrepresented, and therefore give in extenso my Memorandum of the 25th of January 1868.

MUNICIPAL OFFICE, January 25th, 1868.

The report submitted by Mr. Cardozo, in compliance with my Memorandum of the 21st instant, on the Collector's Memorandum of the same date, exhibits a state of rottenness and malpractices as having existed in the Collector's Department, for I am afraid a very considerable time, which is very painful to me as Head of the Office to have to deal with, however severe diseases require strong remedies, and I shall not hesitate to use the pruning knife unsparingly, and try and introduce a better order of things.

I have read attentively Mr. Cardozo's report, and the evidence he has collected, and it is difficult to find one single individual from the officer who was until the 1st of November 1867 at the Head of the Collector's Department to No. 10 Conicopilly who is not to blame; there does not appear to have been on the part of Mr. Bazely any proper supervision, but that he allowed matters to go on in a happy-go lucky manner very discreditable to the Head of a Department so important as the Collector's; by his own confession and evidence, the Manager, Mr. Sairs, has proved himself unfitted for the post he holds. I will not, however, dismiss him summarily, as it might impede business in the office; he will have three months' grace accorded him, if at the expiration of that time the Collector does not report favorably of him, and I find matters are running in the old groove, he will be dismissed.

The Cash-keeper whom Mr. Cardozo, though he does not consider he had anything to do with the fraudulent erasures, yet to be guilty of gross carelessness and negligence in allowing the Check Books to be out of his custody for days together, will be dismissed from the department, care being taken by the Collector previous to dismissal to see he is not a defaulter.

I concur fully in all the recommendations and suggestions made by Mr. Cardozo, as to the future working of the office, and the Collector will see that they are duly enforced. A report will be made weekly until further orders by the Collector to the President, as to the working of his department. With regard to the registration of carts, the President misunderstood the Collector, and instead of saying in his Memorandum of the 21st, 500 carts registered this year which should have been in July 1867, he should have said since 1st of November 1867, blame therefore still attaches to Mr. Bazely.

With regard to the latter portion of Mr. Cardozo's report, Mr. Jesudasen Pillay has forwarded the statement called for, which is very damaging to Mr. Bazely, he will be called upon for his explanation, when it will remain with the President to take such further measures as may seem to him desirable in the interests of the Municipal Commissioners and public, but he is not going to allow his orders to be set aside as they would appear to have been by Mr. Bazely.

The Collector will lodge a complaint against Conicopilly No. 10, and take care he has sufficient evidence to prove his case.

(Signed) C. DENISON,
President.

With this document before them, I am totally at a loss to understand what the Committee mean by the reflection cast upon me and my Assistant in paragraph 18.

Paragraph 19.—Of course with a system like this handed down by every successive Collector any amount of frauds might have been, and have been perpetrated.

Paragraph 20.—Strong condemnation of Collector.

Paragraph 22.—Of course the bills should have been returned to the office.

Paragraph 24.—Collector and General Department to blame here, though it has not been the custom for these bills to be taken charge of by the latter department, still no doubt they should have been, it is a very suspicious circumstance, the packet having been found open and bills to the value of 3311 taken out, and I do not understand the Collector not being able to give any satisfactory explanation as to this.

Paragraph 25.—Great carelessness and irregularity on the part of the Collector in not taking care that the cancelled bills were defaced.

Paragraph 26.—Strong condemnation of Collector and Writer Mootosawmy.

Paragraph 27.—It is to be regretted the Collector did not act in accordance with what he told me.

Paragraph 28.—A very chaotic state indeed.

Paragraph 30.—It will be of course for the Commissioners and Government to decide, after hearing the report of the Committee, as to what steps should be taken to put the Collector's Department into proper working order. I, however, as Head of the Executive, must take this opportunity of stating that I never had, and never can have any confidence in the present Collector, and for so important a post, consider the Municipal Commissioners should, in conjunction with the President, have the power of nominating whom they consider a fit person for the office.

Paragraphs 33, 34, 35.—I concur with the Committee on these paragraphs.

Paragraph 36.—No Conicopilly should have been engaged since November 1867 who cannot write English, as their applications are submitted to me, and I should not have dealt with any not written in English; when a sufficient number of applications are received, I call upon Heads of Departments to recommend whomsoever they consider most fit.

Paragraph 37.—I concur.

Paragraphs 38, 39, 41.—I concur.

Paragraph 42.—I agree with what the Committee say as to the Conicopillies and distrains.

Paragraph 43.—An higher percentage would no doubt operate beneficially, but Rupees 8 per mensem is too low a salary; the Conicopillies having heard of this proposal, sent me a petition which I forwarded to the Finance Committee.

Paragraph 44.—I have no objection to again trying the Street Wari system; it has failed twice before, but probably because from lack of proper supervision, two hundred bills in hand at one time are ample; I do not concur with the Committee as to once a week being sufficient for paying in of collections, and it would not be fair on the Conicopillies having perhaps a large amount of money in their possession.

Paragraph 45.—I concur, and especially with the last sentence.

Paragraph 46.—I am glad to say I am not responsible for anything for the years 1862 to 1866; the plan suggested by the Committee is, I think, perhaps the best that can be adopted; we must make it worth the Conicopilly's while to collect these arrears.

Paragraphs 47, 48.—I concur.

Paragraph 49.—I have expressed my opinion already in strong terms on the subject noted in this paragraph.

Paragraph 50.—I concur.

Paragraph 51.—I do not know that we can do this with the present Conicopillies who have been engaged on a salary of 14 Rupees per mensem without breaking faith with them; it must be borne in mind they have given security for 1000 Rupees, some for 500; it might be offered; and if accepted well and good; we must act with justice; I am in favor of a large commission; but reducing a salary one-half is a strong measure.

Paragraphs 52, 54.—I concur.

Paragraph 55.—A small bonus might be given; I am confident our revenue under these heads falls very far short of what it should.

Paragraph 56.—I concur in these recommendations.

Paragraph 57.—I have read the first six lines of this paragraph with astonishment, and it is inconceivable that Mr. Wheeler, who knows pretty well I am not to be trifled with, should have

acted directly contrary to my orders; however there are always two sides to a story, and I suspend my judgment until I hear what Mr. Wheeler has to say in vindication of the heavy charges brought against him.

I have always considered him an active and painstaking Sanitary Inspector, and it is scarcely credible he should run the risk of forfeiting my confidence and good opinion, for he has to thank me solely for his present position. I cannot, however, understand why the Committee, when they found obstructions put in their way by Mr. Wheeler, did not at once report the matter to me, or in my absence to Mr. Cardozo, when, of course, immediate steps would have been taken to enforce his obedience.

Paragraph 58.—There are some licenses which are during festivals granted *pro forma* by the Sanitary Inspector; but I should certainly object to licenses being granted generally, without sanction of the President, or his Assistant.

Paragraph 59.—The erection of pandals is now a great nuisance, and would be rendered still more so were this recommendation carried out.

Paragraph 60.—The scale of rates was fixed by the Commissioners at a General Meeting; if they desire to alter them I have no objection.

Paragraph 61.—The collection of the tax on dogs is a farce, and I agree with the Committee as to the other animals; a Mr. Croom sent me a scheme for collecting the tax on dogs which I forwarded to the Finance Committee, but should not imagine they would recommend its adoption. Dogs have, however, this year saved a good deal of expenditure in the People's Park, as, during the hot months, the carnivorous animals were principally put on dog diet.

Paragraph 62, 63.—I concur.

Paragraph 64.—The work of the Assessor's Department is immense, and I think that had Mr. Bazely not been hampered as he has been with these squabbles with the Collector, he would have done far better. I advocated some time ago his appointment as Assistant to the Collector being abolished, and that he should be merely Assessor. I have been able already to give him and his establishment better accommodation.

I shall not be able to spare Mr. Stephenson; Mr. Lee is already engaged in marking out the delivery channel, and his time will be very much taken up with the most important subject of water supply for Madras; as it is, there is far more work than one Engineer can properly do, looking after the enormous area within Municipal limits.

Paragraph 65.—I concur; the revision of the assessment is an huge task, and will give the Executive an infinity of trouble.

Paragraph 66.—With the Assessor's, 10 per cent. increase; not a day passes, but what I have a number of appeals.

Paragraph 67.—Certainly.

Paragraph 68.—I quite concur in this, it is far too much to expect of one man, and the Assessor has an immense amount of out-of-door and office work.

Paragraph 69.—I concur in this—*vide* my previous remarks, and former recommendations.

Paragraph 70.—Not at all highly paid, and as compared with Calcutta and Bombay very badly paid for the amount of work to be performed. I do not know what is meant by an unfortunate mistake on the part of the President and his Assistant; had the Committee said a mistake in drawing up the Act I could have agreed with them; still I do not agree with Mr. Cardozo when he maintains he has no duties except such and so far as the direct orders of the President extended. I imagine the Committee cannot have understood him correctly; there are many things which the Assistant to the President can do, and does, without reference to the President, and so far as not accepting any responsibility, I consider every man in the office, from the President downwards, has a certain amount of responsibility, though the whole weight is laid by the Act on his shoulders.

I do not admit the terms "comparative ignorance of the interior working of the office." When Act IX. of 1867 came into force in November last, I had been ten months in office, and had I not known something of the working of it, should not have been fit for my situation. I cannot, therefore, accept any portion of this paragraph, especially from the words "what with the President's reluc-

tance down to performed," and shall be glad to know what the Committee mean by saying, "nothing whatever in the way of ordinary supervision was either directed or performed." I deny most emphatically their right to say anything of the kind.

Paragraph 71.—After the reflection against my administration of affairs in the last paragraph, I cannot swallow the sop offered in the first six lines of this; but I can say, and most conscientiously, that no man has devoted himself or worked harder than I have for the public, since I was appointed President of the Municipal Commission. I am quite willing to accept the Committee's suggestions as to the work to be performed by the President and his Assistant, as it will most materially lessen my office work, and give me more time for out-of-door work.

Paragraph 73.—I concur in this, and am willing to dispense with the services of the cash-keeper and let him be transferred to the Collector's Department; the Committee are now recommending that the whole of the collections should come under the Collector, and it will be for the Commissioners to reconsider the question of that officer furnishing security, as has always been the case, until the present incumbent had charge of the Department, and I have always been at a loss to understand the reason why the proposal of one of the Municipal Commissioners, and subsequently of myself, that the Collector should furnish security, was out-voted.

Paragraph 74.—I should have been as much astonished as the Committee, were this the fact, but it happily is not, as I will proceed to show, and I am not very well pleased with this second instance of misrepresentation; the Committee have made out the Department to be bad enough, without such wholesale fault-finding; the number of bound books in the General Department is as under:—

Ledger, an English bound book and has been in use for ten years, so why stated to be in loose sheets I cannot understand.

Road Estimate.

Masonry Estimate.

Proceedings of General and Special Meetings.

Proceedings of President.

Bank Balance Book.

File Book of Government Orders.

File Book of President's Memoranda.

Do. of Mortuary Returns.

Books stitched.

Daily Collection Book.

Petty Cash Book.

Slaughter House Book.

Rubbish Sale Book.

License Strand and Market Collections.

Interest disbursed.

Pay Abstract.

Fair Petty Cash and Ledger.

Cheque Memorandum Book.

These are all bound at the end of the year.

In the Collector's Department there are now 14 bound books.

In the Engineer's Department 20 bound books.

Sanitary Inspector's, eight bound books.

Assessor's, 31 bound books

I think, therefore, the Committee are misleading the Commissioners and public by making such statements as these.

Paragraph 75.—The Committee apparently have had a good deal to astonish them, and I am not surprised, but with the class of men, writers and clerks, one has to deal with, one cannot get everything "quite fair" at starting, and there must be some rough work. I dare say the learned Chairman of the Finance Committee sometimes even drafts a letter in the rough; I do so myself occasionally, and as to accounts, until we have all graduated in the Accountant General's Office, we cannot expect to have our accounts put before us at once fair; it would be absurd to expect it.

Paragraph 76.—I am glad to find that the Committee consider the mode of keeping the accounts is clear and complete; the Government Auditors generally report to the same effect.

Paragraph 77.—Quite sufficient if Journal and Ledger are submitted for the President's initials on the following day.

Paragraphs 78, 79.—I concur.

Paragraph 80.—I shall be glad to be favored with the Committee's suggestions for the proper keeping of records.

Paragraphs 81, 82.—I concur.

Paragraph 83.—Vide my remarks on a previous paragraph as to the Sanitary Inspector.

Paragraphs 84, 85.—I concur.

Paragraph 86.—I fully concur in all the Commissioners say as to Mr. Lee, and consider I did the Municipality good service when I was the means of placing at the Head of the Engineer's Department this officer, who has done most valuable work during the last two years.

Paragraph 87.—The Commissioners will have seen by the budget that I have already placed a sum on the estimates for stores, the present system is destructive to efficiency.

Paragraph 88.—The whole charge of Mr. Lee's salary should not be debited to the water project. I stated before when the report of the Committee was brought up that I could not dispense altogether with the services of Mr. Lee for Municipal work, therefore a certain portion of his salary should be borne by Municipal funds. I should, however, wish the Commissioners to consider the propriety of recommending to Government an increase in Mr. Lee's salary to the maximum figure, viz., 700 Rupees per mensem from the 1st proximo.

Paragraph 89.—I concur to a certain extent but not as to the three months, for with the whole system of accounts to be placed on a satisfactory and uniform system, and sweeping changes to be effected, I should not think of undertaking the work in three months, fresh Books, Accounts, Voucher, &c., &c., would have to be procured.

Paragraphs 90, 91.—I concur.

Paragraph 92.—The budget for next year has to a certain extent been embodied on Mr. Venkataramiah Garu's form.

Paragraph 94.—The budget is always taken up by the President's Department, and of course Heads of Departments send in their estimates to the President before embodiment in the General Budget.

Paragraph 95.—The plan already pursued.

Paragraph 99.—The improvements suggested in the present budget will show the Commissioners that they have been well considered. I do not accept the latter portion of this paragraph.

Paragraph 104.—I do not accept this, and consider the Committee are trenching too much on the President's prerogative.

Paragraph 108.—The Act must be revised; in its present shape it is next to impossible to work; a Special Committee might be appointed to consider it and also frame a set of Bye-laws, though with a complete and well matured Act, no Bye-laws should be needed.

Paragraph 110.—I hope the Commissioners will agree to these recommendations.

Paragraph 111.—Although I have been unable to accept the Committee's report in its entirety as could hardly be expected, I think it will be allowed that I have given my cordial assent to all reforms proposed such as I consider would benefit the Commissioners and public, and have not shielded the department where I consider they are to blame; the Committee have recommended in many instances sweeping changes and alterations which must necessarily, if sanctioned, take a very considerable time in bringing into operation, and I do not see the advisableness of such an entire change in Forms and Books, and as Head of the Executive should exercise my discretion very much as to introducing them, and I may say that Mr. Peachey, who was supposed to know something of book-keeping, introduced the present system in the Municipal Department, especially the Analytical Register, which the Manager and Book-keeper considers as an essential to the proper framing of his statement of accounts; were all these new Forms and Books provided, the Commissioners must be prepared for a pretty heavy Printer's bill next year; but as before stated, great discretionary power must be left to the Executive, and as regards myself, and I fancy my successor will hold my views, I should not submit to have the power vested in me under Section 9 of the Act controlled in any way.

With regard to paragraph 19 of Mr. Mackey's report, I have to give my most emphatic denial to the assumption by him that any delay in authorizing the issue of bills was attributable to me; as, however, this was based on the Collector's evidence, it does not go for much.

I should wish, in conclusion, to say a few words as to the personnel of my office. I consider that the Committee have, in some instances, pressed unduly hardly on my Assistant, Mr. Cardozo; this gentleman has, for a great number of years, served the Municipality and Government with much zeal and devotion, and I have, as is well known, often borne willing testimony to the cordial advice and assistance I have received from him, and which has no doubt often prevented my committing myself; when in November last I had entrusted to me by Government the entire executive power and responsibility for working the revised Act, it might perhaps have been better had I drawn up a code of regulations to be observed by all Heads of Departments, and more particularly defining how I wished the work in my own special department to be carried on; but Mr. Cardozo had been for so long in the office, and knew so thoroughly the whole working of it, that I knew I had only to intimate my desire to have anything done and it would be immediately acted upon. I am perfectly ready and willing, therefore, to take all the onus of the Committee's reflexions on my shoulders.

I would finally beg to tender my thanks to the Committee, and especially the Chairman, Mr. Gover, for having so cheerfully and zealously worked at what must necessarily have been a most unpleasant and tedious task, and which has taken up so much of their valuable time, and though, in many instances, I am unable to accept their remarks and recommendations, I consider their report as a very valuable one, and am glad to have been the means of so thoroughly sifting and laying bare the interior economy and working of the Municipal Department, feeling sure it must react for good, from the first moment I accepted office, I determined that everything as far as lay in my power should be open and above board, and for this reason strenuously urged the throwing open of all our proceedings to the Press and public, and think in the last two years much benefit has been derived from this, as through the Press, the public are made acquainted with what is going on, and by means of the Press I have been able to discover and annihilate many abuses.

(Signed) C. DENISON.

MUNICIPAL OFFICE, *December 3rd, 1868.*

I append, for the consideration of the Commissioners, a letter from Mr. Cardozo, and in which I fully concur.

(Signed) C. DENISON.

MUNICIPAL COMMISSIONERS' OFFICE,
MADRAS, *3rd December 1868.*

To

COLONEL C. DENISON,
President, Municipal Commission, Madras.

SIR,

Having been furnished with a copy of the Finance Committee's Report, I beg to offer a few remarks on such paragraphs as concern myself, and to request that you will lay them before the Commissioners, if you see no objection.

Paragraph 5.—I was so much engaged in preparing for the first Meeting of the Commissioners, at which a statement of the receipts and disbursements of the ten months ending 31st October 1867, and various other documents had to be submitted, that it was impossible for me to have examined the Trade Tax Statement, which was not furnished by the Acting Collector until the last moment.

Paragraph 6.—In the Weekly Returns of the Collector, it was his practice to add to the previous week's balance, the bills subsequently issued; but such should have been shown separately and explained in a foot-note.

Paragraph 8.—I was absent from Madras on privilege leave when the Collector's Statement of 19th May 1868 was submitted to the President, so it was impossible for me to have examined it, or the other returns furnished by the Collector up to the 18th July 1868.

Paragraph 12.—I would observe that when Mr. Jesudasen showed me the long list of requisitions he proposed to make no taking charge of the Collector's Department, I advised him to

examine the bills in the hands of the Conicopillies with the Check Books, and to go from desk to desk in the office and personally ascertain whether the books were properly kept and posted up to date; neither of which did he do; but I did not, to the best of my recollection, advise him not to communicate the list officially to the President.

Paragraph 13.—This occurred during my absence.

Paragraph 18.—I examined *all* the Check Books, and reported them to be in a disgraceful state, which led to the cash-keeper, who was in charge of those books, being dismissed, and the cashier severely reprimanded by the President; who further directed the Collector to conform to recommendations as to the future safe custody of the books, and the periodical examination of bills in the hands of the Conicopillies by the Collector and his subordinates.

Paragraph 24.—Remitted bills were always kept in the Collector's Office. The practice was to efface them with a stamp bearing the word "cancelled" in large type, and to seal them up in a packet.

Paragraph 70.—I can only repeat what I stated to the Committee, that under Act IX. of 1867, I possess no authority beyond what may be delegated to me by the President, such for instance as the granting of Trade Licenses, during his absence, under Section 60, and the disposal of all ordinary applications in the Conservancy Department; but it must not be supposed that I have confined myself to only doing those particular things that I have been *ordered* to do, and that had I not taken charge of the President's, or General, Department, "I would have done very little." I can

I endorse the whole of this paragraph.

conscientiously declare, and I trust the President

C. D.

will admit, that I have rendered my Chief every

assistance in my power, and so far from waiting *for orders*, I have frequently initiated, by my suggestions and advice, action that he has adopted. I have also made a point of communicating to the President everything that has come to my knowledge connected with the economy of the office and the interests of the Municipality.

That I have not assumed to myself the powers of a "Controller of Municipal Accounts," I readily admit; as such would have only exposed me to ridicule, and perhaps the resistance of my orders by Heads of Departments, who are only bound to recognise the Chief Executive, the President; at the same time I have always been ready to afford information and advice to Heads of Departments, and I may say that, with the exception of the Collector, they have been in the habit of daily communicating with me on matters of business, and have frequently told me that, on applying to the President for orders, he has asked them whether they had first consulted me and learnt my opinion.

With the Collector I found it necessary to request him to communicate direct with the President, after what occurred in regard to the list of requisitions referred to in paragraph 12. That it had never been my practice to confine myself to a perfunctory performance of my duties, I may with safety refer to my former colleagues, Colonel Silver, Mr. Coleman, C. Parthasarady Naidoo, and Janay Jehan Khan Bahadoor, and to my present superior officer, Colonel Denison.

In Mr. Y. Venkataramiah's dissent, appended to the Committee's Report, he comments at length on two Memoranda of mine, dated 24th and 27th January 1868, and winds up as follows:—

"I must candidly say that the disgraceful state of the books at the time the office changed hands, furnishes, in my opinion, the key to the shuffling manner in which the Collector's requisition was met. If all had been right, no doubt the Memorandum would have reached Mr. Bazely, the account would not have taken three or four months to prepare, it would have been duly rendered, and there would have been an end of the matter."

I should be wanting in due regard to my character as a public servant, if I were to allow so

I have already expressed in strong terms my opinion as to this charge.

C. D.

grave an imputation as this to pass unchallenged.

I unhesitatingly repel it, and court the closest

and most searching investigation of my conduct in the matter.

I have already stated the facts, and I need only refer to the Committee's own views thereof, as expressed in paragraph 12 of their Report, for my vindication.

Had I been actuated by the unworthy motives imputed to me by Mr. Venkataramiah, I certainly should not have advised the Collector "to go regularly through the office from desk to desk, look at each man's books, and satisfy himself that they were kept in a proper manner, and were posted up to date." This charge carries its own refutation on its very face.

I have, &c.,
(Signed) B. CARDOZO,
*Assistant to the President,
Madras Municipal Commission.*

MADRAS, November 21st, 1868.

To

COLONEL C. DENISON,
President, Municipal Commission.

SIR,

We have the honor to forward the following report upon the subjects committed to our examination by the Municipal Commissioners.

2. Four special subjects, in addition to the general duty of examining and reporting upon the state of the office and accounts, were referred to us by you. We propose to take them in the following order:—

- 1.—The discrepancy in the accounts pointed out by Colonel Gillilan.
- 2.—The disputes which have occurred between the Collector and the Assessor.
- 3.—The state of the collections, with special reference to the immense arrears which have accumulated.

4.—The frauds that have been discovered in the course of the present year.

We then propose to report generally upon the state of each Department, and offer such suggestions as may appear calculated to ensure more effective working in the future.

3. It is plain that the various matters referred to us must, so to speak, interlace with one another; and it will, therefore, follow that some repetition must occur. This, however, is preferable to the greater evil of running several different matters into the same story.

DISCREPANCY IN TRADE TAX ACCOUNTS.

4. We have carefully inquired into this matter, and have received most valuable assistance from J. Mackey, Esq., whom we requested to aid us in the investigation. We find that the Collector's Department has been for years in a most disgraceful state of inefficiency. As far as we can judge of matters so long past, we are of opinion that this inefficiency dates from the time when Mr. Norman Morison was Collector. The length of time Mr. Morison was allowed to retain office shows that the lack of supervision, which has permitted well-known evils to continue to the present time, also dates from the same period. Succeeding Collectors have made no earnest effort to reform the Department. Where all was badly managed, the Trade Tax was specially unsatisfactory and continues so. We find that the Trade Tax Register drawn up by Mr. Morison was shamefully deficient in accuracy, but that no serious attempt has been made to amend it. Bills have been issued to the Collecting Conicopillies in thousands, while no Check Register was kept in the office; so that unlimited opportunity for fraud was freely given, and we have no reason to suppose it was not equally freely accepted. At the time the tax was abolished, after having been in operation for two years, many hundreds of bills had never been issued at all. Things were in this state when, November 1st, 1867, the new Act came into operation.

5. When Mr. Bazely retired from the Collectorship, it was clearly his duty to have handed to Mr. Jesudasan a complete statement of his accounts, and equally certainly it was Mr. Jesudasan's duty to have insisted upon receiving one. No such document was given or required. (It will be seen afterwards that Mr. Jesudasan's claims to have asked for such a statement, but from his own evidence it is clear he took no proper steps to obtain it.) Only one return was given by Mr. Bazely, dated October 31st, the day he retired. This was printed and submitted to the Commis-

MS. of which it professes to be a copy. The difference is marked. Had Messrs. Jesudasan and Cardozo inspected the return at all, they must have seen its inaccuracy. The MS. statement signed by Mr. Bazely, was accompanied by two explanatory forms, corrected in red ink and unsigned, which were not printed. The one showing the demand is important. Of a total demand of Rupees 4,23,671-9-11, all but the sum of Rupees 11,617, for which "bills require to be made up" is represented by bills actually made out (Rupees 4,12,054-9-11.) It is necessary that this fact should be remembered. It will be seen from Mr. Mackey's report, which we append, that after Messrs. Bazely and Jesudasan have given every information in their power, it is impossible now to discover how the return of October 31st was arrived at. We have ascertained that it was incorrect in every particular, and that if two palpable errors in it had been corrected it would have corresponded pretty fairly with Mr. Jesudasan's subsequent statement. The discrepancy, therefore, at once disappears, and the fault is removed from Mr. Jesudasan to Mr. Bazely, whose errors are inexcusable.

6. After the very full report of Mr. Mackey, we do not think it necessary to go again over the same ground. It will also be seen that, since December 1867, no single correct account has been presented by Mr. Jesudasan, and that none of the explanations given to Mr. Mackey tally with each other. We must also draw special attention to the fact noted in Mr. Mackey's supplementary report, that it has only now been discovered that a sum of about Rupees 11,000 has been twice remitted by the President. It follows from all this, while the inquiries instituted by our Chairman in the office and the evidence taken before us prove the same fact, that the Collector is not conversant with the most ordinary transactions of his office, and has entirely trusted to subordinates, signing apparently whatever paper was set before him. If further proof be desired, we need only specify the Weekly Report of Trade Tax. Out of twenty-eight such returns, all in the same form, twenty-two do not agree in a matter so easily noticed as the carrying over of the weekly balances. We have reason to believe that these returns are more correct than they appear to be, but this will not excuse the fault of submitting them; since the reason of the discrepancies was not stated, nor were the Heads of the Collector's and President's Departments, both of whom are responsible for the correctness of the returns, aware of it.

7. We regret to have to report that the statements given by Messrs. Bazely and Jesudasan, when the President demanded an explanation of the discrepancy, were not only unsatisfactory, but were absolutely untrue. Both of these officers stated that the documents of October 31st, and those for December 21st, and March 14th, were taken from different stand-points, the former showing "probables," the latter "actuals," this last term being defined to be "bills actually issued for collection." We have no hesitation in stating that both officers must or should have known that this explanation was not *bonâ fide*. The only difference between the so-called probables and actuals is the *remissions*, and both officers counted these. The fact is, as already noted, that the October statement, like those of December and March, referred to bills actually drawn up, with the exception of the small sum of Rupees 11,617. The balance of Rupees 4,12,054-9-11 was, on the face of the document, said to be represented by bills. It is true that bills to the value of Rupees 32,951 had not been issued to the Conicopillies on the 31st October. But from Mr. Mackey's report it will be seen that bills to the value of Rupees 36,596 were thus issued between October 31st and December 31st, showing a balance at the latter date of Rupees 3645 in favor of the so-called actuals. As we have shown above the discrepancy arose, not from any difference in the mode of drawing up the statements, but from the gross errors contained in the first of them; errors which both Mr. Bazely and Mr. Jesudasan might easily have detected.

8. In connexion with this subject, we are bound to report another and worse instance of want of good faith, for which the present Collector is solely responsible. We refer to Mr. Jesudasan's statement, dated May 19th, 1868. In this he reported that there was a balance of Trade Tax due on March 14th, of Rupees 2,99,575-8-0. This balance did not exist, and we are compelled to report that Mr. Jesudasan knew, or ought to have known, it did not exist; for in his return, dated March 17th, he had reported a balance due of only Rupees 2,44,293-8-0 for the very same day March 14th. There may have been a mistake concerning the balance in December

but there could have been none with regard to that of 14th March. Mr. Jesudasen may have correctly drawn his statement from the form of October 31st, but we find that he believed that form to be incorrect, and that the wording of his accompanying Memorandum was calculated to mislead the Commission, by concealing the actual difference which he knew to exist.

9. We cannot, however, conclude this portion of our report, without remarking that the ever-recurring errors and incorrect returns and statements we have noted, could not have been possible, if the President's Department had done its duty. With his very multifarious duties, it could not be expected that the President could personally check and compare the returns and Memoranda daily submitted to him. The President is, however, furnished with a special department to assist him, of which Mr. Cardozo is the Head, and Mr. Axelby the Manager. In his evidence, before us, Mr. Cardozo stated — "The charges of all the departments come under my cognizance. I have seen the weekly statements of the Trade and House and Land rates. I have seen all the Memoranda sent by the Collector." In the statement of the duties of the clerks in the President's Department furnished to us, we find a writer whose business it is to "audit all estimates, bills and statements of all departments." We find also that every paper of every kind received by the President goes to his department for examination and record. It is clear, therefore, that it was the duty of the Head of the President's Department to have discovered and reported the very gross errors and misstatements contained in the papers we have described. But we cannot discover that this was ever done, except since the appointment of this Committee. To put the matter in few words, we find that the Collectors could not have blundered so long, had not the President's Department neglected its duty of supervision.

10. The measures we recommend for the prevention of such abuses in the future, will be found in another portion of this report.

DISPUTES BETWEEN COLLECTOR AND ASSESSOR.

11. The many papers submitted to us by the President prove that a very bad feeling existed between the Collector and the Assessor from the commencement of the year. So painful a subject should not, we think, have been referred to us, since it belongs entirely to the internal discipline of the office, and therefore is purely under the control of the President. As a rule, the disputes were such as could have been altogether prevented had the office been properly supervised. As, however, the matter has been allowed to stand over till the appointment of our Committee, we feel bound to take some notice of it. The accusations seem to have always proceeded from the Collector against the Assessor, and to have been generally unfounded, although we think that the Collector might have justly complained that his Assistant had not given him such zealous aid as he ought to have done. Most of the disputes were not of a nature to demand notice, but one or two are sufficiently important to require that we should report concerning them.

12. We have previously reported that Mr. Jesudasen states that he gave Mr. Bazely a written request for a complete statement of the accounts and bills as they stood on October 31st, 1867. Mr. Bazely denies that any such paper was ever given, or that he was ever asked to present such a statement. The assertions on each side are so positive that it is hardly possible to resist the conclusion that one or other of these gentlemen must have made, to say the least, very incorrect statements. As other matters turn upon this point, we feel called upon to report somewhat in detail. In his evidence before us, Mr. Jesudasen stated that he showed his requisition to Mr. Cardozo, and then went straight into Mr. Bazely's room, and gave him the very paper Mr. Cardozo had seen. Now, Mr. Cardozo in his Memorandum to the President, dated 27th January 1868, stated that the paper that he saw contained "a long list of requirements to be met by Mr. Bazely in delivering over charge of the Collector's Department; and that, among others, was a request for an explanation why each particular bill had not been collected, and that I remarked it would take three or four months to draw up such a report....I do not remember recommending the Collector to give the abovementioned list to Mr. Bazely without first submitting it to the President." In his own Memorandum, dated 24th January, the Collector thus writes to the President: "The Assistant to the President will remember that, on the undersigned first taking charge of the duties of Municipal Collector, he waited personally on the Assistant to the President, and submitted to him a Memorandum

requiring that the Collector would formally deliver over charge, reporting the number of books, their condition, the amount of cash, the amount of arrears, &c., &c., &c. The Assistant to the President will also remember that he did not advise this Memorandum being officially communicated to the President, but recommended that it be given personally to Mr. Bazely with the request that he would comply with it." On 31st January 1868, Mr. Jesudasen forwarded to the President what purported to be a copy of the requisition referred to, and named two witnesses to prove the delivery. Mr. Cardozo by the President's order, inquired into the matter. One of the witnesses, Bava Row, positively contradicts Mr. Jesudasen's account, and the other, Mr. Sairs, does not corroborate it. The copy furnished to the President by Mr. Jesudasen does not answer to the description given by Messrs. Cardozo and Jesudasen. In order that no mistake might be made, we requested Mr. Cardozo to state whether or not the document submitted by Mr. Jesudasen is the same as that shown to him in November. Mr. Cardozo's statement is as follows:—"The list of requirements Mr. Jesudasen showed to me was correctly stated as a long one, but the copy of that stated by Mr. Jesudasen to have been delivered to Mr. Bazely, was a much shorter one. I did not see or know of the latter, until after calling upon Mr. Jesudasen to send in written charges against Mr. Bazely for non-compliance with his requisitions." So much inaccuracy on the part of the Collector renders it impossible to convict Mr. Bazely. We are unable to say whether or not a requisition was given, but we cannot omit to report upon this point that, in his evidence before us, Mr. Jesudasen stated:—"I applied in writing on the 1st November for a written statement of the condition of the department, I did not get an answer. I did not report this to the President till the 25th January 1868. Mr. Bazely frequently came and sat with me at my table. I was in error in not asking Mr. Bazely for the statement on these occasions. Between the 1st November 1867 and 25th January 1868, I did not mention the matter either to the President or his Assistant." Now it is clear from all this that, granting the first requisition, nothing whatever was done to follow it up. It is for the Commissioners to judge whether any requisition was given at all. We are further of opinion that no omission on the part of Mr. Jesudasen can justify the great error committed by Mr. Bazely in not giving, of his own accord, a properly verified statement. It was, however, the clear duty of the executive to have seen that proper returns were given, especially after Mr. Jesudasen had certainly taken some step to obtain them.

13. Since March of this year, the Collector has repeatedly charged Mr. Bazely with having caused delay in the collection of House and Land rates by the non-submittal of certain of his Registers. With regard to this we are of opinion that, looking to the ordinary routine of the office, Mr. Bazely was not in fault, but that had he been more zealous he might have suggested extra work or extra hands, so that the Registers might have been completed sooner; but it must be noted that such suggestions might have equally come from Mr. Jesudasen. On several occasions Mr. Jesudasen reported that Mr. Bazely had not submitted his Registers, although as a matter of fact they were submitted, and Mr. Jesudasen had ample means of knowing this. We note, also, that these charges were passed unnoticed in the President's Department, although in fact some of the Registers which the Collector reported as still in the Assessor's Office, were at that very time lying on the table of the President's Department, and an advertisement by the President to that effect had been put by them into the *Gazette*. In this and other similar matters, if the President's Department had properly performed its duty, there would have been no ground for dispute at all. The neglect in this particular case is very glaring.

ARREARS OF COLLECTIONS.

14. We have carefully considered this subject, and are of opinion that there has been no delay on the part of the Collector beyond what has been usual in previous years. The system employed has always been radically bad, but there has been no unusual delay this year. In fact we find that there has been a gradual improvement. A special effort was made in 1867, and with such success that the bills for the House and Land rates were all issued by May of that year. It is indeed matter for very great surprise that, although from the President downwards, the same gentlemen were in office in 1868 as in 1867, not always in the same position it is true, yet it does not seem ever to have entered into the head of any official to suggest that the

same means should be employed this year as last. We can see no reason whatever that could have prevented the completion of all the registers by March or even earlier, had a few extra hands been temporarily engaged, or the existing staff been worked extra hours. The work required was of the simplest possible character. This being the case we see no reason why any one person should be singled out for blame, except for slight lapses that could not compare with the wonderful forgetfulness which seems to have enveloped the whole office; of course excepting the Engineers and Conservancy Departments. For years past the Collectors seem to have given the smallest possible attention to their duties, and have apparently altogether neglected the very important work of preventing the accumulation of arrears. As an example we may mention that since the appointment of this Committee a case has come to light in which a tradesman on the Mount Road has been permitted to fall into arrears from 1862, till at the present time the amount due is over Rupees 400. No serious effort to enforce payment has, till lately, been made, and property distrained has been returned on the unsupported statement of the supposed owner, weeks afterwards, that it belonged to another person, although the warrant officer appears to have performed his duty with great caution, and no little forbearance. A case like this reflects great discredit upon the late and previous Collectors. Similar remarks are applicable with regard to the Trade Tax. We have no reason to suppose that there has been greater laxity since November last than before. On the other hand, the present Collector inherited the faults of his predecessors, and his initial position was therefore more difficult. We consider that no language is too strong to express our sense of the grossly discreditable way in which the Collectors have performed, and have been permitted to perform, or rather leave unperformed, their duties. The present Collector is in fault with regard to arrears in not having remedied evils he knew to exist, but we are not of opinion that he has had any share in their introduction.

15. The arrears in other taxes do not call for any special notice beyond that which comes better under other heads. They are not serious, and the energetic action which has been observed since the appointment of this Committee will amply suffice to recover any lost ground.

FRAUDS.

16. There has been, as the President has remarked, a tremendous amount of rascality and pilfering going on in the Collector's Department for years past, yet, with one exception, none was detected and brought home till the present Collector was in office. So far, therefore, he is deserving of credit as compared with his predecessors. The exceptional case brought to light the rotten state of the office, and we believe that the Judge expressed in strong terms his sense of the wretched condition of the books, yet we cannot discover that any serious attempt was made to remedy evils thus publicly noticed, nor were measures taken to prevent the recurrence of perfectly similar frauds. Every case has, however, occurred in the House and Land rates Department, which is in a far more satisfactory condition than the Trade Tax. We are, therefore, driven to the conclusion, which there is abundant evidence to prove, that in the latter tax there has been a very great amount of speculation committed with impunity.

17. The first fraud since the new Act came into operation was brought to light in January by the Conicopilly's confession and voluntary restitution. Inquiry proved that the Check Register, which contains the entry of the payment of the bills, contained very frequent erasures. The entry of payment had actually been made, but no care had been taken to transfer this entry or the money to the cash-keeper's books and chest. The consequence was that the Conicopilly erased the entry and pocketed the money in several instances. Now it is evident from this that the man was positively tempted to embezzle by the neglect of his superiors. This neglect dated from 1865, and the previous Collectors were responsible, and in our opinion ought to have been compelled to make good the deficiency, while at the same time it should be noted that as Mr. Jesudasen did not attempt, on taking charge, to examine the books, or even the cash chest, he should receive a share in the blame.

18. The Collector was ordered by the President to make a careful inquiry into the whole matter, and on January 21st Mr. Cardozo was also ordered "to make a full and searching inquiry." Now we are clearly of opinion that since it had been found that the fraud had been effected by

falsifying the Check Register, both these gentlemen should have carefully examined all the Registers to see if the fraud had been confined to the person detected. Whatever they may have done no other fraud was reported, and the President was not informed of anything tending to show that other parties belonging to House and Land rates were guilty. With regard to this we have to report that we have gone carefully through all the Check Registers then in use in the House and Land rates. We find that there is not one which does not exhibit erasures, and that the accounts of some Conicopillies, who have never been suspected, exhibit worse erasures by far than those which were brought to light. In some cases the amounts of the bills of almost a whole page have been erased and new amounts entered. We have no hesitation in saying that such erasures could have been made for no good purpose, and that, had the President fully understood the effect of alterations so numerous, extensive, and systematic, he must have taken such steps then, as would have made our Committee unnecessary. Our Chairman showed the erasures in each book to the President, and he at once stated that he had never been informed of many of them. Now arises a difficulty. It is clear that Mr. Jesudasen submitted a statement of erasures discovered, and that Mr. Cardozo reported that he had found others. But the Collector's Memorandum is not to be found, nor are we able to discover the character of its contents. We are, therefore, unable to judge how far the President was informed of the erasures. If a full description was given, much more thorough remedial measures should have been adopted. If not, the Collector and Assistant to the President were very greatly to blame. In March another Conicopilly was detected, whose fraud should have been brought to light by the January inquiry, since the defalcations counted from a date long previous. Up to the present time three only, out of the twenty Conicopillies, have been proved guilty, but we have little doubt that a great many others were equally criminal, and that the sum which has been lost to the Municipality must be considerable. We are further of opinion that Mr. Jesudasen was very greatly at fault in not making the necessary examinations of the bills. Although his sense of the necessity of the examinations was so great that he applied for an extra establishment to make a monthly examination, no such comparison was made, and thus a still greater means of escaping detection was furnished to the Conicopillies. It is, however, only fair to state that, on Mr. Cardozo's special report, the President did not see reason for giving the extra clerks. They were, therefore, refused.

19. But a more serious matter springs out of this. The essence of every fraud is that the Conicopilly cannot produce the number of bills that ought to be in his possession after deducting those that have been accounted for as paid or remitted. We find, however, that it has been a common thing in the House and Land rates in the office, during a series of years, for a Conicopilly to say that he has lost such and such a bill. Without further inquiry a new bill has been issued to him, although it must have been known that, if the Conicopilly had not the bill, the most probable reason was that he had given it after having received payment. This practice made the frauds easy. Either the Conicopilly could enforce the bill twice where he had the chance; or he could keep the money he had collected and fortify himself by producing the bill. The new bills do not appear to have been even marked "duplicate." It follows that the Municipality has no means of learning what is the actual value of its balances of due bills, since it is impossible to say how many are duplicates.

20. Again, at the time of the appointment of this Committee the House and Land rates' bills were being examined, and for the first time recorded. When our Chairman visited the Collector's Office the record was shown him. It appeared from this that there were several Conicopillies who had not their proper number of bills. This fact was noted, and the number of the missing bills were also entered. Yet no steps had been taken to discover the reason of such absence, while the Manager was in the act of issuing a duplicate for a bill alleged to be lost. Our Chairman noted that one man was seventeen bills short. Surprised that all this was accepted, as a matter of course, he requested that inquiry should be made. This immediately revealed that the man who was most deficient had collected and appropriated the proceeds of the missing bills. Notwithstanding

this fact we believe that no steps were taken by the Collector to ascertain why the bills of the other Conicopillies were absent.

21. Turning now to the Trade Tax, it will be seen that our statements and recommendations do not always correspond with those of Mr. Mackey. This is owing to the fact that, after his inquiries had ceased, a great deal of information came to light, which materially altered the state of affairs.

22. We have to report that, January 24, the Collector thus informed the President.—“The system that has been in force of registering the Trade Tax bills is very faulty: when any party calls at the office tendering payment of his license tax, the books do not show with which of the Conicopillies the party's bill is. The consequence is, duplicate bills have to be made out, while the originals remain in the Conicopilly's hand, who makes a second demand, to the great annoyance of the parties and discredit of the Department.” This is an accurate representation of a great evil. To remedy it, as far as possible, the Collector states that he ordered that each Conicopilly who discovered that he was in possession of bills already paid, should prepare a statement of the bills considered irrecoverable. The Conicopillies, however, state that he ordered them to return them into the office; and this was clearly the right thing to be done. Bills that had been remitted and those belonging to parties who had been exempted were to be returned. One Conicopilly gave 600 bills into the office, others returned less.

23. It would, however, appear that these bills were given back to the Conicopillies, and were included among those upon which Mr. Mackey made his estimate. Now it is clear from this that a very large number of them were counted twice over, first as collections, as they had been paid in office; and secondly, as due, for they were in the hands of the Conicopillies. We have discovered that paid bills, to the value of Rupees 10,995, were thus exhibited to Mr. Mackey, and that the Collector ought to have known the right course that should have been pursued with these bills. We learn, however, from a Register kept by Mr. Jesudasen that he had himself issued bills of this sum to the amount of Rupees 2633. This accounts for so many of the bills. The rest cannot be accounted for in any way.

24. Again, in March last, a remission of Rupees 23,460 was ordered by the President. The bills were made up into a sealed packet accompanied by a series of Memoranda, giving a careful description of the bills thus included, and to the amount named. This sealed packet should have been sent to the President's Department, but was kept in the Collector's almirah. That it remained there was also the fault of the President's Department, which should have sent for it as soon as the President's order was issued. On the occasions when our Chairman and Mr. Mackey inspected the office, this packet was produced, and both gentlemen were shown detailed Memoranda, exhibiting bills to the full value. A short time afterwards when we desired to examine the packet it was found open, and bills to the value of Rupees 3311 were absent. We have not received any satisfactory explanation from the Collector regarding the opening of the packet. The missing balance was in the hands of the Conicopillies, and consequently the whole of it was counted twice over, so that here again is a very large sum which must be deducted from any balance shown by the bills. We should add that the Collector afterwards informed Mr. Mackey that these bills were absent, and so far relieved himself from blame; but we do not think that this fact explains the whole matter.

25. Another matter of equal important character arises in connexion with these remitted bills. The Office Regulation is that all cancelled bills shall be defaced, by being stamped over the signature with the word “cancelled.” This is manifestly a very necessary precaution. On examining the bills remaining from the Rupees 23,460, we found that many were not marked at all, while others were endorsed only in pencil. Now it is plain that such bills may be again presented for collection, be a third time remitted, or lastly, be replaced in the hands of the Conicopillies as due bills. In either case neither the public nor the President could have any means of preventing fraud. As the remission was made in March, the present Collector is responsible.

26. Still another great irregularity remains. There can be no doubt that, for a tax which was abolished nearly twelve months ago, all the bills made out should either be in the hands of the Conicopillies, or recorded as remitted. Yet no less than nearly 5000 Rupees worth of bills of all kinds, signed and unsigned, were discovered in the almirah of the Collector and the desk of a writer named Mootoosawmy. The explanation given does not account for their irregularity. With regard to those found in Mootoosawmy's desk, there is no doubt that the public has been defrauded, since they represent a reduced assessment ordered by Colonel Temple in ninety-two cases. The old and erroneous bills have been in the hands of the Conicopillies till the present time.

27. There can be no doubt that all these items represent a very considerable sum, which has been dealt with in an irregular and highly reprehensible manner. The present Collector more than once informed the President that he had adopted complete means of preventing fraud by drawing up Check Registers like those used in the House and Land rates. Had this work been properly done, our task would have been easy. Unfortunately, however, the books bear no date, and were confessedly drawn up in so lax a manner that they are perfectly useless.

28. We are afraid that we should be unnecessarily prolonging our report by entering into further details on this subject. We think we have said enough to convince the Commissioners of the chaotic state of the Collector's Department, and of the careless and inefficient manner in which it has been managed and superintended from some years past. The resulting loss must be very great, but we are not able to state its amount. We have now only to refer to Appendix B. in further proof of this state of things. We greatly regret to notice, in connexion with this inquiry, that Mr. Mackey's calculations, based as they were solely on the actual bills in the hands of Conicopillies, have turned out wrong; and this with the circumstances adverted to already in a previous part of our report, that Mr. Bazely's statement of the Trade Tax on the 31st October 1867, was utterly incorrect, necessitated a reference to the class books for ascertaining the exact demand. But even this, we regret to have to say, does not help us much in respect to the difference which we are so anxious to trace. It is not possible to ascertain the exact items in these Registers for which bills have not been made out, and whatever course we may adopt to determine such items, we see no prospect of arriving at an accurate result.

29. The only course left to us, under such circumstances, was to make a second and searching examination of the Trade Tax bills, the results of which show that there was, on the 22nd September last, an outstanding balance of about Rupees 2,14,000, and this, after deducting bills to the value of Rupees 97,000, which appear to be from various causes irrecoverable, we would suggest be adopted as the correct figure to start with for future calculations.

30. We cannot, of course, exonerate Dr. Jesudasen from blame for the confused and unsatisfactory state of the accounts of his Department, but we would also remind the Commissioners that he found them in much the same state when he assumed charge of his present office, and that his predecessors, and those responsible for exercising due supervision and control over the department, are also in part responsible for the state of things brought to notice. We do not mean by this, however, that there has been any excuse for the present incumbent not exerting himself since his accession to office to bring his department and particularly the accounts into regularity and order; but we may express a hope that, after the thorough exposure which the department has undergone, every one concerned will make earnest efforts to remove the discredit now attaching to this department of the Municipality.

GENERAL REPORT.

31. We now proceed to report upon each Department, showing its recent state and the measures proposed for its improvement, commencing with the Collector's Department.

40. When the President revises the Register the remissions thus claimed will be entered, and the new bill made out accordingly.

41. Immediately that, for whatever reason, the whole or a portion of any bill is pronounced irrecoverable, it should be sent with a proper endorsement to the Remission Department, which ought, we think, to be in the President's Office. Not more than one distraint should be made on any bill, except under very special circumstances, and when the account sales has been received an acquittance should be sent to the person distrained. The Sale Book now employed in the office answers its purpose very well, and should be retained. The original bill would thus come to the Remission Department. A certain proportion of them should then be tested by a special officer of the Remission Department and a report made. The Register of this office should be in the accompanying form :—

Original Number.	Dstraint Number.	Remission Number.	Reason for Remission.	Report of Remission Dept.	Order of President.	Amount.		
						RS.	A.	P.

This book should be totalled *monthly*, and entered in the monthly Balance Sheet which should be in this form :—

	RS.
Total book demand.....	4,00,000
Bills remitted.....	50,000
Balance...	3,50,000
Bills not yet issued, (30th Sept.) say.....	1,00,000
Do. issued to Conicopillies (do.)	2,50,000
Total...	3,50,000
Total bill demand, (31st August) say.....	2,00,000
Bills issued since.....	50,000
Total bill debit, 30th Sept.....	2,50,000
Bills collected (say).....	80,000
„ remitted.....	20,000
„ on hand, 30th Sept.....	1,50,000
Total bill credit...	2,50,000

42. The three books described above will give at a glance the complete history of each bill. They do more, for the arrangement ensures that each department shall do its best. At present it is actually against a Conicopilly's interest to collect his bills. His commission is counted upon his collections. But if he can cause a warrant to be issued, he obtains, to his credit, the amount thus collected, although another man has done the work. It is, therefore, plainly his interest to neglect his duty. If, however, he loses all interest in a bill as soon as he reports that he cannot collect it, he will do his best to recover the amount. Things are in much the same way with regard to the Distraining Officers. Whatever is gathered by them is credited to the Conicopillies. The consequence has been that the actual distraints are, and have been, a farce. We believe that not one of the officers has distrained to the amount of his salary. We strongly suspect that, in a very large number of cases, the bills have been endorsed irrecoverable, without any attempt having been made to effect the distraint.

43. We have also to report that the mode of actual collection is about the worst that could have been devised. The Conicopillies are paid Rupees 14 per mensem, and two Annas per cent. on their collections. Now Rupees 900 per month, per Conicopilly, is a good average collection. But if a Conicopilly gather that sum he will only gain one Rupee two Annas in commission, and this is paid at the end of the year. The sum is so ludicrously small that it may be thrown out of account, and the fact remains that a Conicopilly is just as well off whether he works hard, or do next to nothing. We recommend that they be paid by a salary of Rupees 8, and a commission of one per cent. on all their collections, paid monthly. Under this scheme the amount earned by an active man would be increased about 20 per cent., while his idle colleague will suffer exactly in the proportion in which he neglects the interest of the Municipality. We recommend, further, that the salaries of the Distraining Officers should be treated as those of the Conicopillies, a fixed salary of only Rupees 25 being given. As, however, it is impossible to discover what amount an active officer might collect, we cannot fix the commission to be paid them. The President should, however, by offering a liberal commission at first, discover what recovery an intelligent active man could make, and then fix the percentage in such a way that a good man might expect an increase of, say, 12 per cent. when his commission is added to his salary.

44. We need only state that the bills are now issued to the Conicopillies in thousands, to ensure most emphatic condemnation of such a practice. One man had, at the time of our inquiry, upwards of five thousand bills in his possession. The fact would be thought incredible were it not so well proved. On the face of the matter it is evident that such a procedure must make examination difficult, must lead to numbers of bills being forgotten, and too frequently must give great temptation to make fraudulent collections and returns; while it is plainly impossible for the Conicopilly to preserve any order among so large an aggregation of bills, unless he collects them consecutively. Now the order in which they stand in the books and in their numbers is that of streets, or, to use the technical word used in the office, "Street Wari." It must be a dreadfully unprofitable business for the man to walk from one side of his district to the other to collect money, when, as a matter of fact, he has a bill for every house in every street. It is plain, therefore, that, as a rule, the Conicopilly must collect street wari, and we have to urge in the strongest manner, the advisability of, at once and finally, adopting the street wari system. It is true that, at the Collector's request, it was tried this very year and reported a failure, but it was only tried for a few weeks and then given up, because the collections decreased. Now if the Conicopillies had previously employed the street wari system, its official adoption could not alter their practice, and if the collections decreased, it must have been for some other reason. If, however, the Conicopillies had not strictly adhered to a system that must necessarily save them an infinity of labor, they must have had some good reason. It is not far to seek. They must have first collected their largest and most readily paid bills, thus swelling their early collections at the expense of the later ones. That this view is correct is made probable by the fact that, just before the experiment was tried, the Conicopillies had received the mass of their bills, and were able to pick out the best and largest, a practice which the street wari system stopped. But it is plain that this practice was an

injurious one, for precisely those bills were left to the last which were most difficult to recover, and it is plain that every month's delay made this difficulty greater still, tending towards ultimate loss. Now it is clear that, so far from the stoppage of these irregular collections being an evil, it was a downright good, although causing a temporary diminution of income. The street wari system would produce an equal return in every month of the year, a result greatly to be desired for other reasons. Each Conicopilly gives security to the amount of Rupees 1000, and, to prevent loss by fraud, we recommend that no more than an average of two hundred bills be in his hands at any one time. As fast as these are accounted for, fresh bills should be given from those debited to the man in the Check Book. Where these two hundred bills would amount to more than Rupees 1800, we recommend that a smaller number be issued. Mr. Mackey describes very exactly the return which should be filled up on each occasion, and we think with him that once a week is quite often enough for the paying in of collections, except under special circumstances.

45. We recommend that the bills with the Conicopillies be examined with the Check Book every week, on the day that the collections are paid in; four Conicopillies attending each day at stated times. If our former recommendations be carried out, we see no difficulty in this work being performed by one clerk. It should be laid down, however, that the Collector should once a week on uncertain days personally examine the bills of two Conicopillies, and that a proper record be kept of every examination by whomsoever performed.

46. We have to report that there are arrears of about Rupees 30,000 due for the years 1862-66. This great accumulation proves beyond doubt that the Executive officers in previous years have altogether failed to exercise that supervision and control which their position demanded. We recommend that the Conicopillies should be offered a commission of five per cent. on these items till the end of the year, or till the reorganization of the department shall have been complete, and the new books opened; and that after that period the whole remainder be handed to the new Distraint Department for recovery and remission. We believe that all the bills are considered good, as they are supposed to have been carefully weeded in February of this year for the remission granted in March. The balance for 1867 is not very large, and may be collected as suggested above.

47. If the reforms we have suggested be carried out, no bills should be in a Conicopilly's hands for more than two months. The Distraint Department should not retain any bill sent to them more than two months, except such further delay as may result from the infrequency of the sales of distrained articles. To prevent abuses in this matter, we suggest that sales take place every month on a fixed day, and that all goods seized by every officer since the last sale be then disposed of, the catalogue being divided into groups according to the number of officers represented in it. It should, however, be understood that the whole time allowed by the Act should be given after the distraint to afford opportunity for redemption. The Auctioneer should be required, under penalty, to submit his account sales within one week after the auction. The utmost limit, therefore, in which a bill can be in arrears, will be four months and a half. No object is to be gained by reducing the time to less than three months, since the Act does not permit the collection of current house-rate during the first quarter of the year. As the new bills cannot be issued, the Conicopillies would have nothing to do if they had none of the previous year's bills to work upon. It is, however, to be observed that no bills whatever could become arrears except those issued for collection after October 1st in each year. The Remission Department cannot delay more than one month, because all bills coming to them must be finally disposed of by the President before the close of the month, for inclusion in the monthly statement. Each month's remission bills should either be destroyed in the President's presence, or be recorded in some safe place.

48. Before leaving this matter, we would suggest the advisability of adopting a superior class of bill, with the water-mark "Municipality of Madras." Those now used can be counterfeited in any Press, and afford to ignorant persons no distinguishing mark. They are required in such large numbers, about 70,000 per annum, that the cost of a superior article would be very small. The

cheque form till lately in use by the Oriental Bank appear to us very suitable. If the makers sewed them together in hundreds, their safe custody and counting would be very easy matters. If two were on each sheet like the large cheque books of the Madras Bank, each book would contain two hundred, while the abstraction of a single bill would become a very hazardous operation.

TRADE TAX.

49. It is necessary to bear in mind that there are two Trade Taxes brought into the Municipal books. That which expired in October 1867, is now all in arrears, and is called the Trade Tax. The new impost levied under the present Act is called the Trade License Tax. The consideration of the latter will be our next duty, at present we confine ourselves to the Trade Tax, which was in force during the years 1866-67. In an earlier portion of this report, when discussing the discrepancy pointed out by Colonel Gillilan and the frauds that have been detected, so much was necessarily said upon this tax that it only remains now to say that we can find nothing whatever that is correct concerning it. To slightly alter the words of the President, we find that every person connected with this tax from the recent and present Collectors to the very Conicopillies, is very greatly to blame. Speaking generally, it may be said that since this tax has been introduced no single return appears to have been correct, no report accurate, no explanation satisfactory, no book honestly kept, no reform earnest, and no duty properly performed. While, however, we include the clerks in this condemnation, it must not be forgotten that they are what their superiors make them.

50. It will be seen by reference to our report on the frauds that it is now certain that a very large proportion of the present demand is worthless. We have instituted an inquiry into the condition of the bills, and find that at least one-half will be found to have been paid, exempted, or proved irrecoverable. It is, therefore, to be supposed that our available balance will not be more than Rupees 1,00,000, and as a large proportion of this amount is due from 1866, and the whole remainder from 1867, it is clear that the value must diminish with every day's delay. It is, therefore, necessary that the most earnest efforts should be made to ensure recovery. For this purpose we recommend that, till it is seen how far the reforms proposed will provide the writers required, an extra establishment be immediately provided to prepare Check Registers in the form recommended for the House and Land rates. The bills deemed recoverable, should then be entered *de novo* as early as possible. All balances not included should be written off as remission.

51. When the Check Books are written up, the Conicopillies should be informed that their salaries will be only Rupees 7, but that they will receive 5 per cent. on their collections. That such an arrangement will be very profitable to the Municipality, is clear from the fact that the average collection now is not Rupees 200 per man per mensem, while the pay drawn is Rupees 14. By referring to the books we find that it is not at all unusual for a Conicopilly to collect nothing in a whole week, and many men bring but from Rupees 10 to Rupees 50. When the remodelled office is in working order, the whole of the bills remaining with the Conicopillies for more than two months should go to the Distraint Department, just as recommended for the House and Land rates. The Register should be in precisely the same form as that for the House and Land rates, and the bills should be passed on to the Remission Department and President in the same way. In fact, we recommend that both taxes should go through the same treatment in similar books. The Distraint Department will have an enormous amount of work thrown upon it for a time, and many additional hands will be needed; but we have no doubt that an energetic Manager could easily be obtained if a salary of, say, Rupees 75 and $\frac{1}{4}$ per cent. were offered. It is possible that it may be found advisable to pass the bills to the Distraint Department by degrees, say one division at a time. This, however, would be matter to be regulated by the President. Such taxes must be always more difficult to collect than the House and Land rates, since the latter is based upon substantial property, and may be levied from the occupier in default of the owner. The Distraint

Officers, therefore, should have a large commission, say five per cent., on monies collected by notice, four per cent. on warrants, and three per cent., on actual distraint.

52. All the recommendations made, when considering the House and Land rates, concerning examinations, registers, limits of time, distribution of bills, assignment of collections, and monthly balance statements should apply with equal force to the Trade Tax. As the Conicopillies and Inspecting Officers are worked off, they should be added to the Trade License Department until its register is complete, and then a very large reduction in the office staff will become possible.

53. Omitting from the calculation all reference to forced recoveries, we find that, under the present system, the cost of collecting the Municipal revenue is $5\frac{1}{2}$ per cent.

TRADE LICENSE TAX.

54. It is impossible to say how much is due on account of this tax since the Act does not require a Register to be drawn up, although it calls upon the public to register themselves. There is, therefore, no demand account. The only approximation is the budget estimate, but this was a rough guess. Almost the whole work connected with this tax has been performed by Mr. Bazely, who has in this matter given very important assistance to the Collector, and this at a time when his own special work was heavy. Under these circumstances we consider the return a satisfactory one, although it is matter for deep regret that other arrangements were not made that would have produced greater results. The establishment employed by Mr. Bazely also contrasts very favorably indeed with those employed on other taxes of similar importance. We think that a Street Wari Register, and another in alphabetical order should be drawn up, as it is only in this way that anything like a complete enumeration of the trading community can be anticipated, and that then the tax should be treated in precisely the same manner as we have recommended for the two taxes already noticed. In this way the office procedure would be rendered perfectly uniform. One clerk for each tax in each of the Collecting and Distraint Departments would suffice to keep the Registers, another clerk for each tax would be able to examine the bills, enter the payments in the Daily Cash Register, and compare the Conicopillies' own books with those in the office. No other would be necessary in the Collecting Department, while in that for distraint a third clerk would keep the subsidiary notice and warrant registers, and examine the unserved notices and warrants in the hands of the Inspectors, a certain proportion of whom should attend daily for this purpose. The preparation of the bills each year, and the great influx of labor which will be caused for the first few months after the introduction of remedial measures, should be met by special arrangements.

55. These three taxes are very closely allied, and may easily be collected by one set of officers. At present the two first are under the control of the Collector's Department, and the third of the Conservancy. Both appear to have worked creditably, and the outturn is very regular. The first and third are registered in books that appear to answer their purpose. We do not, however, consider that due attention has been given to bringing new names upon the Register, and that it is owing to this that the taxes have not increased in the proportion of the increased prosperity of the city. We would suggest that some small bonus might be allowed to such as give information of unregistered carriages or stables.

Carriage License.
Cart Registration.
Hack Stable License.

LIQUOR LICENSE.

56. This tax is managed entirely by the Assessor, who in this respect also has been of great assistance to the Collector at the expense of his own proper duties. We think that the Assessor should have nothing further to do with the liquor licenses than to assess the applications that are brought to him. The work of collection should fall entirely upon the Collector, but the Assessor should be careful to keep his register up to date, and as complete as possible. His revision of the house assessment should give him peculiar opportunities for framing an accurate list. In fact a careful attention to the descriptions of property in the Assessment Register should give much valuable information for the preparation of all the registers, since the Inspectors of the Assessment Department should at once mark the existence, opening, or closing of every sort of business. We are not aware that either the Collector or Sanitary Inspector have made any reference to the Assessment Registers in preparing their lists of dangerous and offensive trades, &c., and recommend that the Assistant to the President should see that proper use is made of such valuable and carefully prepared records.

FEES FOR LICENSES OF OFFENSIVE AND DANGEROUS TRADES, PANDALS, &c.

57. These taxes are collected in the Conservancy Department, and must give a great deal of trouble. We regret that we are unable to report upon them with any detail. Mr. Wheeler, the Sanitary Inspector, has permitted himself altogether to disregard the express orders of the President, and what must be apparent to every one are the plainest requirements of duty, by throwing every obstacle in the way of our inquiry. He has also in the most discourteous manner refused to afford us such assistance or information as was required, to enable us fully to see the scope of such remedial measures as we feel called upon to propose. We have, however, learnt enough to show us that the labor connected with these taxes must have occupied a large portion of the Sanitary Inspector's time, and thus withdrawn him from the more immediate and far more important duties of his office. To avoid this evil, and secure a much better arrangement of the office work, we recommend that no applications for licenses of any kind be received, unless upon a printed form to be obtained from the Conservancy Office. The figures should be invariably in English. When applications in this form are received, the Sanitary Inspector should, at a certain fixed time each morning, carefully examine them. Those that require no further inquiry should receive his initial and remarks in the proper column and be forwarded to the President for final order. When the Sanitary Inspector deems further inquiry necessary, the application should be given to an Inspector who should be required to make his report by the next morning. The Sanitary Inspector's recommendation should then be attached, and the application be sent to the President. When his order is entered, the forms should be returned to the Conservancy Department and entered in the Application Register. Of these there should be two—one for temporary matters, such as pandals, hoardings, &c., and the other for trades and other matters likely to continue for years. The former should be numbered consecutively; the latter should be Street Wari. The applicant should now take the form to the Collector's Department where he should deposit it and pay the fee named in it, receiving a receipt which shall be his license. The forms would then be the Collector's vouchers. Every Saturday afternoon the Manager of the Conservancy Department should carry his Register to the Collector's Department and enter such as have paid during the week into the proper column of his own book. The books and forms should be as shown in A, B., C.

A.
Form of Application for License.

Division.	Street.	Number.	Applicant's Name.	Matter for License.	Dimensions of Pandal or Enclosure.	Dyeing. No. of Pots.	Tannery. No. of Pits.	Rate.	Per.	Fee.	Remarks by Sanitary Inspector.	Order of President.
4	37	16	Coopum Ramasawmy...	Dyeing ...		47		RS. A. P. 1 0 0	10 Pots.	5 0	Recommended R. C. W.	C. D.

Report of Inspector. Found 47 Pots in use. The refuse runs into the drain by the side of the road. This should be prevented.
(Signed) D. SMITH,
Inspector.

Rates charged—Pandals.....1 Rupee per 20 Square feet per mensem. Minimum fee Rupees 3.
Dyeing.....1 Rupee per 10 Pots. Do. do.
Tanning.....1 Rupee per 2 Pits. Do. do.
N. B.—If a Pandal pass over the road a double fee will be charged. No fraction of the rate will be allowed.

B.
Form of Register, Conservancy Department.

Division.	Street.	Number.	Applicant's Name.	Matter for License.	Dimensions of Pandal or Enclosure.	Dyeing. No. of Pots.	Tannery. No. of Pits.	Rate.	Per.	Fee.	Date of Payment.	Order of President.	Remarks.
1	2	3	4	5	6	7	8	9	10	11	12	13	14

The Register in the Collector's Department should contain first twelve heads of Form B., a thirteenth to contain the initials of the officer receiving the tax, and a fourteenth containing the number of the entry. Both registers should contain a separate page for each street represented, and the streets should be numbered and indexed.

58. There are, however, a very large number of pandals erected for religious purposes for which no fee is charged. They cause much labor and bring no return. We would suggest that a simple form should be required from all applicants, and that the Sanitary Inspector should have power to issue licenses without referring to the President. They chiefly occur at the Mohurum and one or two other great feasts, and are only intended to last a few days. We do not recommend that any formal books be kept for these, and that the only record be a counterfoil of the application. The book of counterfoils should be shown to the President as often as he may require.

59. The number of these pandals is very great and no careful supervision can be exercised, and although, following the present practice, we have made the above recommendations, we do not consider that any action whatever is necessary beyond an announcement that anybody may erect pandals for a certain number of days during the great feasts, provided they do not occupy more than (say) *one foot in breadth of roadway*, and that any one who infringes these regulations should pay the fees laid down for ordinary pandals. This would relieve the public from what is now thought a hardship and the Municipality from a great labor, which produce no corresponding benefit. It would be very easy for the Sanitary Inspector and his subordinates to detect any breach of the regulations.

60. When the Act came into operation the President, with the sanction of the Commissioners and Government, fixed a scale of rates for licenses. They do not, however, appear to follow any fixed rule and leave considerable room to the subordinate officers to overcharge the public, and considerably discontent has been caused. To remedy this, we propose, with the President's permission, that the rates named at the foot of the form of application be substituted, or such others as may from experience be found more suitable. Should these be adopted every person will know exactly how much he ought to pay, and extortion in this respect will be put an end to.

TAXES ON ANIMALS.

61. Except with regard to horses we are not satisfied with the way these taxes have been collected. We feel quite sure that the number of dogs, male buffaloes, asses, and even of bullocks is very much greater than is represented by the amount collected. The collection is made by the officers of the Carriage License Department. So great is the neglect with regard to dogs, that it actually costs the Municipality more for killing stray dogs than it receives from the owners of living ones. We would recommend that the officers who collect these taxes should be paid either altogether or chiefly by commission, and that a special Dog Tax Collector be appointed, who shall receive as commission, one-third of all he collects, provided his collections reach a certain sum to be fixed by the President. An active agency of this kind will at once increase our revenues, and rid the city of stray pariah dogs.

62. The other modes of raising revenue do not require special attention. They are mostly under the control of the Engineer, and appear to be satisfactorily managed, and we need only reiterate our recommendation that they all should pass through the Collector's books.

63. There is a large sum of money credited to an "Improvement Fund" which has arisen from special receipts, and must be specially expended. We would suggest that the budget should contain each year a description of this fund, and that steps be taken to utilize it for the improvement of the city. The sum now to credit is nearly Rupees 70,000.

ASSESSOR'S DEPARTMENT.

64. We do not find that this Department has ever obtained its due importance as compared with others. The establishment and accommodation are both less than ought to have been given, and we believe that much of the laxity and backwardness so often complained of is due to this cause. The work required of the Assessor is very great for the first and last quarters of every year, and when a general revision is ordered the pressure lasts throughout the year. Notwith-

standing this we are glad to report that a very considerable improvement is observable during the last few years. As an instance we will give the dates of the closing of the House and Land rates Assessment Books for the last six years :—

In 1863	the assessment registers were closed	14th October 1863.
1864	„ „ „ „ „	20th February 1865.
1865	„ „ „ „ „	8th December 1865.
1866	„ „ „ „ „	10th October 1866.
1867	„ „ „ „ „	16th May 1867.
1868	„ „ „ „ „	4th August 1868.

The present year was an exception to the gradual recovery which has marked each year since 1864, and this was to a considerable extent the result of causes over which the Assessor had no control. While, however, we thus admit progress we see the necessity for a great reform. Delay in the completion of the Registers must be followed by delay in the collections, with many consequent losses, and looking to the interests of the Municipality it is very necessary that the Registers should be ready on the day the tax becomes due. Nor do we see any reason why they should not be thus ready. A most vicious routine has been followed in the office, and it is this which has paralyzed every effort to amend matters. The work may be divided under two heads—valuation and rating. The first requires care and must be done by the Assessor himself, the second is merely clerical and can be done by any writer. Yet it is the latter which has always prevented the early submission of the Registers, and a sort of official etiquette seems to have prevented all parties from recognizing or remedying the evil. A general revision of assessments is now going on, rendering the present a very exceptional year. The first and second divisions are complete, and we are assured that Mr. Bazely alone can finish four divisions by the 30th March 1869. As the revision results as a rule in an increased valuation, and it is advisable to obtain as much of the increase in 1869 as is possible, we recommend that Mr. Stephenson should be deputed to act with Mr. Bazely until the water project requires Mr. Lee's time. This we understand is not likely to be the case for some months. During the interval Mr. Stephenson will not be required in the Engineer's Department, and, if the President approve, could give most efficient aid in the assessment. Messrs. Bazely and Stephenson together ought we think to finish six divisions by March 30th, especially if, on alternate days, one officer would continue assessing during the day, while the other took charge of the office. If this last arrangement be feasible, carriage allowance should be granted. The Assessor will be easily able to judge about the end of January how much can be revised by the 30th March. He should then employ the old valuation for such of the divisions as remain and have them duly written up by the 30th March, so that on that date the whole Registers shall be complete. As soon as the valuation of any district is complete the President should issue the notices required under Sections 77 and 78 of the Act, and while the appeals are being considered the rating should be written in. We suggest that for the first and second divisions these notices should be issued immediately, seeing that there is nothing in the Act to require that we should wait till January 1st. The notices for the divisions that cannot be revised on this occasion should be issued not later than January 31st, 1869, so that after March 30th there cannot be more than two divisions to be appealed from. With ordinary care these appeals can be decided by the last day of May, when the whole assessment will be certified. While, however, we make these suggestions for 1867, we think that in every succeeding year the Registers should be complete by December 31st. The Assessor's situation should be made to depend upon an observance of this rule.

65. We are, however, of opinion that the issue of the bills should not wait upon the appeals. If the President's notice for the last two divisions be issued as late as March 30th, the whole of the appeals must be known by the 15th April. A mark should be set against them in the Registers, and then the bills should be made out, omitting those marked for appeal. In this way the issue of

the bills need not be deferred beyond April 15th, and we recommend that both Collector and Assessor be warned that their situations will depend upon the submission of the complete Registers and the final issue of the bills by the days we have named. In order to ensure fair play to the Collector we recommend that the Assessor be ordered to hand his Registers to the Collector immediately the rating is written in, and this should be done by the time that the appeals are marked at the expiration of the President's notice. The writing in of the rating is cooly-work, and the time required is measured by the number of hands employed. It should, therefore, be the Assessor's duty to ask for sufficient writers to enable him to complete his work in time. Extra hours on extra pay should also be employed. This will encourage the writers and ensure the use of capable men. Should the Assessor fail to deliver his Registers by the days named the Collector should report him to the President. Should the Collector fail to issue his bills by the day named, the head of the General Department should report him to the President. The revision of the assessment is so great a task that all parties have shrunk from it. To obviate this, we recommend that two divisions should be revised each year. This can be done easily and will ensure that, while the public will not be overcharged, the interest of the Municipality will not suffer.

66. Although we have, as a rule, confined our inquiries to the in-door work of the office, we thought it well to test the manner in which the Assessor made his valuations. To make the test as complete as possible we chose a street containing houses of different sizes and uses. Two of the Hindoo members of the Committee accompanied our Chairman, and an attempt was made to value the houses. This estimate was then compared with the old Register and the revised valuation by Mr. Bazely. We find that Mr. Bazely proposes a total increase of ten per cent on the former valuation, while our own looked to an increase of twenty-nine per cent. As, however, the Committee acted under considerable disadvantages, being unprofessionals, and not able to enter the houses, we are not inclined to lay too much stress upon our figures as opposed to Mr. Bazely's. The register should, we think, be in the following form :—

Entry No.	Street.	House No.	Name of owner or occupier.	Description of property.	Original valuation.	Reduction allowed.	Certified valuation.	Reason of allowance.	Date of order.	Rate at 7½ per cent.	Remarks.

67. We have already recommended that this Register when certified should remain with the Collector as his voucher. It is, therefore, necessary that a new Register should be made each year, and the Collector should permit the Assessor to make use of the old Register while the new one is being prepared.

68. In addition to the House and Land rates the Assessor has also to work the Trade and Liquor License Taxes almost entirely. This ought not to be the case, since the labor entailed is more than one man can properly get through. It should not be forgotten that the Assessor is, or ought to be, engaged every morning from 5-30 to 8-30 in out-door work of a fatiguing character, and should not, therefore, be overborne with work in office hours. We think that he should have nothing to do with these taxes, except to assess applicants and prepare a Register. The latter duty is very much in arrears and by consequence the Trade Tax has fallen far short of the estimate, and there will be great difficulty in recovering the short fall. Nor do we think that the plan now employed of making the Register from the payments is a good one, since it will naturally lead to the forgetting of those who will not pay. In fact the payments should be drawn from the Register, not the Register from the payments. The attention of the Assessor should be urgently drawn to this matter, and the President might justly require the completion of a Register, with spaces for subsequent entries, by Christmas this year. The present form is exceedingly cumbrous and tries to serve,

failing in both, the double purpose of Register and Cash Book. The Register should be Street Wari, and in this form.

Entry No.	Street.	House No.	Name.	Occupation.	Rent, Salaries or profits.	Original class.	Certified class.	Date of order.	License Tax.	Remarks.

By drawing up this Register street by street it will be very much easier at once to provide and maintain due accuracy. The Inspectors, under the orders of the Assessor, should every year personally inquire as to the trade and profits of the occupier of each house, and thus keep the Register up to date.

69. Taking into consideration the disgraceful state in which Mr. Bazely left the Collector's Department we do not think he should be allowed to retain the post of Assistant to the Collector. The proper performance of his duty as Assessor will fully occupy his time. Should a vacancy take place in this office we think that, other things being equal, a Hindoo should have the preference. It will be the duty of the Commissioners to select the best man, but it should not be forgotten that many Hindoos greatly object to allow persons of another race to enter their houses.

PRESIDENT'S DEPARTMENT.

70. This Department is very highly paid, and has enjoyed corresponding advantages. Mr. Cardozo is the responsible head, and has placed his office in a very creditable state of efficiency as far as that work is concerned, which has been ordinarily done. The chief defect lies in this—that it has not risen to the duty which ought to fall upon it. This has arisen from an unfortunate mistake on the part of the President and his Assistant. The Act gives the President an Assistant, but appoints to the latter no duties. Mr. Cardozo, therefore, maintains that he has had no duties except such and so far as the direct orders of the President extended, and therefore he can have left nothing undone, unless it can be shown that he was ordered to do that particular thing. It is true that Mr. Cardozo took and has held charge of the President's, or, as it has generally been called, the General Department without orders from the President, and had he not done this he would have done very little. Beyond this Mr. Cardozo has not accepted any responsibility. The President on the other hand, remembering Mr. Cardozo's long experience and his own comparative ignorance of the interior working of the office, felt reluctant to give orders to Mr. Cardozo, hoping doubtless that his Assistant would of his own accord take charge of the office economy. What with the President's reluctance to "order," and his Assistant's reluctance to "interfere," nothing whatever in the way of ordinary supervision was either directed or performed.

71. While upon this subject we cannot omit to mention our high appreciation of the energetic manner in which the President has devoted himself to the service of the Municipality. We have been astonished at the evidence that has constantly come before us to prove the energy, industry, and devotion of the President. The out-door work of the Commission has, however, afforded ample scope for all this labor, while there are not many persons gifted with such talents who add to them experience and understanding of such complex accounts as the office has shown. When, therefore, we seem to reflect upon the President, it is because, by his adoption of Mr. Cardozo's evidence, he has drawn to himself the responsibility, and not from any idea that he could have done more than he has done, except by requiring his Assistant to take responsibility in proportion to his position. It is because of considerations such as these that we have foreborne to make any reference to Mr. Cardozo, except as head of the President's Department. As one result of the want of supervision thus created we would mention that the President is overborne with a mass of daily work which comes to him over and over again in different forms. We have ascertained that a

large portion of the correspondence comes before him no less than six times before it is finally done with. To remedy this and other evils we beg the President's permission to suggest that the following directions should be issued for the guidance of the President's Assistant:—That the Assistant should take charge of the office and be responsible to the President for everything connected with the accounts, and should, therefore, have authority to visit all departments and make such orders as he may deem fit, subject to the decision of the President in cases of dispute. That the Assistant should receive and open all letters, applications, reports, &c., sending to the departments for report all applications for pandals, conservancy complaints, and everything else which must be reported on before the President can come to a conclusion; and placing all others before the President. That all Returns, Memoranda, &c., concerning office work should be forwarded through the Assistant, who should offer such remarks as may be called for as to their accuracy, regularity and other circumstances. That the President's orders on all matters be entered *fair* into the Proceedings Book at once, and that no rough drafts or rough copies come before the President at all, except letter drafts for his approval.

72. These regulations will at once fix the responsibility, set the President free from half his present clerical work, and save a very large amount of writing in the office, while at the same time it will give to the Assistant an honorable and responsible duty which he will have pleasure in performing. We have been considerably aided in coming to these conclusions by a consideration of the Bombay Municipal Act, which provides for a Controller of Accounts, who there gives the President most efficient assistance.

73. The President's Department should have nothing to do with collections. We, therefore, see no reason for a cash-keeper. He, with all his concerns, should be transferred to the Collector. On the other hand, it should deal largely in audit. While dwelling on the Collector's Department we have pointed out how the department now under review should act, and to save further detail we would now recommend that the accounts of the Engineer and Sanitary Inspector should be similarly treated. There will then be some security against any portion of the office falling into such a disgraceful condition as the Collector's has for long been in, and the Engineer's was till Mr. Lee took charge.

74. We notice here two points that have astonished us greatly in all departments, and in which the President's Department must give the lead for reform. Till we reached the Engineer's Office we found but five bound books in use. Others might have been found by looking, but the proportion would probably not have been altered. In a great office like ours such a fact is almost incredible. Everywhere we came across loose sheets. Even the very Ledger was in loose sheets. We need not say one word to prove what a temptation to fraud, what a premium on carelessness, such a fact must be. We strongly recommend that an immediate order be given for binding all books of every kind, and that a substantial fine be inflicted on the head of every office where, after the beginning of next year, an unbound book may be found in use.

75. The next fact is equally astonishing. All work in all departments appears to be done twice, first "rough" then "fair," so that possibly from the very institution of the Municipality, the public have been paying doubly for the whole office work, and this for no reason apparently than the pleasure of doing it twice. All sorts of excuses have been given to account for or defend the practice, but if a clerk can write decently for fair copy we see no reason why he should not be made to write fair the first time. If the pay be too small to secure decent men the incompetent writers should be dismissed, and half the number on sufficient pay be employed to perform the half work that will remain. But we find that the practice is universal and not confined to incompetent men. "Rough copies" should be at once discontinued and no writer be allowed to present or perform any but "fair work." If these rules be carried out—providing a proper, and as far as possible uniformly sized set of books in each office—a most fruitful cause of fraud, confusion, and labor will be cut off at a stroke.

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76. While we adhere to our commendation of the clean and complete mode in which the accounts are kept, we think that many improvements may be carried out. Without staying to describe the present system, we will proceed at once to recommend that a Journal be introduced, which shall show the complete transactions of each day and present a daily balance. It should be in this form—

Voucher No.	Ledger Head.	Ledger Folio.	Transactions.	Cheque Nos.	Expenditure.			Receipts.			Daily Balance.		
					RS.	A.	P.	RS.	A.	P.	RS.	A.	P.
			Sept. 28th. Brogt. forward.		86,472	3	7	2,46,837	5	1	1,60,365	1	6
			September 29th, 1868.										
863	11	137	Collections, Trade Tax ...	...				725	1	3			
864	3	34	Contgt. Bill, (Conservancy)	87	87	1	4						
865	14	264	Making five water carts ...	88	964	0	7						
866	7	99	Collections, H. & L. rates ...	...				2,647	8	0			
					87,523	5	6	2,50,209	14	4	1,72,586	8	19
			September 30th, 1868.										
867	4	86	Fines received...	...				24	2	7			
868	2	43	Re-making Mount Road...	89	2,748	0	0						
869	9	120	Stone drain, Salay Street...	90	8,735	9	2						

Before the Journal is finally closed, it should be taken with all the day's vouchers to the President's Assistant, who, after comparing the vouchers with the book and the balance with the Pass Book, should initial it below the daily balance.

77. The bills for payment and Memoranda from the Collector, (which should be on a printed form,) covering the Bank receipt for the daily collections, should be alike treated as vouchers and numbered consecutively in order of receipt. The President, to whom the Journal should next go, would thus be thoroughly informed as to the day's proceedings, and the initials of his Assistant would guarantee their correctness. After examination and comparison with the Pass Book, the President should initial it above the daily balance. As the entries are not numerous, not more than fifteen per diem, one writer would be easily able to keep this book and the Ledger, into which the contents of the Journal should be posted daily. Indeed we see no reason why both Journal and Ledger should not be completed each day for that day. The Ledger should follow the budget form exactly, having precisely the same number of heads and in the same order. Should it be found more convenient there can be no objection to the employment of two Ledgers, one for receipts and the other for expenditure. They should contain the date and total of every individual voucher. The ordinary form will answer, but to prevent mistakes we give a form below :—

RECEIPTS LEDGER.

Dr.					House and Land rates.					Cr.				
Date.	Journal Folio.	No. of entry.	Description of receipt.	Amount.	Date.	Description of voucher.	Receipt No.	Amount.						
				RS. A. P.				RS. A. P.						
Sept.	25	247	327 To collections.	837 4 6	Sept.	25	By Bank receipt.	627	837 4 6					

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EXPENDITURE LEDGER.

Dr.					New Works—Masonry.					Cr.				
Date.	Journal Folio.	Entry No.	Description of expenditure.	Amount.	Date.	Payment.	Cheque No.	Amount.						
				RS. A. P.				RS. A. P.						
Sept... 26	163	351	Making drain, Salay Street.	863 4 7	Sept... 26	By Cheque..	263	863 4 7						

78. On the last day of each month each head of the Ledger should be totalled and the result entered before the next month's account is commenced. The monthly totals should then be copied into another printed book, to be called the Abstract Book. This should contain all the heads prescribed in the budget, and should be in the following form. These three books will exhibit everything required, and will show at all times the exact financial position of the Municipality.

ABSTRACT FOR THE MONTH OF SEPTEMBER 1864.

	House and Land rates.			Trade Tax.			Liquor License.			Total.		
	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.
Budget estimate.....	2,50,000	0	0	75,000	0	0	8,274	0	0	5,06,380	0	0
Amount collected this month	26,384	2	7	742	15	3	263	14	3	27,391	0	1
Amount previously collected.....	1,47,386	5	8	26,273	8	6	4,827	0	0	1,78,486	13	2
Total collections to 30th Sep. 1868*...	1,73,770	8	3	28,016	7	9	5,090	14	3	2,05,877	13	3

79. A similar form for expenditure should be entered on the same page and at the bottom, still on the same page there should be this form. The balance thus drawn should in every case correspond with that exhibited in the Journal on the last day of each month.

BALANCE ACCOUNT TO 30TH SEPTEMBER 1868.

	RS.	A.	P.
By balance, 1st January.....	1,07,365	14	2
Collected to 30th September 1868.....	2,05,877	13	3
Total receipts...	3,13,243	11	5
Expenditure to 30th September 1868.....	2,17,968	2	11
Balance, 30th September 1868...	95,274	8	6

Further checks are not necessary, since this department neither collects nor expends but only records. An Analytical Register is now employed, and considerable stress is laid upon its value. We are not able to see its use, and recommend its abolition. The result of our recommendations will be that, with a greatly diminished amount of labor, the department will be saved the immense trouble now met with in preparing the statements for the General Meetings of the Commissioners, while the accounts of the year may be made up in twenty-four hours. In fact both statements will be but copies from the Abstract Book.

80. It is essential in every large office, and our recommendations are based upon the presumption that due care will for the future be exercised, that the records be properly kept. There has been great neglect in this matter, and their condition at the time of our appointment was very disgraceful. Remedial measures have, however, been adopted to some extent and a Record-keeper has been entertained. He, however, cannot do credit to his appointment until proper almirahs

* Only three heads are entered here, as these are sufficient to explain the form.

are provided. The Indices are also deficient both in form and execution. Should the President so wish we are prepared to suggest separately plans for the proper keeping of the records, since they would be out of place in this report.

81. We find also that the arrangements for petty cash expenditure are faulty, and recommend that for the future there should be made a permanent advance of Rupees 100, to be debited to "Advances recoverable." Out of this the Manager of the President's Department should provide for all petty expenditure, recouping himself weekly or fortnightly when his bills are paid. The advance would, therefore, be a permanent one, and the Auditor should see that it is duly accounted for.

82. The Conicopillies and others give security in Government paper upon their appointment. This is deposited in the Madras Bank in a separate account. The interest accruing is sent by the Bank to the office, and sometimes lies in the President's Department for tolerably lengthy periods. This we think is objectionable. Immediately the interest is received it should be handed to the rightful owner, whether he apply for it or not.

CONSERVANCY DEPARTMENT.

83. We may fully adopt an expression of the Sanitary Inspector and say that there are no proper books in this department, and that nothing can be discovered from the records concerning the amount of work performed. We, of course, except that portion of the work which has concerned collections, since we believe that this ought never to have been required from a Sanitary Inspector. It may well be, however, that we are not fully aware of the real state of things in this department, since Mr. Wheeler has been so far wanting in his duty as to take it upon himself not only to thwart our inquiries, but to show a lack of courtesy which, if extended to the public, as it may be presumed it is, must seriously detract from the efficiency and good repute of the department. This conduct is the more reprehensible, since the President issued the most peremptory orders that all officers should give us every assistance in their power. We, therefore, must begin *de novo*, upon the principle that the books should accurately show all the work performed by the department. The most essential record we may call the work Ledger. It should contain a head of account for every distinct duty performed, such as Establishment—Repairs of carts—Provision of new carts—Repairs of boats—Provision of new boats—Number of carts of sweepings collected each day—Number of boats despatched each day—Number of latrine carts actually employed each day—Earth provided to latrines—and a number of such other heads as may be required. Every head should be divided according to the divisions of Madras. There should also be a "License Ledger," containing details under the several heads of Licenses for dangerous trades—Pandals free—Pandals paid—Hoardings and scaffolds—and such other licenses as the Act requires. The procedure proposed for collecting the fees on these licenses will be found in that portion of the report which concerns the taxes, and need not therefore be described here.

84. We think also that the Sanitary Inspector should keep a diary of his own proceedings, marking carefully how he spends his time each day. We make this suggestion because we are convinced that the Sanitary Inspector spends much too large a portion of his time in office. This has been necessary because of the large amount of office work he has had to perform, but if our recommendations be adopted one-half of this will be abolished. He should, therefore, actively inspect both the midday and evening cleansing of the town, so far as a due regard for health will permit; and if his diary be submitted to the President once a week or oftener, the public will be secure against neglect in this most important portion of Municipal work. Still further to help in freeing the Sanitary Inspector we think that the President should make, and stringently carry out, an order that all applications of whatever kind for licenses should be made upon printed forms to be obtained from the office either by letter or personal application. These forms are described in that portion of our report which deals with taxes raised upon licenses.

85. We think further that a plan in large type should be prepared and posted in a prominent place in the office, showing for each division the number of Sweepers, Drivers, Goomastahs, Duffadars and Inspectors, and giving the names of the chief officers and the times of daily service. It should

show further such minor sections as each division may be divided into, together with the number of carts and officials attached to each. This document would show at a glance what the public and the Commissioners ought to expect in the way of conservancy, and enable the responsibility of neglect to be fixed on the right persons. So much of the plan as refers to individual divisions should then be printed separately and forwarded to the Commissioners residing in each division. A decent map on a large scale should also be provided in the office, and a plan of his own division be sent to each Commissioner. Without some assistance of this kind it is impossible that the Commissioners generally can give that aid to the President which the Government and public have every right to expect.

ENGINEER'S DEPARTMENT.

86. This office presents a marked contrast to all the others we have examined. The accounts are up to date, accurate, and well kept. If our recommendations regarding the binding of books and abolition of rough copies be carried out, the Engineer's office will be all we could wish. The checks employed are sufficient and not too complex. We cannot but convey to the President and Commissioners the expression of our high sense of the conscientious and laborious manner in which Mr. Lee appears to perform his duties. Nor shall we be going beyond our limits in pointing out the great savings that have been made in this department without diminution of efficiency. Indeed the only regret we feel is that the savings were credited, and not by means of a supplemental budget employed in carrying out other necessary works that it was not thought proper to include in the budget, and therefore could not be undertaken without special sanction. We would suggest that the Engineer should consult as far as possible with the Commissioners in each division when drawing up his budgets, and should give especial attention to such recommendations as may have been made during the year.

87. There is another department, the responsibility of which is shared between the Engineer and the Sanitary Inspector, which is not at all satisfactory. We refer to the stores and workshop. There do not appear to be any accounts kept at all in this matter, and it would be very difficult to frame even an approximate valuation of the work performed. We understand that the President has already resolved to reform this department, but are not acquainted with his proposals. In any case we recommend the immediate adoption of a Stores Ledger on the progressive system, containing as many heads as there are articles in store, or are purchased through the Store Superintendent. The Debtor side of the account should show the date of receipt, quantity, and value of each article. The Creditor side would exhibit the issues. We would also suggest the advisability of purchasing in larger quantities so as to obtain the advantage of wholesale dealings. All English goods required should, we think, be purchased in England from the makers. It would also be well to have a surplus stock of wheels, poles, tailboards, and other articles often required in repairs, so that carts may not, as now, have to remain useless while a new wheel or pole is being made. On the present system it often happens that carts that are most urgently required are laid up for weeks on account of repairs that might be executed in half as many hours if a surplus stock were kept. The Superintendent should be required to keep up the stock by making or purchasing others as fast as store articles were expended. To prevent waste the stock should never exceed the anticipated expenditure of six months.

88. Another matter will arise as soon as the water project is started; indeed has already arisen. It is with regard to the mode in which the salaries of Messrs. Lee and Stephenson, shall be credited. What has been done hitherto is to debit the water project with Mr. Stephenson's salary, and the Municipality with Mr. Lee's. Now it is plain that such an arrangement is irregular, since it exactly invests the natural order. Mr. Lee is engaged upon the water project, and should therefore be charged to it. Mr. Stephenson acts for him in Municipal work, and should therefore come upon the Municipality for his salary.

GENERAL REMARKS.

89. Having now gone through all the Account Departments it will be well for us to turn to matters that concern the whole office. Our recommendations, if energetically and honestly carried out, will not only place the whole system of accounts on a satisfactory and uniform system, but must result in largely diminishing the amount of clerical work. It will, therefore, follow that a consi-

derable diminution in the number of clerks should take place. It is impossible for us to say either how many or what clerks should be dismissed, and we would, therefore, only say that the President should expect from the head of each department the most careful attention to this matter. It will be, perhaps, one or two months before it will be possible to know what subordinates are required, and we would, therefore, suggest that three months from the date of the order upon this report a small Committee should be appointed to compare the then state of the office with our recommendations and report to the President as to the sufficiency and wisdom of the reductions affected. We suggest further that the same opportunity be taken for revising the salary list. As an example of the inequalities that now prevail, we would mention that we found in the Collector's Department a clerk on Rupees 10-8-0 per mensem, holding a position and exercising a power not less than that of the ostensible Manager on Rupees 75 per mensem. We think that all salaries should be sufficient for honest livelihood, and that it should be understood that every employé is in a certain grade, from which the upper grades should be supplied as vacancies occur.

AUDIT.

90. Speaking literally, we may say that the accounts have never been audited at all. It is true that the President's Department has been audited, but this has been no benefit whatever to the Municipality. It so happens that the President's Department is almost the only one in which frauds must be difficult, while, as we have abundantly shown, frauds have been the ordinary thing in at least one other department for years, yet nobody ever seems to have thought it necessary to audit any accounts but those of the President's Department. The books that have been audited simply contain such entries as the other departments choose to forward, yet nobody has inquired whether the entries thus forwarded were *bona fide* or accurate; nor has the so-called audit been free from irregularity. The Act provides that the Government may send an Auditor each year. This is only right, since it is essential that the Government should have the means of knowing how the affairs of the Municipality are conducted. But the Act does not say anything about such audit as is required in the interests of the Municipality. This is also right, since it is plainly our own duty to keep ourselves informed. While the Act thus gives to both parties full rights, it very properly leaves both parties to pay their own expenses. In fact we are very much in the same position as the Madras Bank, where each party provides its own Auditors—Government paying theirs, and the Bank theirs. This being the case, it will be seen that the practice hitherto followed, by which the Government has ordered the Commissioners to pay its Auditor Rupees 500 each year, has been irregular.

91. To remedy the evils described, we recommend that the Commissioners appoint their own Auditor, and that he be directed to make his examinations every two months in the following manner:—In the last week in February of each year he should audit the accounts of the Collector's Department, and inspect the working of that under the Assessor. In the last week of April he should audit the accounts of the Conservancy and Engineer's Departments, including the stores. The last week in June should be employed in auditing the accounts of the President's Department. In the second half of the year a similar procedure should be observed, so that the audit of the President's Department would exactly correspond with the end of each half-year, and the second audit would exhibit the actual results of the whole year. Each Department would thus be visited twice a year, and on each occasion six months' accounts would be examined. A salary of Rupees 750 per annum would be sufficient remuneration. The Auditor's report should be presented at every General Meeting of the Commissioners, and he should receive general instructions to the effect that he is not only to see that entries are supported by proper vouchers or authority, but to watch carefully over the office work in order to prevent the introduction or continuance of abuses. In order to do this, he should receive authority to call for all papers, reports, books or officials that he may wish to examine.

BUDGET.

92. The only point we have now to report upon in connexion with finance and accounts, relates to the settlement of the forms and rules to be observed in the preparation of the budget estimates. We observe that so early as the 19th of November last, one of our members submitted a form for this Return, but as the Committee which was asked to report on it have not as yet favor-

ed the Commissioners with their views, it became necessary, from the close connexion of the question with the subject matter of our inquiry, to include it in our report.

93. The peculiar character of the work suggested that, previous to reporting on the budget forms and rules, we should obtain the views of Mr. Mackey on them, and his report on the subject will accordingly be found in the Appendix.

94. The budget estimate we consider to be a very important document, and its preparation and consolidation should, therefore, be taken up by the President's own Department, under the immediate supervision of his Assistant; the Collector, the Engineer, and the Sanitary Inspector being directed to send in their departmental estimates to the President in time to admit their verification before embodiment in the General Return. The detailed forms which relate to the preparation of the several Returns are given in Appendix A., and we have, therefore, here to refer only to the general principles on which they are to be filled up.

95. The sums entered in these estimates should be calculated most carefully. Every head of receipt must be examined with reference to the known expectations. The sums given in the Assessment Registers, and the average receipts on account of former years, together with all circumstances likely to lead to an increase or decrease of these receipts, must be carefully weighed, and as accurate a calculation as possible of the eventual out-turn must then be made. Every item of expenditure which has to be included in the budget, should be definitively and clearly set forth in the budget estimates of the several departments and brought under fixed and clearly defined heads, and based on calculations sufficiently specific to be capable of verification. The sums for which sanction has actually been given, should in the first instance be ascertained, the probable amount that may be saved by temporary vacancies in appointments or by absence or other causes have then to be estimated, and the total amount of such savings entered as a reduction from the charge of the year. The charges under each head should invariably be estimated at the lowest amount, which may be deemed sufficient for carrying on the service.

96. The budget should exhibit probable actual receipts, not demand; and probable actual payments, not liabilities.

97. In no case should net receipts or net charges appear in the budget estimates, but the whole of the receipts should be exhibited to credit and the whole of the charges to debit.

98. Both receipts and disbursements should include arrears of past years, estimated to be received or paid within the ensuing year for which the budget estimate is due.

99. In respect of salaries, establishments, and allowances of a fixed character, provision has to be made only for charges formally sanctioned at a General Meeting of the Municipal Commissioners, the President obtaining the necessary sanction of the Commissioners for all administrative changes or reforms involving alterations in the scale of expenditure some time before the preparation of the budget estimate, so as to enable him to make provision for them in the estimate.

100. In regard to unfixed or contingent charges, the estimate should, as a general rule, provide for the average actual expenditure of the last three years. If less be required, a reduction should be made; if more, a full explanation must be furnished in justification.

101. Stores to be purchased in India, or sent for from Europe, which require payment within the year, should be estimated; but stores in stock, the cost of which has already been charged, should be omitted.

102. Advances made to contractors and others will not appear as a separate item in the estimates.

103. Repairs of roads and other public works charges of a recurring nature should be provided for with reference to previous years' averages, as also to an estimated scale of such expenditure calculated in reference to the general traffic on the roads, &c. Repairs of rubbish carts boats, &c., should be estimated on the same principle.

104. No provision for the construction of any new buildings or roads should be made in the budget, without the plan and estimate for such work being previously sanctioned by the Commissioners, the application for such sanction should always be laid before the General Meeting, with, if possible, the report of the Commissioners of the division in which such building or road is required to be constructed.

105. All variable charges, which may exceed Rupees 500 in the year, should be shown separately in the budget estimate.

106. The specific amount assigned for each purpose should on no account be exceeded; if an unforeseen emergency necessitates extraordinary expenditure, the case should be represented to the Commissioners, without whose sanction no additional expenditure can take place, nor even any transfers.

107. We quite concur in the opinion of Mr. Mackey, that it is very important that the accounts prepared for submission to the Commissioners at their General Meetings, should be in the budget form, in order that check and comparison with the estimates may be afforded, and we venture again to recommend the form of audit suggested in that portion of this report which deals with the auditor.

CONCLUSION.

108. In the course of our inquiries we have discovered that the Act under which the Commission is constituted contains several clauses which are highly inconvenient or otherwise prejudicial to the interests of the Municipality. We understand that the Water Project Committee is recommending certain alterations, while still other sections cramp the out-door work of the Commission. As the Act must be revised we think it would not be well to deal with it piece-meal and therefore withhold our remarks, and will only recommend that a special Committee be appointed to consider the Act, presenting a complete report.

109. In conclusion, we beg thankfully to acknowledge the assistance we have received from the President and the officers under him. With the exception of Mr. Wheeler, everybody has striven his best to assist us. In Colonel Denison's absence Mr. Cardozo gave most efficient and willing aid. We are also deeply indebted to Mr. Mackey, and recommend that he receive the sum of Rupees 750 for his valuable labors.

110. Mr. Axelby, the Manager of the President's Department, has paid us great attention, and we have a high sense of his ability and business talent. We have given him a large amount of extra labor, and recommend that a gratuity of Rupees 100 be given him. Mr. Quinn, who also appears to be a valuable officer, has worked hard for us and should receive a gratuity of Rupees 50.

111. The Committee have striven to the utmost of their ability to perform the task laid upon them. It has been vastly heavier than they anticipated. Their recommendations, if fully and fairly carried out, will, they believe, not only place the office in proper and economical working order, but will make impossible for the future such frauds and mistakes as they have had to notice. No suggestions have been made regarding the personnel of the office—it is for the President and Commissioners to take such steps as may appear necessary.

DISSENT BY MR. VENCATARAMIAH GARU.

I think the 7th and 8th paragraphs of the report are not necessary. Mr. Bazely's statement, from its own internal evidence, shows in the demand an excess of Rupees 52,391—Rupees 19,839—Rupees 32,552, which is very nearly Colonel Gillilan's discrepancy. The cause of this discrepancy was not found out by our Committee specially appointed for the purpose, and consisting of "business-like" men, although aided by a professional accountant, till the last moment, till in fact we were obliged to alter the matter in print, and yet we blame those who saw the thing at once, but who from some reason or other, ignorance perhaps is the best reason, were unable to explain the same properly. Even a clever accountant, I know, is often in a dilemma to explain a glaring mistake, knowing full well it to be so.

2. The much vexed question of "the squabbles between the Collector and the Assessor," the second subject of our inquiry, received the careful attention of the Committee, although the complicated character of the affair rendered it difficult to arrive at a unanimous conclusion. A perusal of these papers not only shows that these squabbles are such as could have been easily stopped at the very outset, but that in the way they were treated they have assumed an aspect in which, as the President observes in his Memorandum, dated 13th July 1868, the departmental business was terribly obstructed.

3. The immediate cause of these squabbles lay in the Assessor not having rendered to the Collector that assistance which he was bound to give, and in the Executive not having peremptorily directed the same to be at once given. This would have effectually prevented the two officials concerned waging an unpleasant paper-warfare.

4. The following paragraph of Mr. Cardozo's Memorandum, dated 24th January 1868, points to the origin of the whole:—"With reference to paragraph 4 of the President's Memorandum, I have deemed it best to request the Collector to state in writing on what occasions Mr. Bazely failed to render him assistance, and whether he has ever given him an order that has not been attended to, or called for information that has not been afforded." Here is a formal requisition for written charges from an officer against his subordinate working side by side, when the only complaint was that the Assistant was not cordially helping his chief. The thing might have been satisfactorily settled in five minutes by a little quiet conversation with the Assistant, and by a little earnest advice which could not be misunderstood by either party. However, as matters went, the Collector had no alternative but either to drop what he had previously verbally communicated to the President, or to put down on paper his complaints against Mr. Bazely and then leave it to the President to decide whether, on what had transpired, there was not enough to convince him of the justice of the complaint made by him against Mr. Bazely.

5. The complaints which Dr. Jesudasan brings against Mr. Bazely resolve themselves into two points, viz., 1st, that the charge of the department had not been properly delivered over to him; 2ndly, that cordial assistance was not afforded by the Assistant.

6. As regards the first, there is ample evidence to show that Dr. Jesudasan wished to have a clear exposition of the state of things previous to his taking over charge, and that he had called from his Assistant, by a written Memorandum, for information on certain points. What took place on this Memorandum being previously shown to the Assistant to the President is explained by Mr.

Cardozo himself in the paper transcribed in the margin. How far the course suggested by the Assistant to the President in asking the Collector "to go regularly through the office from desk to desk, look at each man's books, and satisfy himself that they were kept in a proper manner, and were posted up to date," is business-like or proper, when the most important department of the Municipal Commissioner's office was changing hands, I leave to the Commissioners to decide. That the Collector's requisition for explanation, as to "why each particular bill had not been collected," was most important there can be no question. Why Mr. Cardozo thought that "it would take three or four months to draw up such a report," why in fact it was not furnished, is best explained by the state of books from which the information must have been drawn, as disclosed by Mr. Cardozo's examination.—Vide extracts given in the margin.

7. Much unnecessary discussion has taken place, and much valuable time been wasted in trying to find out whether the Collector's Memorandum was actually delivered into the hands of Mr. Bazely or not; that such a Memorandum was prepared by Dr. Jesudasan; that it was shown to Mr. Cardozo; and that it was seen

1. With reference to the Municipal Collector's Memo. of the 24th instant, I remember his showing me in the early part of November last a long list of requirements to be met by Mr. Bazely on delivering over charge of the Collector's Department, and that among others was a request for an explanation why each particular bill had not been collected, and that I remarked it would take three or four months to draw up such a report.
2. I also mentioned that Mr. Bazely, the Manager, and several of the clerks were then busily engaged in preparing the Demand, Collection and Balance Statements for submission to the Commissioners at their first General Meeting, and that such would occupy them for several days.
3. I therefore advised the Collector to examine all the Conicopillies' bills, with the Check Books, as usual with his predecessors on taking charge, and to go regularly through the office from desk to desk, look at each man's books, and satisfy himself that they were kept in a proper manner, and was posted up to date.
4. I do not remember recommending the Collector to give the above-mentioned list to Mr. Bazely without first submitting it to the President; but I believe I said Mr. Bazely will give you every information and assistance while you are examining the bills and looking into the accounts, and I think I mentioned the matter to the President either on the same or the following day.

Extracts from Mr. Cardozo's Memorandum, dated 24th January 1868, regarding the Bills and Check Books.

I have carefully gone over No. 10 Conicopilly's Check Book, and found erasures and alterations of dates far exceeding in number those specially alluded to in the Collector's Memorandum, in fact it is in a most disgraceful state, and has evidently been tampered with both before and after the last examination of the bills, 1867, viz., on 23rd September, when they were reported to be correct. I consider the Manager, Mr. Sairs, is chiefly responsible for this, although Mr. Bazely, the then head of the department, is also much to blame for allowing it. I consider Mr. Sairs was also most negligent of his duties as Manager, in not putting a stop to the practice of making erasures in the office registers and books, which are under his immediate charge, and in not carrying out the positive orders of the Acting Collector on the subject. This negligence is the more inexcusable, as he admits that the office books are brought to him every Monday and that he

satisfied himself they had been posted up to date. Had this weekly examination been properly carried out, the office books would never have fallen into their present most disgraceful state.

I consider also that Mr. Bazely as head of the department should have himself looked into the state of the books and satisfied himself that they were properly kept. Without his supervision it is not to be wondered at that the subordinates, from the Manager downwards, should have become lax and careless in the discharge of their duties.

ing sentence of the same statement. Under such circumstances, I would simply ask why Mr. Cardozo did not insist upon proper and formal delivery of the charge of the department to the new Collector. This would have avoided all cause for squabbles afterwards, and fixed the responsibility once for all on the right shoulders. I must candidly say that the disgraceful state of the books at the time the office changed hands furnishes, in my opinion, the key to the shuffling manner in which the Collector's requisition was met. If all had been right, no doubt the Memorandum would have reached Mr. Bazely, the account would not have taken three or four months to prepare, it would have been duly rendered and there would have been an end of the matter.

8. The other charge refers to the unwillingness of Mr. Bazely to render useful assistance to the newly appointed Collector. On this it need only be observed that so long as a proper understanding did not exist between the two officers concerned, and it is clear that from the outset it did not, it is impossible for the one to have given the requisite aid cordially, or for the other to have acknowledged it freely. That both have overstated their own case may be safely inferred, if indeed it is not apparent, from the tone of the correspondence itself.

13th October 1868.

(Signed) Y. VENKATARAMIAH.

With reference to the dissent noted in the margin already recorded by me on the draft report

Mr. Sairs, the late Manager, distinctly states that he saw a Memorandum in the handwriting of the Collector brought to him by a peon which began as follows:—"In taking charge of the department, I beg to know the number of books in use," and he desired the same peon to take it to Mr. Bazely. If Mr. Bazely had not received the Memorandum in question, I cannot really understand how it could have been seen by the Manager of his own department. The natural conclusion I draw from this is, that Mr. Bazely took no steps to comply with the requisition as he was cognizant of the difficulties attendant upon a compliance with the Collector from the confusion in which the accounts of the department had been allowed to fall. Mr. Sairs' statement again is in a manner supported by Mr. Cardozo's, who also admits having read the requisition. I think these facts are greatly in favor of the supposition that kind Mr. Jesudasan did send the Memorandum. It is impossible that in a matter of this kind Mr. Jesudasan or any other can conclusively prove his having actually delivered a paper into the hands of another official sitting under the same roof, and in close official communication with each other. After all, I do not see that all this fuss of a first inquiry, and a second inquiry, should have been made in such a matter. If when the Collector complained that he had called for certain returns from his Assistant, and that his requisition had not been responded to, the President had directed Mr. Bazely to furnish the information forthwith, seeing that it was information which it was proper for the Collector to get, and for Mr. Bazely to give, on the occasion of a change of incumbency, there would have been an end of the matter.

of the Committee on the question of the "squabble" between the Collector and Assessor, and for reasons therein stated, as also in my Memorandum on the same subject, read at the General Meeting of the Commissioners under date the 14th October 1868, I concur with the views expressed by my colleague, Mr. Venkataramiah, in his Memorandum above recorded.

17th October 1868.

(Signed) P. SOMASOONDRUM CHETTY.

From the Finance Committee, to Colonel C. DENESON, President, Municipal Commission; dated 18th November 1868.

With reference to your letter to us, recommending that Mr. Stephenson's salary be placed on a par with that of the Sanitary Inspector, we beg to report as follows:—

We have carefully inquired into the position held and work done by Mr. Stephenson, and are of opinion that his salary should be raised to Rupees 300 per mensem. In consideration of the valuable service he has rendered to the Municipality, and the very inadequate salary he has received, we think that the increased salary we recommend should be given him from the date when he fairly took charge of the Engineer's office, leaving Mr. Lee free to give his time to the water project.

APPENDIX A.

MADRAS MUNICIPALITY—BUDGET ESTIMATE FOR THE YEAR.
General Abstract of the estimated Receipts and Charges of the Municipality.

Receipts.	Actuals for 9 Months.	Estimate for 1868.	Estimate for 1869.	Increase.	Decrease.	Remarks.	Charges.	Actuals for 9 Months.	Estimate for 1868.	Estimate for 1869.	Increase.	Decrease.	Remarks.
Balance 1st January ...	...	...	...	...	...	...	1. Municipal Office ...	...	...	...	...	...	...
1. House and Land Rates ...	...	...	...	...	...	...	2. Conservancy ...	...	...	...	...	...	...
2. Tax on Arts and Professions ...	...	...	...	...	...	...	3. Lights ...	...	...	...	...	...	...
3. Liquor License ...	...	...	...	...	...	...	4. Public Works ...	...	...	...	...	...	...
4. Carriage License ...	...	...	...	...	...	...	5. Police ...	...	...	...	...	...	...
5. Cart Registration ...	...	...	...	...	...	...	6. Refunds of Revenue ...	...	...	...	...	...	...
6. Tolls ...	...	...	...	...	...	...	7. Miscellaneous ...	...	...	...	...	...	...
7. Miscellaneous ...	...	...	...	...	...	...	Balance 31st December ...	...	...	...	...	...	...
Total...	...	...	...	...	...	...	Total...	...	...	...	...	...	...

Net Increase of Revenue in 1869, Rupees

Net Decrease of Expenditure in 1869, Rupees

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BUDGET ESTIMATE.
Receipts for the year 1869.

Heads of Service.	Actual for 9 Months.	Estimate for 1868.	Estimate for 1869.
1. House and Land Rates.			
1st Division			
2nd Do.			
3rd Do.			
4th Do.			
5th Do.			
6th Do.			
7th Do.			
8th Do.			
Total...			
2. Tax on Arts and Professions.			
<i>Current.</i>			
1st Division			
2nd Do.			
3rd Do.			
4th Do.			
5th Do.			
6th Do.			
7th Do.			
8th Do.			
Total...			
<i>Arrears.</i>			
1st Division			
2nd Do.			
3rd Do.			
4th Do.			
5th Do.			
6th Do.			
7th Do.			
8th Do.			
Total...			
3. Liquor License.			
1st Division			
2nd Do.			
3rd Do.			
4th Do.			
5th Do.			
6th Do.			
7th Do.			
8th Do.			
Total...			
4. Carriage License.			
Carriages			
Horses			
Bulls			
Dogs			
Other Animals			
Total...			
5. Cart Registration.			
Fees for registration of Carts			
Fees on transfer of Carts			
Total...			

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Receipts.—(Continued.)

Heads of Service.	Actual for 9 Months.	Estimate for 1868.	Estimate for 1869.
6. Tolls.			
Total...			
7. Miscellaneous.			
Government Contributions... ..			
(Here enter Details)			
Rent of Market Stalls			
Strand Rents			
Fees for Slaughter-houses... ..			
Fees for Licenses for offensive and dangerous traders			
Proceeds of Rubbish sales... ..			
Grazing dues			
Clipping of Avenue trees			
Proceeds of Hay at the Park			
Demand and Warrant Fees			
Fines received through Police Magistrates			
Fines levied on Contractors, &c.			
Interest on Government Paper... ..			
Other Items			
Total...			

BUDGET ESTIMATE.
Expenditure for the year 1869.

	Actual for 9 Months.	Estimate for 1868.	Estimate for 1869.
1. MUNICIPAL OFFICE.			
<i>a. Salaries.</i>			
Salary of the President at			
Do. of the Assistant to President at			
Do. of the Collector			
Do. of the Assessor			
Do. of the Executive Engineer at			
Do. of the Sanitary Inspector at... ..			
Total...			
<i>b. Establishment.</i>			
General Department... ..			
Collector's { House and Land Rates			
{ Trade Tax			
{ Carriage License			
{ Cart Registration			
{ General Market, Strand, &c.			
Executive Engineer... { In-door			
{ Out-door			
Conservancy... { In-door ... { <i>Vide Form 2</i> ...			
{ Out-door... }			
Total...			

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Expenditure.—(Continued.)

	Actual for 9 Months.	Estimate for 1868.	Estimate for 1869.
<i>c. Contingencies.</i>			
1. Stationery			
2. Printing			
3. Extra Writers			
4. Law charges, including Stamp Duty...			
5. Miscellaneous			
Total...			
2. CONSERVANCY, (Vide No. 2.)			
3. LIGHTS, (Vide No. 2.)			
4. PUBLIC WORKS.			
New Works, (Vide No. 3.)			
Old Works, (Vide No. 3, Part 2.)			
5. POLICE.			
Contribution paid to Government under Section — of Act —			
Total...			
6. REFUNDS OF REVENUE.			
Here enter details for each Tax			
Total...			
7. MISCELLANEOUS.			
1. People's Park			
<i>Establishment.</i>			
Superintendent and others at Rupees 384 per month			
Feeding of Bullocks			
Oil for Lamps... ..			
Candles			
Sundries			
Cutting Hay and Weeding			
Feeding Animals at Rupees 100 per month...			
Repair of Roads			
2. Auditors' allowance			
3. Any other special payments... ..			
Total...			

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Lighting.	Total.	RS. A.	
	Repairs.	RS.	
	Lights.	RS.	
	Lighting.	RS.	
	Thread.	RS.	
	Oil.	RS.	
	Establishment.	RS.	
Estimate for 1868.		RS. A. P.	
Total.		RS. A. P.	
Carts and Waggon.	Registry of Births and Deaths.	RS. A.	
	Wooden Boats.	RS. A.	
	Repairing Carts, &c.	RS. A.	
	Cost of Latrine Carts.	RS. A.	
	Cost of Trolleys.	RS. A.	
	Cost of Sewage Carts.	RS. A.	
	Cost of Rubbish Carts.	RS. A.	
Establishment.	Sanding Latrines.	RS. A.	
	Watering North Beach and Mount Road.	RS. A.	
	Slaughtering Dogs.	RS. A.	
	Repair of Boats.	RS. A.	
	Cost of Dust Boxes and repairing old ones.	RS. A.	
	Excavating Pits for burying Rub- bish, &c.	RS.	
	Cleaning Main drain.	RS.	
Contingent.	Contingent.	RS.	
	Total.	RS. A.	
	Store Establishment.	RS.	
	Out-door Establishment.	RS.	
In-door Establishment.	In-door Establishment.	RS. A.	
	1st Division...		
	2nd Do. ...		
	3rd Do. ...		
Total...	4th Do. ...		
	5th Do. ...		
	6th Do. ...		
	7th Do. ...		
	8th Do. ...		
	Total...		

III. PUBLIC WORKS.

Part I.—New Works.

Detail Estimate for new Works and improvements proposed to be carried out by the Municipal Commissioners for the Town of Madras during the year 1868.

Municipal Division.	No.	Works.		Amount of Estimate.	Proposed Expenditure in 1868.	Remarks.
		Locality.	Description.			

Executive Engineer's Office, Madras.

Part II.—Repairs.

Detail of Estimate for Repairs proposed to be carried out by the Municipal Commissioners for the Town of Madras during the year 1868.

Municipal Division.	Locality.	Nature of Repairs.	Probable expenditure in 1868.	
			Amount.	Total.

APPENDIX B.

To

C. E. GOVER, ESQ., CHAIRMAN,
Financial Committee, Municipal Commissioners.

SIR,

In reply to your letter, dated 13th August, directing me to investigate certain accounts in the office of the Municipal Commissioners, and with reference to paragraph 4 thereof on the subject of the Trade Tax, I beg to report as follows:—

2. I have carefully examined the papers on the subject which accompanied your letter under reply, and find considerable discrepancies between the balances shown in the Collector's statements, and the amount that should be the demand, if the printed statement of Mr. Bazely, dated 31st October 1867, is correct. This document shows the demand on account of

	RS.	A.	P.
Trade Tax on 1st January 1867, at...	4,23,671	9	11
Collections to 31st October, at...	73,864	1	11
Balance...	3,49,807	8	0

3. There can be no doubt that this printed statement is erroneous; in fact, Mr. Bazely admits in his explanatory Memorandum of the 22nd May 1868, addressed to the President, Municipal Commission, that "it was framed in the most hurried and irregular method," and from this source (if not also from others) the errors have flowed on continuously into the accounts, making it impossible to reconcile the actual demand as shown by the bills in hand, and adding thereto the collections and remissions. To test Mr. Bazely's statement would require an examination of the entire assessments, a work which I could not undertake, nor do the Commissioners require so much labor, as an approximate amount has been worked out by me, from the bills, &c. Mr. Bazely's statement was prepared from four sources, viz.:—

- 1.—Bills in Conicopillies' hands.
- 2.—Bills written out and under examination.
- 3.—The Class Books for bills not written out.
- 4.—The Registers, on account of assessments, to be posted in the Class Books.

4. From the above sources the whole demand of Rupees 4,23,671-9-11 was arrived at. When it is remembered that Mr. Bazely states that, while the disputed printed statement was under preparation by Mr. Sairs, he (Mr. Bazely) was absent on Jury duty, and although he gave general directions in regard to the manner of its preparation, he could not personally supervise the details, and Mr. Sairs having left the Commissioners' Office, there is no one now in it who can give any information as to how it was prepared. It must further be borne in mind that there was a change of Collectors on 1st November 1867, and the issue of bills, &c., by a new department, may also have led to some errors. There is no other course then, but to reject the statement of 31st October, and endeavour to arrive at an approximate estimate of the demand, which I do as follows:—

5. On the morning of Saturday the 15th August I counted a portion of the bills actually in the Conicopillies' hands, and on Monday morning the 17th idem I completed the remainder, and found their number to be 41,770, aggregating in value Rupees 2,14,417-8-0*—Vide Appendix H.

It is possible that in counting so many bills, even with the assistance of several counters placed at my disposal by the Collector, a few trifling errors may have been committed, but nothing that would really make any impression upon the discrepancy of Rupees 26,589-3-8 to be Noticed hereafter. Some of the Conicopillies had Memoranda of the balance of bills in their hands, and in such case we in nearly every case made the number to correspond with theirs, except in the case of Conicopilly No. 7, who stated that he had of 5th Conicopilly 2213, while the number he produced was only 2101 or 101 short, this at two Rupees would only make Rupees 202. As we counted

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the bills three times in all disputed cases, I am satisfied that the number given in my statement is correct. The next point was to ascertain the collection from 1st November 1867, to Saturday evening the 15th August 1868; this I find to be as under—

	RS.	A.	P.	RS.	A.	P.
1st November to 31st December	27,991	8	0			
1st January to 15th August inclusive	47,549	12	4			
				75,541	4	4
Now add remissions as under—						
In December 1867	9,800	0	0			
In March 1868	23,460	0	0			
				33,260	0	0
				1,08,801	4	4

The remission on the 14th August of Rupees 1,619-8-0 is not noticed, as on the 20th of August I was informed that the bills had not been taken away from the Conicopillies, and they must, therefore, form a portion of the number counted on 17th August, adverted to in paragraph 5 above.

If the bills outstanding on 17th August be added, viz. 2,14,417 0 0

the demand on 31st October 1867 will be 3,23,218 4 4
but Mr. Bazely's Statement shows it at 3,49,807 8 0

Discrepancy ... 26,589 3 8

and this is the sum which cannot be accounted for between the actuals as shown above, and the probables as given in Mr. Bazely's printed Statement.

6. But in my instructions you request me to state the balance of Trade Tax on 15th March 1868, and also on 30th June 1868. This is arrived at for the former date as follows:—

	RS.	A.	P.
Amount of bills in hand, 17th August 1868	2,14,417	0	0
Add collections from 15th March 1868 to 15th August 1868, inclusive	26,491	4	4
	2,40,908	4	4
Less bills issued during the same period	1,902	8	0
	2,39,005	12	4
Add remissions, not yet made but shown in the Sale Book, on account of Distraint Sales, being difference between Sale and Bill value	253	11	8
	2,39,259	8	0
Add bills taken away from Conicopillies in February 1868, on account of Distraint Sales, but the sale proceeds only brought to account after 15th August	447	0	0
	2,39,706	8	0
Demand 14th March	2,44,293	8	0
Collector's Statement			
Difference	4,587	0	0

The difference will, I expect, be found either in some remissions not brought to light, or bills not all exhibited before me by the Conicopillies on the 17th August, and in the confused manner that the distraint system exhibits. The Collector's Register of Bills issued shows

Bills issued to Conicopilly up to 14th March 1868, at	2,65,625	8	0
Less collection, 1st January to 14th March	21,058	8	0
	2,44,567	0	0
Collector's Statement	2,44,293	8	0
Difference	273	8	0

It is impossible, therefore, to fix the demand with exactness owing to the confusion in the accounts.

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7. To obtain the balance on 30th June, add the collections and remissions between 1st July and 15th August inclusive, viz :—

	RS.	A.	P.
Bills on hand, Monday morning, 17th August	2,14,417	0	0
Collections from 1st July 1868 to 15th August 1868, inclusive	6,361	4	4
	2,20,778	4	4
Less bills issued	470	0	0
	2,20,308	4	4
Probable demand on the 30th June 1868			

8. *Remissions.*—Under this head I believe considerable confusion to exist. From the statement of Mootoosawmy in the Collector's Department, it appears that after bills are cancelled they are returned to the Conicopilly and treated as part of the balance. When the President reduces the assessment a fresh bill is prepared, and it, as well as the old one go back to the Conicopillies, so that the latter holds two bills, where they only held one before; it is needless to observe that such a system must lead to error upon error, until the accounts get into such hopeless confusion, that it no longer becomes possible to balance them. The remissions should be considered important and special work, the Act evidently intended that it should, and I think a separate department could be organized for it. In substitution of the present "Register of Bills issued to Conicopillies," I suggest that another Register be opened, having an account with each Conicopilly showing—

- 1.—The balance on hand.
- 2.—Fresh issues to be added.
- 3.—Collections to be deducted.
- 4.—Transfer of bills to other Conicopillies, or bills received from them to be added or subtracted as the case may be.
- 5.—Balance. This will show the daily balance of bills in each Conicopilly's hands.

The latter should also have another Register, say Deposit Register, in which should be entered all bills that they are unable to collect; the Collector will then take the necessary steps to enforce recovery or obtain remission, as the circumstances may require. Any remissions will then be written off the Register of Bills issued, but nothing to be written off this Register until actual remission is made, nor should the amount shown in the Deposit Register be written off the General Register, except the cancelments. The Deposit Register will show—

- 1.—Amount of bills received from Conicopillies.
- 2.—Amount collected by warrant or otherwise.
- 3.—Remission.
- 4.—Balance.

The General Register will show items 2 and 3. There should also be a General Abstract of all the accounts with Conicopillies, showing the daily balance of bills and their amount, and this will be the totals of the twenty-one accounts with the several Conicopillies, viz. :—

- 1.—Balance.
- 2.—Fresh bills issued.
- 3.—Collections.
- 4.—Remissions.
- 5.—Transfers.
- 6.—Balance.

This should be posted daily, or weekly, as convenient. I enclose a Form (vide Appendix J.) for the Conicopilly's account, very similar to the Registers now in use, except that the principle involved in mine is to show at a glance the daily transactions and daily balance which the Register above alluded to does not.

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9. The book called the Weekly Report of the Collector of Municipal Rates and Taxes, showing the progress of collections for every week, is full of blunders. Taking the first report for the week ending 11th January 1868, I find the document is not signed, nor the total of bills on hand filled up in its column; if the uncollected bills shown on the 2nd page of this report are multiplied by their class rates, the amount outstanding will be Rupees 2,64,117: the figures are as under—

2nd Class at 25	Rupees, 1,821 bills, Rupees 45,255
3rd „ 12-8 „	5,412 „ 67,650
4th „ 6 „	14,560 „ 87,360
5th „ 2 „	31,791 „ 63,582
	53,584 Bills. 2,64,117

This corresponds with the amount stated by the Collector to be the opening balance in January 1868, ascertained by calling in, and counting the existing bills after the holidays, on the resumption of business, but will not agree with the balance of 14th December 1867, as given in the Collector's statement, dated 16th December 1867, which shows the balance of demand on 14th December at..... Rupees 3,26,997 0 0
From this must be deducted the collections from 15th December 1867 to 11th January 1868, viz.:—

15th to 31st December 1867	6,363 0 0
1st to 11th January 1868	1,126 8 0
	7,489 8 0
	3,19,507 8 0
Amount per Weekly Report	2,64,117 0 0
	Difference — 55,390 8 0

10. In the following weeks, the opening balance (2nd page) of uncollected bills is incorrectly given, as compared with the closing number of bills in the last column of the previous week's return, viz., week ending .

25th January 1868, shows excess.	2nd May, shows excess.
18th, correct.	9th „ correct.
1st February, shows excess.	16th „ shows excess.
8th „ „	23rd „ „
15th „ „	30th „ „
22nd „ „	6th June, correct.
29th „ „	13th „ „
7th March, shows excess (in 4th and 5th Class.)	20th „ shows excess.
14th „ „	27th „ „
21st „ „	4th July „
28th „ „	11th „ „
4th April, correct.	18th „ „
8th „ shows excess.	25th „ correct.
18th „ „	1st August, shows excess: here the account stops.
25th „ „	

The explanation offered is that new bills issued have been included in the column "Uncollected Bills;" the fact, however, remains that erroneous statements have for twenty-two weeks out of twenty-eight been regularly submitted to the President, and escaped observation. I beg to state, however, that the form is partly in fault as it does not provide for new bills, the form should be modified accordingly, or abolished, as the General Abstract to be kept, as shown in paragraph 8 above, if approved, will give correct information.

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11. With regard to the Collector's statement of 19th May 1868, showing the balance of Trade Tax on the 14th March 1868, at Rupees 2,99,575-8-0, the figures, the Collector states, are arrived at by taking the printed statement of Mr. Bazely, dated 31st October, as its basis, viz.:—

	RS.	A.	P.
Demand.....	3,49,807	8	0
Less collections, 1st November 1867 to 14th March 1868	49,050	0	0
Balance of demand...	3,00,757	8	0

But this does not agree, being Rupees 1,182 more than the Collector's figures. The Collector is unable to give me any further explanation than that given above, as Mr. Sairs who prepared the Statement is not now employed in the Office of the Commissioners; and with regard to the Collector's other statement, dated 17th March 1868, showing the balance of demand for Trade Tax on the 14th March 1868, at Rupees 2,44,293-8-0, the following explanation is offered. Early in January all the bills were called in and found to aggregate—Vide Collector's Register..... 2,64,117 0 0
Add bills since issued to 14th March 1,235 0 0
Together... 2,65,352 0 0

If there be added to the above the actual sum collected in November and December, viz. 27,991 8 0
the amount is..... 2,93,343 8 0
9,800 0 0

Add remission in December 3,03,143 8 0
which ought to show the starting point of the collection on 1st November 1867... 27,991 8 0
Now take collection from 1st November to 31st December..... 21,058 8 0
Do. do. 1st January to 14th March 49,050 0 0

Take remissions from 1st November to 14th March not including 23,460..... 9,800 0 0
leaves 58,850 0 0
to be deducted from the demand, leaving 2,44,293 8 0

which agrees with the Collector's statement. But the question arises, is the starting point of 1st January, as per Check Register, correct; for the previous Check Register shows the total bills on 1st November, at..... 2,66,725 0 0
Vide detailed Statement annexed, marked B., (vide Appendix H.) to which add bills issued to 31st December 1867 36,596 0 0
3,03,321 0 0

less collections to 31st December 27,991 8 0
less remission 9,800 0 0
37,791 8 0

Balance 1st January 1868 2,65,529 8 0
Do. per Collector's Statement 2,64,117 0 0
Difference... 1,412 8 0

It follows that one or other of the Check Registers is incorrect, but there is no means of knowing which. It is difficult to understand how the Collector could state the balance of Trade Tax on 14th March, at Rupees 2,44,923-8-0, in his Statement of 16th idem, when in a subsequent Statement, dated 19th May, the amount is shown on 14th March at Rupees 2,99,575-8-0, difference Rupees 54,652, which discrepancy has originated the present inquiry. The Statement of 19th May should have contained an explanatory foot-note, showing the basis upon which the figures were arrived at; nor is it possible to agree with 3rd paragraph of the Explanatory Memorandum of the Collector which accompanied the Statement, "that the discrepancy alluded to at once disappears;" the discrepancy remains, and must do so between two Statements prepared upon different bases. Moreover, even admitting that the 19th May Statement has for its basis the figures of Mr. Bazely's Statement, the Collector's figures will not balance, viz.:—

	RS.	A.	P.
Mr. Bazely's Statement of 31st October, shows the demand at...	3,49,897	8	0
Deduct collections from 1st November to 14th December, inclusive...	21,628	8	0
Balance, 14th December 1867...	3,28,179	0	0
But the Collector, in his Statement of 16th December, shows the balance on 14th December, at...	3,26,997	0	0
Discrepancy...	1,182	0	0

The explanation offered to me for the difference is, that it is presumed that between 1st November and 14th December 1867, sundry remissions and alteration of classification have been made. I have no means of ascertaining what the people in the office are ignorant of.*

* In continuation of my report on this matter, I have the honor to inform you that the Collector has forwarded to me the enclosed three statements* and letter dated 31st August, which I beg to transfer to the Committee for disposal. The Collector states that the sum of Rupees 1182 shown in his Statement A, is a portion of the bills which were enclosed in a sealed packet, stated to be remissions aggregating Rupees 23,430, and furthermore that the remission of Rupees 9800 in November and December 1867, advertised in paragraph 11 of my previous report, is also included in the same sum of Rupees 23,460. This is quite incomprehensible to me, as I have before me the President's order passed on the Collector's Memorandum of 17th December 1867 for Rupees 9800; this and no other sum is referred to in that Memorandum, which is also accompanied by a statement of the bills composing the amount. Furthermore, in the Collector's Explanatory Memorandum, No. 97, dated 13th May, the following passage referring to remissions occurs, "and Colonel Gillilan points out that in the President's Resolution, dated 13th March 1868, bills on account of

House Tax..... Rupees 4,883 6 10, and
Trade Tax..... „ 23,460 0 0" &c.
The President's Resolution of 13th March 1868, distinctly shows the same item of Trade Tax, with this observation, "On the recommendation of the Collector the following sums may be struck off as irrecoverable.

Trade Tax, 1866.....	Rupees 14,786 8 0
Do. 1867.....	„ 8,673 8 0
	Rupees 23,460 0 0"

So that if the Collector is right in stating that the remission of Rupees 9800, in 1867, forms a portion of Rupees 23,460, remitted in March 1868, then the same bills have been twice ordered to be written by the President, who has been misled by erroneous applications. The Collector further states that all the bills held by Conicopillies on the 17th August were not produced before me, and that 563 bills were subsequently brought forward by the Conicopillies, aggregating in value Rupees 5281. This I have no means of testing, without re-counting the whole of the bills, and in fact preparing a fresh Trade Tax report; this I have declined to do, as, from the confusion which exists, I do not feel at all sure that other gross discrepancies may not turn up.

12. As to the question of blame for the confusion into which the accounts have drifted, I beg to say that I consider Mr. Bazely committed an error in not handing over a proper balance sheet on 1st November showing the balance of demand, and supporting it by the bills, which should have been carefully examined by the Collector, who is equally to blame in not insisting upon getting such a document; the subsequent confusion, I think, must be shared among all the Collector's Department, which cannot be said to have been well and closely supervised. There is no evidence of fraud in any of the documents before me, but assuredly there has been great carelessness and neglect. The Collector from what I now see is working hard, and doing his best, but he is entirely dependent on others for accounts, which do not appear to suit him.

13. If the forms are revised, his establishment reorganized, and Mr. Cardozo will look into matters occasionally, by checking the balance of the Conicopillies' accounts, or supervise some of his own subordinates in this check-work, things ought to go on smoothly and correctly in future. I think the Assessment Department should be separate from the Collectors, and the Remission Department also separate, the latter might be amalgamated with the General, or the Assessment Department.

14. With reference to paragraph 6 of your instructions, regarding the small amount of collection this year, I beg to offer the following observations:—

15. Before bills can be issued, the Assessment Book, or books for each division, must be completed, and I find that, owing to the reply from Government (fixing the rate of assessment) being received at the end of last year, the calculations could only be commenced after the Christmas holidays; the first cause of delay then rested with the Government, as, until it was known whether 7½ or 10 per cent. was to be the rate, the books could not be completed, even although the valuations of houses, &c., might (to save time) have been filled up.

2. I beg to state that, although I have had the advantage of a personal explanation from the Collector of the statements above adverted to, I am unable to understand his explanation, but the facts are thus—

In Statement C., the Collector admits the great blunders made in confounding the remission of Rupees 9800 in December 1867, with remissions made in 1868. But in this statement Rupees 11,932 is shown as the remissions, (presumed to be in 1867,) it is not stated how the figures are arrived at, nor are the dates of the President's orders quoted, the explanatory note at bottom of the statement referring to the item, is in reality no explanation at all. Again, the three next items of the statement, aggregating Rupees 11,473, being the difference between Rupees 23,460 and Rupees 11,932, are to my mind not satisfactory; for, it must be observed, that the total amount of all the bills remitted is stated to be only Rupees 23,460, and all in one packet; how then can the item C. of "Bills yet to be received from the Conicopilly, Rupees 3311-8-0," find a place here, when we are dealing with actual bills in a certain packet. The item A., of "Bills returned by the Conicopillies before October 1867, Rupees 5024," also is a doubtful entry. The remedy is to request the Collector to furnish a detailed list of the bills remitted by the President since 1st November 1867, supported by the bills themselves. I presume that each bill has upon it (or ought to have) the date of remission, and the initials of the Officer who passed it, without the dates are given no proper check can be established. A bill that I took up the other day being the top one of a bundle, stated to be cancelled bills, had merely this word scribbled on its back, in pencil, without date or signature—"Cancelled," and I declined to treat that document as a voucher, and did not look any further into the bundle.

3. Statement B.—This document professes to account for 563 Trade Tax Bills not produced before me on the 17th August; but the explanation given is quite unintelligible. In the first place, the item "since brought by the Conicopillies, 227. Rupees 2,138-8-0 means, I presume, that 227 bills were not produced before me, 17th August, and the remaining item of 336 bills, aggregating Rupees 3142-8-0, is exceedingly vague and unsatisfactory. If the bills were "returned" by the Conicopillies, they should not form a portion of the balance of bills in hand with Conicopillies, 17th August.

4. Statement A.—This only shows remissions in November and December. The object of the statement is to prove reconciled with the President's order of Rupees 9390 remitted in December. The object of the statement is to prove the correctness of the balance shown in the Collector's statement of 19th May 1868, but this cannot be done, by taking only a portion of the remissions.

(Signed) J. MACKEY.

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16. I next find the following dates entered in each Assessment Book, showing when the assessments for that division have been closed, viz. :—

Closed.		Certified by the President.	
1st Division in 2 books,	20th January 1868, 26th March.		
2nd do. 4 do.	17th March	„	16th June.
3rd do. 3 do.	do.	„	do.
4th do. 2 do.	25th April	„	14th July.
5th do. 2 do.	do.	„	do.
6th do. 2 do.	17th June	}	„ 7th August.
7th do. 2 do.	do.		
8th do. 3 do.	do.		
20 Books.			

so that the whole eight divisions were completed by the 17th June 1868.

17. After the Assessment Books of each division are completed, they are transferred to the President, who publishes a Notification in the *Gazette*, calling on rate-payers to appeal if they desire to do so, after which the President certifies upon each Divisional Book when the appeals are disposed of. The 6th, 7th, and 8th Divisional Books were transferred to the Collector as an office arrangement on the 10th June, though dated as closed on 17th they were really ready by the 10th. But the bills, I submit, should have been immediately prepared, as the assessment of each division was complete, leaving appeals (which must be very few in number in proportion to the whole bills of the division) to be dealt with as they arise. This course does not seem to have been followed this year.

18. The Collector, as late as 11th June, reported to the President in a Memorandum, No. 120, that he (the Collector) had only up to that time received the Registers of the 1st Division, the bills for which had not even then been issued, and he requested permission to issue the bills of the 1st Division, which request was granted. It seems to me that the bills might have been prepared for this division not only earlier, but issued without any special sanction.

19. On the 17th June, the Assessor reported to the President that the Registers “being all completed should be made over to the Collector for the preparation of the bills.” This was sanctioned by the President. In the Collector’s Memorandum, No. 145, dated 20th July 1868, he states that he only received permission to issue the bills on the undermentioned dates :—

1st Division,	20th March,
2nd and 3rd Division,	12th June,
4th and 5th do.	13th July,

for the other divisions no permission appears up to that date to have been given, as the appeals were not completed. The question arises, what became of the Registers between the dates they were reported as ready for preparation of the bills, and the dates the bills were authorized to be issued by the President? Upon this point, I am unable to obtain any positive information; but the books are believed to have been somewhere in the “General Department.” In the Collector’s Memorandum, No. 133, dated so late as 25th June 1868, it is stated that permission to issue only the 1st Division bills, had up to that date been given to him, and adds, “no authority has yet been granted for the issue of bills for the other divisions.” This implies that the delay is in a measure to be attributed to the President, in not earlier authorizing the issue of bills, which there can be no doubt he would have authorized, had timely application been made to him. The Assessment Books must, therefore, have been laying in some part of the office unused for weeks. It was the duty of the Collector to have made special inquiry why the Assessment Books had not been made over to him, and Mr. Bazely should also have looked after the matter, knowing the books to be ready, and as Assistant to the Collector he should have been equally anxious for the credit of the Department to have got the bills out.

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20. To prevent delay in future I suggest that the books of each division as closed, be made over to Mr. Cardozo, who will initial the closing date as date of receipt, and through him, the books be submitted to the President for the usual notification, allowing two days as ample time for this part of the office routine. On the third day the books can be transferred by Mr. Cardozo to the Collector, and his receipt entered in each book showing when he received it, this will fix with accuracy all stages of the work. The Collector might also note in each Assessment Book the date when all the bills were issued.

21. The cause of delay may be summed up as follows :—

- 1.—Delay in fixing the rate of Assessment.
- 2.—Re-casting the Registers to suit the division of the town into eight parts, instead of five as formerly.
- 3.—Delay in obtaining permission to issue the bills.
- 4.—Transfer of two hands from the Assessor’s to the Engineer’s Department on the 5th June; this cannot, however, be considered as a cause of any material delay, as, on the 17th June, or twelve days later, the Registers are reported as all complete. To insure speed, and have the books closed early, as in 1867, the same means could be adopted, namely, give extra pay to the Assessment Department for working over-hours, or employ temporary hands.

22. I have examined a few of the sheets, bill by bill in the hands of each Conicopilly, and found all the uncollected sums exhibited in the “Check Book,” supported by bills. I have also examined the whole of the bills in the hands of Conicopillies, Nos. 19, 16, 13, and 12, and found them to correspond with the “Check Books.” These bills were also (previously) examined by the Collector. In some cases I find a pencil line drawn through the entry in the Check Book, and the word “Appeal” written in pencil across the face of the bill.

23. There are several Subsidiary books kept in the Trade Tax Department, as under—

- No. 1.—Section Book.
- 2.—Check Book.
- 3.—Balance Book.
- 4.—Street Wari.
- 5.—Daily Collection Book.
- 6.—Remission Book for each Conicopilly.
- 7.—Sale Book in two parts, one for town and the other for suburbs, showing amount realized by distraint sales.
- 8.—Notice of Demand.
- 9.—Warrant Book.
- 10.—Abstract of Daily Collections.

The first five are all more or less useful books, and from them the balance of bills uncollected in each Conicopilly’s hands can be ascertained. No. 1 is prepared from the Assessment Book, and contains all the information given in No. 2, with the addition of the value of the property assessed, from it also the bills are prepared. No. 2 might, therefore, be dispensed with. For ready reference I annex a form of the first two books, showing the collection of Rupees 9 on House No. 79, Auchara-pen street.—(Vide Appendix F.) No. 3 is prepared upon a very similar principle to the form given in paragraph 6 of my Trade-Tax Report, although when that report was written I had not looked into any of the House-Rate Books. It (No. 3) however does not show a daily balance with each Conicopilly, though it does a monthly one. No. 4 is compiled from No. 2, but could be compiled from No. 1. It shows the name of the street, with the total number of bills for that street, and their amount in one line; at the bottom the total, bills and amount for the whole division. It is a capital book, and useful to check balance of “demand,” as, by deducting the daily collections shown in the “Balance Book” from the demand shown in “Street Wari Book,” the balance should correspond with that shown in the “Balance Book.” No. 5, the Daily Collection Book, is written up from the daily collections made by each Conicopilly; it shows all the details contained in the Check Book; it is written by Somasondrum, who then posts the items (after it has been ascer-

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tained from the Cash Department that the amount has been received) into the "Section Book." The "Daily Collection Book" is also posted by another writer, Ponarungapillay, Deputy Cashier, into the Check Book; thus it will be seen the Daily Collection Book is twice posted by different men, namely, into the "Section Book," and again into the "Check Book." From No. 10 the weekly report is prepared. The "Warrant Book," or "Distrainment Warrant Book" kept by Mr. Tavagram, the Distraining Officer, though very minute, is practically useless, as no balance results can be arrived at, without going through the whole record, and picking out the items of collection. If a Commissioner wishes to know how much has been collected by warrants, he cannot learn it from this book, except by going through it item by item.

24. In addition then to the Distrainment Warrant Book, another one should be kept by the Distraining Officer, showing the daily amount of collection under each bill, (like the Abstract of Daily House-rate collections,) and the difference, if any, between bill value, and amount realized, being treated as a remission. The Commissioners have now a book called "Demand Notice Book," which details the bill minutely, and when such bill is not paid a warrant is issued, the warrant number being entered in a column provided for the purpose, the date and amount of recovery is also shown, but it has the same fault as the other books, no results can be arrived at without great labor. A Daily Collection Book of sums collected by warrant is therefore indispensable. There is another book, called "Sale Book," which gives a good deal of information in detail, such as bill number, warrant number, the articles distrained, articles sold, amount of the warrant, amount of sale, auctioneer's commission, warrant fee, notice fee, amount carried to collection, amount carried to remission, and final column showing "overplus," that is, when the articles sold realize more than the demand, the money so obtained being returned to the parties. "Remission Book," this is written up fair at the end of the year from a rough book, but I suggest that it should be written up monthly, for unless the remissions of a month are known, the balance of demand for that month cannot be fixed.

25. Enclosed is a statement compiled from the several "Balance Books" of each Conicopilly, showing—Vide Appendix E.—

	RS.	A.	P.
1st.—Balance of demand on 1st November on account of house-rate, namely, 22,857 bills, aggregating	1,28,065	13	11
2nd.—Add bills issued from 1st November to 31st December 1867, 115 bills, aggregating	485	13	9
	1,28,551	11	8
3rd.—Less collections to 31st December 1867, 5856 bills, aggregating.	36,398	15	6
	92,152	12	2
4th.—Less remissions to 31st December, 967 bills, equal to	6,791	0	9
	85,361	11	5
5th.—Balance of demand 31st December 1867			
6th.—Add to the above sum bills issued to 30th June 1868, namely, 15,557 bills, equal to	1,34,218	0	9
	76,900	0	5
7th.—Less collections to 30th June, namely, 9384 bills, equal to			
	1,42,679	11	9
8th.—Balance of demand 30th June			
9th.—Add bills issued to 31st August 1868, namely, 15,593 bills, equal to	1,02,313	6	7
	2,44,993	2	4
10th.—Less collections 1st July to 31st August, 7190 bills, equal to...	74,727	3	3
	1,70,265	15	1
Balance 31st August...			

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26. The balance of Rupees 1,70,265-15-1 includes the amount embezzled by former Conicopilly No. 13, and therefore the balance of demand shown against the present Conicopilly of Rupees 10,922-7-3 in the statement, must be considered as subject to future adjustment. The anticipated loss, I am informed, will be about Rupees 1600; but as a separate report on the fraud cases will follow this one, there is no occasion to enter here into further particulars.

27. I enclose a Statement showing—Vide Appendix F.—

1st.—The number of warrants issued on account of house-rate bills, from 1st November 1867 to 30th June 1868, namely:—

	RS.	A.	P.
Warrants in November and December, 823, amount	2,931	6	11
Do. January to June, 1931, amount	8,722	4	2
	11,653	11	1

2nd.—Number of warrants paid and their amount in November and December, 590, amount

and December, 590, amount	2,203	3	9
January to June, 1120, amount	5,642	15	7

Collected... 7,846 3 4

equal to Rupees 67-5-2 per cent. on Rupees 11,653-11-1.

28. But the sum shown as collected by warrant, namely, Rupees 7845-3-4 does not show the total sum collected by warrant, because there is no book in the office which records clearly the total daily collection by warrant. The figures above given are taken from a book kept by the Cash-keeper, called "Fee Book," which shows—

1st.—The amount of the warrant.

2nd.—The amount of the warrant fees.

3rd.—The demand notice fees.

This book only shows the amount of fees collected, not the total amount of warrants; but when a man pays his warrant fees, he of course pays the amount of the warrant also; hence the figures shown in it as "amount of warrant," is taken as collected by warrant, as shown in paragraph 27 above. This Fee Book could easily record the totals in the column "Amount of warrant;" this it does not do, and the daily totals had consequently to be added in pencil to arrive at the figures given above.

29. I will briefly recapitulate the warrant system—

1st.—A notice of demand is issued and recorded in a book for the purpose.

2nd.—After a reasonable time if the column for collected in the "Notice of Demand" remains blank, that shows no payment has been made, then a warrant is issued and entered in a "Warrant Book," this book only shows the issues not the collections (as in my opinion it should) when it (the warrant) is paid, the amount is shown in No. 1, the Notice of Demand Book. To pick out the collections by warrant from the "Notice of Demand Book," would be both tedious and liable to error. I think the Fee Book should, in addition to its present use, show—

1st.—Total the column of "Amount of warrant."

2nd.—From it should be posted daily the collections into the "Warrant Book."

30. Again, there are warrants I find issued upon which the usual fees (on payment of the warrant) are remitted; these are treated as ordinary collections, but should not, I think, be so treated. When once a warrant is issued, the payment must be looked upon as a forced one, and should be so recorded, and not treated like an ordinary collection. As the warrants are entered

in consecutive numbers, it is easy to check the numbers issued in a month; the Warrant Book could be made useful if the daily collections are posted into it from a daily Abstract of warrant collections.

31. *Payment to Conicopillies.*—I find these men, who are the collectors of the various taxes, are paid both a salary of 14 Rupees, and a commission; the latter is only 2 Annas per cent., * which is not sufficient, I fear, to stimulate much active exertion in getting in the large outstandings. I would suggest a lower rate of salary, and a much higher rate of commission; salary, say Rupees 10 at 12; and commission, Annas 8 at 10. A man's monthly income would then depend upon his energy and activity in making collections. I notice these points as they are in connexion with the heavy arrears.

32. I beg also incidentally to mention that, in Bengal, the Collector of taxes receives no salary at all, but a commission of Rupees $2\frac{1}{2}$ per cent., from which he has to meet all salaries of his Conicopillies, and all other charges of his establishment, who prepare all the bills and keep their own records. The Assessor simply transfers to the Collector the Assessment Books after the demand is fixed; this demand is brought on to the books of the Municipal Commissioners by a transfer entry, and the collections credited in the books of the General Department daily, as exhibited in the Bank Pass Book. The bills which the Collector cannot recover are returned to the Commissioners monthly, who then employ a special Collector on ten per cent. Such bills as he cannot collect are then every month finally written off the accounts. There are two Auditors who attend monthly for the examination of the cash, &c., by the vouchers, and they examine the entry of remissions as shown by the bills on the table before them, after which they (the Auditors) destroy the bills. When the Municipal Act is revised, the mode of payment to the Collector whether by commission or salary might be considered. If paid by commission, I do not anticipate that it will be any loss to him, on the amount he now receives.

33. *Mode of Collection.*—I advocate the Street Wari system, that is, making collections street by street, for the following reasons:—

- 1st.—Its simplicity.
- 2nd.—There will be less chance of parties escaping payment.
- 3rd.—The facility of issuing notices of demand, to be followed up by warrants if necessary, when payments are not promptly made.
- 4th.—The saving of time, as the Conicopillies now wander all over their division to make collections.

34. I would also suggest that the collections which now appear to be paid into the office by each Conicopilly every other day or three times a week, be only paid once a week, this will save much labor to all parties, reduce the number of entries in accounts, and be a saving of time, especially to those men working distant divisions of the town. It may safely be assumed that when a Conicopilly goes to the office to adjust his accounts, little or no collection is made that day by him. If to this proposal it is urged the risk, then I say give out only sufficient bills to each man as will be covered by his security, or to a moderate extent above that, making a further provision that if, before the expiry of the week, any Conicopilly has collected, say Rupees 1000, that he pays the same at once into the cash chest, and returns to his collecting duty, adjusting his accounts only on the usual day.

35. If my proposal to increase the commission paid to Conicopillies meets with the approval of the Committee, the enclosed statement (vide Appendix G.), showing the actual collections of house-rate by each Conicopilly for the ten months ending 31st August, may be of use in assisting their decision as to the rate. The total collections including fractions is Rupees 1,88,026, or an average

of Rupees 18,802 per month, this will give an average to each Conicopilly of Rupees 940, which at 8 Annas per cent. is Rupees 4-11-2 per man, or at 10 Annas, Rupees 5-14-0. Taking the highest rate of commission, say 10 Annas, the account will stand thus—

	RS.	A.	P.
Proposed pay of 20 Conicopillies, at Rupees 10 each in lieu of Rupees 14, is.	200	0	0
Commission on Rupees 18,802, at 10 Annas per cent.	117	8	0
	317	8	0

Old or present scale.

20 Conicopillies, at Rupees 14	280	0	0
Commission on Rupees 18,802, at 2 As. per cent.	23	8	0
	303	8	0
	14	0	0
Difference, being less under the old scale by	317	8	0

If 10 Rupees is considered too low a salary, then make it 12 Rupees, and the commission 8 Annas per cent., the account will stand as follows:—

20 Conicopillies, at Rupees 12	240	0	0
Commission on Rupees 18,802, at 8 As.	94	0	0
	334	0	0
	303	8	0
Present scale			
Difference	30	8	0

or an annual increase of Rupees 366, or say Rupees 500 in round figures, as there are other men in the Collector's Department who receive very low salaries. Add, say, a similar annual increase to the Trade-Tax Department, or in round numbers 1000 in all. What proportion is this to the large collections made, and to be made yearly? The outlay, I am satisfied, would be a good investment for the Commissioners, proper care being also taken that the body of Conicopillies is carefully weeded of any old or inefficient hands now in it, or those not capable of keeping their record in English. A knowledge of English should, in my opinion, be an indispensable qualification for the post.

36. When a division is worked by more than one man, I would divide the commission of each division among the men working it; this will prevent jealousy, and scrambling for bills. The commission should be adjusted monthly, and not quarterly as was formerly the case; during the current year no commission has been paid at all to the employes, who are to receive it after the expiry of the year. The charge, I find, is debited to the same head as that of fixed pay, viz., "Salaries."

37. The Trade-Tax Conicopillies get no commission, but they are equally entitled to it with the house-rate Conicopillies.

38. There are other taxes collected by the Municipality; and as I am required to state the demand on 30th June 1868 against each, I proceed to do so, premising that for these taxes no certain demand exists, (except for the Trade License Tax, and that only for the second half year,) as schedules are simply issued by the Commissioners to the public who return them duly filled up forwarding at the same time the money.

The following are the taxes:—

- 1.—Carriage license.
- 2.—Cart registry.
- 3.—Tolls.
- 4.—Liquor license.
- 5.—Trade License Tax under the new Act. This being by far the most important and valuable tax, if all due can be collected.

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39. *Carriage Tax.*—The “Carriage License Register” contains entries of all the licenses issued; the book is kept in great detail, and shows the total of each day’s collection, but not the monthly total, which is carried forward every month until the end of the half year. The book is kept by Sadasivum Moodelly, and Mr. Quinn enters the daily totals in a “Daily Abstract of Collections,” which is very useful for reference. The other taxes enumerated in paragraph 38 are similarly abstracted daily by him. The only “demand” the commission have therefore is the amount set down in their budget estimate for the current year at Rupees ... 55,000 0 0 or Rupees 4583-5-4 per month.

	RS.	A.	P.
Less collection 1st January to 30th June 1868...	22,222	12	0
Balance of demand 30th June 1868 ...	32,777	4	0
Deduct collection in July and August ...	7,936	12	0
Balance of demand 31st August 1868...	24,840	8	0
Collections to 31st August, equal to Rupees 54-13-4 per cent. of estimate, but at 8-12ths the collections should have reached ...	36,666	10	8
Actually realized ...	30,159	8	0
Short ...	6,507	2	8

40. *Cart Registry.*—A fee of Rupees 2 per cart is obtained for registry of all carts, and on transfer of ownership a fee of 4 Annas is charged. The registry of these licenses is kept on the same principle as the Carriage License Register.

	RS.	A.	P.
The estimated receipts for the current year are entered in the budget at ... or Rupees 1000 per month.	12,000	0	0
Deduct collections from 1st January to 30th June 1868...	5,808	0	0
Balance 30th June...	6,192	0	0
Deduct collection of July and August...	4,152	0	0
Balance 31st August ...	2,040	0	0
Collections Rupees 9960, equal to 83 per cent. of estimate collection for eight months, should have been ...	8,000	0	0
Collected ...	9,960	0	0
Excess over monthly proportion...	1,960	0	0

41. *Tolls.*—These are let to a contractor for Rupees 48,000 annually, or Rupees 4000 per month, of which he has paid from 1st January to 30th June 1868 Rupees 22,250,*

* Includes Rupees 2250, paid by the former contractor.

leaving a balance on 30th June of Rupees ...	25,750	0	0
Less paid in July and August ...	8,000	0	0
Balance 31st August ...	17,750	0	0

Collections Rupees 30,250, equal to Rupees 63-0-4 per cent. of estimate.

The collections for eight months should have reached Rupees...	32,000	0	0
Actual collection...	30,250	0	0
Short...	1,750	0	0

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42. *Liquor License.*—No bills are issued for this tax, only schedules are sent out, which the spirit vendors return and take out licenses, of which there are four grades—

No. 1 at Rupees 75 per annum.

„ 2 „ „	50 „
„ 3 „ „	25 „
„ 4 „ „	12 „

The Assessor is guided in his classification of the dealers by the certificate issued by the Deputy Collector of Madras as to the numbers of gallons sold daily by each spirit vendor. The form of registry is similar to the books above noticed.

	RS.	A.	P.
Budget estimate for the current year is ... or Rupees 1250 per month.	15,000	0	0
Deduct collections from 1st January to 30th June 1868...	4,024	0	0
Balance 30th June ...	10,976	0	0
Deduct collections in July and August 1868 ...	2,423	0	0
Balance 31st August ...	8,553	0	0

The collections of Rupees 6447, equal to Rupees 42-15-8 per cent. of the estimate. But eight months’ collections should have realized in proportion to the estimate... Actual collection... Short...

43. I beg to acknowledge the assistance I have received from Rajendram Pillay in compiling the information given in the statement referred to in paragraph 25. He has the important work of keeping and adjusting the balance books of each House-rate Conicopilly beside other work.

44. With advertence to paragraph 5 of your instructions, regarding certain losses occasioned by Conicopillies absconding with money belonging to the Commissioners, I beg to report as follows:—

45. I find the first intimation of loss was given to the Commissioners by a letter from Conicopilly No. 10, P. Soondrum Moodelly, who admits that he has made away with money, but also refunded a portion thereof, viz., Rupees 160 in Notes, and Rupees 4 in Stamps, which, together with the sale of his security bond for Rupees 1000, the interest due thereon Rupees 20, his pay for December Rupees 14, and the commission due to him for collections, leaves I believe little or no loss, the exact amount of loss cannot be stated at present as his account has not yet been adjusted; the amount is estimated at about Rupees 60. The amount of the defalcation in this case, so far as it can be ascertained, is Rupees 1098.

46. Conicopilly No. 9 had also a deficiency in his accounts, when his bills were compared by Mr. Quinn, but the amount was at once made good by the man, and he was dismissed.

47. Conicopilly No. 13.—There is a considerable deficiency in this man’s accounts, and which will have to be written off to Profit and Loss, as he has absconded, and cannot be found. The exact loss as shown in the Balance Book on this account is as under, viz.:—

For 1864, Rupees	202	8	0
1865 „	203	8	10
1866 „	369	14	5
1867 „	844	3	3
Rupees	1,620	2	6

48. I have examined the Check Registers in which the items of daily collections are posted, and find them full of erasures, but I am unable to learn to whom the special duty of posting the daily collections appertained. Nominally the cash-keeper had the charge of the books, but to any one conversant with the details of the Municipal Office it must be manifest that the cash-keeper himself could not post all the items, in fact they were allowed to be posted by any one, and this

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the Collector admits in his Memorandum, No. 56, dated 23rd March; this lax procedure, therefore, first opened the door to fraud. Books which should have been carefully guarded and posted by one person, were allowed to lay about the office, and be posted by any one, even by volunteers.

49. To prevent the possibility of future loss in this manner, I beg to suggest that,

1st.—The Check Books be posted by one person, who shall be responsible for their custody.

2nd.—That the bills shall be compared with the Check Book at irregular intervals.

3rd.—That the number of bills shall first be compared with the balance outstanding in the Balance Book; and that then the bills themselves be compared with the uncollected items.

4th.—That the Collector initial daily the items of collection. As an additional security, the Collector shall depute one of his subordinates to keep a Memorandum Book showing the number of the Conicopilly and the numbers of the bills so initialed by him. When the Collector is pressed for time he could depute one of his Assistants to initial the Check Book, and also initial at the bottom of the daily Memorandum. The work involved in keeping the "Memorandum Book" would be very slight, as only the number of the Conicopilly, and the different numbers of the bills collected by him daily need appear, one Memorandum Book for each Conicopilly would be best, and then if any alterations or erasures appear in the Check Book, the Memorandum Book would at once detect it.

5th.—That each person who examines a Check Book, certify the same by his initials and date.

50. The regulations established by the President upon the basis of Mr. Cardozo's report upon the defalcations have, the Collector assures me, been faithfully observed, but the only documentary proof submitted to me, is in the shape of a small book established by him on the 1st of August, which shows the number of the Conicopilly, and the person who examines the bills, with date of examination; this so far is satisfactory. Mr. Quinn, the present Manager, appears to have checked in April and May the whole of the Check Books, and in August the house-rate bills were again examined, but not the trade tax. The examiners were the Collector, assisted by Mr. Quinn and others. It was by this means that Mr. Quinn discovered the difference in the accounts of Conicopilly No. 9. In Mr. Bazely's time the system was to have a quarterly examination, except for trade tax, for which no detail check registers were opened until this year. The duty of examining the bills, Mr. Bazely informs me, was a part of the Manager's work, who was assisted by others.

The frauds have arisen from great neglect in supervision, but chiefly from the system which permitted the check postings to be tampered with. Two persons, I am informed, have been dismissed on this account, viz., the former cash-keeper, and a trade tax warrant writer named Nero. The books could not have been falsified without the connivance and assistance of some person or persons in the office, but as to who they are I have no information before me.

51. With advertence to paragraph 7 of your instructions I have the honor to enclose Forms of Budget Estimate, which embrace all the known receipts and charges of the Commissioners.—(Vide Appendix D.)

52. *Receipts—House and Land rates.*—The form should show the estimated receipt from each division, and the form of the Assessment Registers will enable this information to be given. A column for actuals of the current year so far as known, or say for nine months, will be useful, and there should be no difficulty in obtaining this result, as the Municipal Budget need not be prepared before November next.

53. *Tax and Professions*, under Act IX. of 1865, should be separately shown from collection under the Act of 1867, the amount under each class being also shown.

54. *Liquor License.*—The amount collected under each class should be given.

55. *Carriage License* should include the information given in the present License Schedule forms.

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56. *Cart Registration.*—The fees on transfers, as well as the fee for registration of carts, might be shown.

57. *Tolls.*—Need only show the amount which the contractor pays annually.

58. *Miscellaneous.*—Any new item of receipt not provided for in the form, can be added hereafter, if considered of sufficient importance to require being distinctly shown.

59. *Charges—Municipal Commissioner's Establishment.*—The sanction for each appointment should be given, the gazetted officer, ministerial offices and contingent charges being separately shown, and the three totals added to form the "grand total."

60. *People's Park.*—The salaries should be distinct for the feeding and contingent charges, and "improvements" should also be distinctly recorded.

61. *General Market Establishment.*—This charge is included in the Conservancy Budget under "Out-door establishment," and requires no separate budget.

62. *Engineer's Department.*—This is an important part of the budget; the establishment of the Engineers is now included in Part I. of the charges, therefore the form given will only deal with works, roads, and stores. There will be six major heads of service, for each of which a detailed abstract should be submitted. Each major head can have as many minor heads as the nature of the works require, but which cannot be here specified. If the value of stores or plant, used in the Conservancy Department, can be distinctly shown from the stores required in the Engineer's Department, it should be done. It may be desirable hereafter to separate the stores of the two Departments.

63. *Conservancy Department.*—No change appears to me necessary in the present form of budget, with the exception noted in the form.

64. *Police.*—This being a distinct charge, as also a very heavy one, should not be mixed up with any other establishment charges whatever. As the payments are fixed and monthly, the Commissioners can have no difficulty in regulating this portion of their expenditure.

65. *General Rules for preparation of a Budget.*—1. The receipts should be based upon a careful comparison of previous year's actuals, three years give a fair average, allowance being made for any extraordinary increase or decrease, the same being noted in the remark column; when no particular increase or decrease is anticipated, then the average of three years is a safe calculation. Receipts should be rather under their over-estimated, and the contrary rule observed with regard to charges. 2.—The same principles will regulate the charge side. 3.—All charges must appear in full in the accounts, and all receipts also; no deductions on either side are permissible, no deduction on account of fines should, therefore, appear in reduction of the debit for salaries, the latter should be debited in full, and the fine credited to its appropriate head. 4.—The amount sanctioned for a minor head of service may be increased when required by transfer from another minor head, provided both are under the same major head. Example:—

Major head:

3.—Public Works.

Minor head:

1.—New Building.

Minor head:

2.—Repairs to Buildings

or any of the heads of charge under

3.—Public Works.

66. After the budget estimates have once been passed by the Commissioners in terms of Section 27 of the Act, no change should be made without the sanction of a General Meeting, and the limits of each grant should be rigidly adhered to. Further information will be found in the valuable rules prepared by Mr. Vencataramiah, (one of the members of the Committee,) with his proposed form of budget.

67. Whether the form of the budget now submitted is adopted, or any other form, it is important that the accounts prepared for submission to the Commissioners at their General Meeting should record the income and expenditure in the budget form which may ultimately be adopted, in order that check and comparison with the estimates may be afforded.

68. I enclose a general form of Abstract of all receipts and all charges, showing the increase or decrease of the estimate for 1869, as compared with 1868. The column for detailed estimate should refer to the page in which the detail is exhibited, and the numbers of the pages should be consecutive for the entire budget; each department following the number of its predecessor. Example, the Public Works Budget, will commence with the number which follows after the last number of the People's Park, and so on, this will enable the Commissioners to refer easily to the details in the printed copy of budget which the Act requires should be furnished to all the Commissioners.

69. Many improvements no doubt can be established in the present forms, by one conversant with the minutiae of the working of the Municipal Office; and the form may, therefore, be modified to suit requirements. I have only endeavoured to indicate general principles.

(Signed) J. MACKEY.

24th September 1868.

APPENDIX C.

(Referred to in note to paragraph 11 of Mr. Mackey's report.)

MUNICIPAL COLLECTOR'S OFFICE,
MADRAS, 31st August 1868.

No. 183.

To J. MACKEY, Esq.,
SIR,

As in the course of your examination of the Trade Tax accounts, two or three points seemed to require further explanation, so that they may be clearly understood by the Committee, I beg, as permitted, to hand you the enclosed Memoranda, and trust the same will be found satisfactory.

The points are:—

A.—The discrepancy between my statements of March 1868, and Mr. Bazely's printed statement of 31st October 1867.

B.—The difference between the amount of bills actually accounted by you from the Conicopillies, and that for which they were responsible on the 15th August 1868.

C.—Remissions ordered by the President.

I have, &c.,

(Signed) S. JESUDASEN, Collector.

Transferred to C. E. Gover, Esq., Chairman of the Financial Committee, Municipal Commission, for disposal.

1st September 1868.

(Signed) J. MACKEY.

A.

	RS.	A.	P.
Mr. Bazely's printed statement showed a balance of demand on the 31st October 1867...	3,49,807	8	0
My statement of 16th December 1867 showed a balance of... which was produced as follows:—	3,26,997	0	0
Mr. Bazely's balance...	3,49,807	8	0
Deduct collections up to 14th Dec. 1867...	21,628	8	0
Remissions in November and December...	1,181	0	0
	22,810	8	0
Total...	3,26,997	0	0

Now this being the proved balance on 16th December 1867, if we deduct from this the collections made between the above-mentioned dates, 16th December and 14th March ... 27,421 8 0
There must be a balance on the 14th March of... 2,99,575 8 0

As shown in my statement, dated 19th May 1868.

N. B.—My statement E. of 17th March is only a Statement of bills actually under collection in the hands of the Conicopillies.

MADRAS, 31st August 1868.

B.

MEMORANDUM.

A difference being observed between the aggregate amount of the bills accounted by you from the Conicopillies on the 17th of this month, leaving Rupees 5,281 to be accounted for, the following explanation is submitted:—

Bills.	Amount.	RS.	A.	P.
On the 1st January 1868, according to the accounts, the several Conicopillies were responsible and had to account for	53,584	2,64,117	0	0
After that bills were issued to the Conicopillies up to 15th August 1868	572	3,131	0	0
Making a total of	54,156	2,67,248	0	0
The collections made from 1st January to 15th August 1868 aggregate	11,803	47,549	8	0
	42,353	2,19,698	8	0
You took account of bills actually in the hands of each Conicopilly	41,790	2,14,417	8	0
Leaving still to be accounted of ...	563	5,281	0	0
There are bills which the Conicopillies have since produced and inadvertently omitted to be brought by them, and others which they had previously returned, and which are still borne on their books. These should be taken to account, they are as follows:—	227	2,138	8	0
Since brought by the Conicopillies	336	3,142	8	0
Bills returned by the Conicopillies as irrecoverable, but still borne on their books, and given to be cancelled in reference to the statement of 11th March 1868	563	5,281	0	0

MADRAS, 31st August 1868.

C.

MEMORANDUM.

It is necessary to explain that, in the beginning of the year 1868, orders were given by me for a list to be prepared of irrecoverable items in the Trade Tax Department, and statements were prepared from the Class books, and these statements were submitted to the President as follows, viz:—

	RS.	A.	P.
For the year 1866	14,786	8	0
For the year 1867	8,673	8	0
	23,460	0	0

But the Head Writer and his Assistant, who prepared these statements, not having been made aware by the then Manager, Mr. Sairs, that orders had already been given for the cancellation of bills aggregating ... 11,982* 0 0

included that amount in the statements prepared by them; deducting this amount therefore, from Rupees 23,460, there remain to be cancelled bills aggregating ... 11,478 0 0

of which bills included in these statements are—	5,024	0	0
(a). Bills returned by the Conicopillies before October 1867	3,142	8	0
(b). Bills received from them since January 1868	3,311	8	0
(c). Bills yet to be received from the Conicopillies			
Total ...	11,478	0	0

The items a, b, and c, together amount to Rupees 11,478; of this b and c are consequently included in the aggregate of Rupees 2,19,698-8-0, which is the amount of bills for which the several Conicopillies were responsible on the 15th of August 1868.

MADRAS, 31st August 1868.

* The dates on which these remissions were sanctioned by the President are written on the back of each bill, as well as in the Class books.

APPENDIX D.
General Abstract of the Receipts and Charges of the Municipal Commissioners as shown in their Budget Estimate for the year 1869. Referred to in paragraph 51 of Mr. Mackey's report.

Receipts—Heads of Service.	Reference to detailed estimate page.	Estimate for 1868.	Estimate for 1869.	Compared with estimate of 1868.	
				Increase.	Decrease.
1 House and Land Rates					
2 Tax on Arts and Professions.					
3 Liquor License					
4 Carriage License					
5 Cart Registration					
6 Tolls					
7 Miscellaneous					
Total Receipts					
Net increase (or decrease) of Receipts in 1869, Rs.					
Grants.					
1 Municipal Establishment and Contingencies					
2 People's Park					
3 Public Works, Engineer's Department					
4 Conservancy Department					
5 Police					
6 Lighting charges					
7 Refunds					
Total Charges					
Vide detailed estimate page.					
Estimate for 1868.					
Estimate for 1869.					
Compared with estimate of 1868.					
Increase.					
Decrease.					
Charges—Heads of Service.					
Total Charges					
Net increase (or decrease) of Charges in 1869, Rs.					

I.—HOUSE AND LAND RATES 1869.

	Actuals from 1st January to 30th September, or nine months	Estimate to 1868.	Estimate for 1868.	Remarks.
	1	2	3	
1st Division				Column No. 1 need only show the total, as the Town in 1867 was divided only into five Divisions. In estimating for column 3 the known actuals for 9 months should be taken, and for the remainder a proportionate sum plus or minus, any known or anticipated variation.
2nd Do.				
3rd Do.				
4th Do.				
5th Do.				
6th Do.				
7th Do.				
8th Do.				

II.—TAX ON PROFESSIONS AND CALLINGS UNDER ACT IX. OF 1865.

	Actuals of 1868 to 30th Sept.	Estimate for 1868.	Estimate for 1869.	Total.	Remarks.
	1	2	3	4	
Class 1					
„ 2					
„ 3					
„ 4					
„ 5					
Less remissions					

TAX ON PROFESSIONS AND CALLINGS UNDER ACT IX. OF 1867.

	Actuals of 1868 to 30th Sept.	Estimate for 1868.	Estimate for 1869.	Total.	Remarks.
	1	2	3	4	
Class 1					
„ 2					
„ 3					
„ 4					
„ 5					
Less remissions					

Abstract of the above Estimated Income for 1869, say Rupees 1000,
viz., arrears under Act IX. of 1865 Rupees. 500
Current do. IX. of 1867 „ 500
Total ... 1,000

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III.—LIQUOR LICENSES.

	Actuals to 30th Sept. 1868.	Estimate for 1868.	Estimate for 1869.	Remarks.
	1	2	3	
Class 1				
„ 2				
„ 3				
„ 4				

IV.—CARRIAGE LICENSE.

	Actuals to 30th Sept. 1868.	Estimate for 1868.	Estimate for 1869.	Remarks.
	1	2	3	
Carriage				
Horses				
Bulls				
Dogs				
Other animals				

V.—CART REGISTRATION.

	Actuals to 30th Sept. 1868.	Estimate for 1868.	Estimate for 1869.	Remarks.
	1	2	3	
Fees for Registering Carts				
Fees on Transfer of Carts				

VI.—TOLLS.

	Actuals to 30th Sept. 1868.	Contract rate for 1868.	Contract for 1869.	Remarks.
	1	2	3	
Toll Contractor				

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VII.—MISCELLANEOUS.

	Actuals to 30th Sept. 1868.	Estimate for 1868.	Estimate for 1869.	Remarks.
1. Government contributions for roads				
2. Rents of Market stalls				
3. Fees of slaughter houses... ..				
4. Strand rents				
5. Fees for license for offen- sive trade				
6. Grazing ground				
7. Proceeds of rubbish sale... ..				
8. Do. Hay, People's Park.				
9. Fines by Police Magis- trates				
10. Interest on Government Promissory Notes				
11. Clipping of avenue trees... ..				
12. Deposits and private con- tributions				
13. Sundry items				

CHARGES.

I.—DETAIL OF ESTIMATE FOR MUNICIPAL ESTABLISHMENT AND CHARGES FOR 1869.

Sanction.	Particulars.	Estimate for 1868.	Actuals of 1868 to 30th Sept.	Estimate for 1869.		Remarks.
				Per mensem.	Per annum.	
	1. <i>Gazetted Officers.</i>					
	President					
	Assistant to President					
	Collector					
	Assessor					
	Executive Engineer					
	Sanitary Inspector... ..					
	2. <i>Establishments.</i>					
	Employés of the general de- partment					
	Do. House and Land rate, &c., down to extra Writers					
	3. <i>Charges general.</i>					
	Stationery down to Miscel- laneous, to include Audi- tor's fee					
	Grand Total...					

The contribution to Police should not appear in this estimate, as the charge has no connec-
tion with the Office establishment.

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II.—PEOPLE'S PARK.

Sanction.	Particulars.	Estimate for 1868.	Actuals of 1868 to 30th Sept.	Estimate for 1869.		Remarks.
				Per mensem.	Per annum.	
	1. <i>Establishment.</i> Superintendent down to Lamp-lighters ...					
	2. <i>Other charges.</i> Lighting, feeding animals, &c., Coolies, weeding and cutting hay, repairs of roads, miscellaneous ...					
	3. <i>Improvements.</i>					
	Grand Total...					

Under "Improvements" all additions to stock should be debited, purchase of animals, birds, &c.
General Market establishment is included in the Abstract drawn by the Sanitary Inspector.

ENGINEER'S DEPARTMENT.
III.—PUBLIC WORKS.

Division No.	Item No.	Works.		Expended in 1868 to 30th September.	Amount of Estimate.	Proposed expenditure in 1869.	Remarks.
		Locality.	Description.				
			1. <i>New Buildings.</i> Vide detailed separate abstract....				
			2. <i>Repairs to Buildings.</i> As per detailed abstract in its present form ...				
			3. <i>Roads.</i> To include all new roads opened, roads widened, land purchased for forming or improving a street, wire fencing, planting avenues as per detailed abstract, planting the esplanade, minor works, as per detailed abstract...				
			4. <i>Repair of Roads.</i> As per detailed abstract in its present form the sums to be allotted for each road should be made with reference to the extent of traffic, and for which a scale should be compiled from actual charge of previous years....				
			5. <i>Drains.</i> Repairs of drains and latrines ..				
			6. <i>Stores and Plant.</i> Purchase from England, as per detailed abstract... Do. local do. ...				
			Grand Total...				

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IV.—CONSERVANCY DEPARTMENT.

The present Abstract, Part 3, is sufficient, and the detail of the abstract will also do, with the addition of one column, to show the totals of each Division for the year 1868, for comparison with 1869.

V.—POLICE.

Sanction.	Particulars.	Estimate for 1868.	Actuals of 1868 to 30th Sept.	Estimate of 1869.	
	Contribution paid to Government under Section 99 of Act IX. of 1867, as the Municipal proportion of the cost of Police.				

VI.—LIGHTING CHARGES.

Sanction.	Particulars.	Estimate for 1868.	Actuals of 1868 to 30th Sept.	For 1869.		Remarks.
				Per mensem.	Per annum.	
	<i>Establishment of Lamp-lighters.</i> As per vide column Nos. 14 and 15 of detailed estimate annexed.					
	<i>Cost of Oil, Thread, &c.</i> As per do., Nos. 4, 5, 6, 7 and 8.					
	<i>Stock.</i> New lamp posts, frame, &c., and erecting, as per do., Nos. 10, 11, 12 and 13.					
	<i>Contingent Charges.</i> Repairs of lanterns, &c., as per do., No. 9.					
	Grand Total.....					

Detailed Abstract of Lighting charge for 1869.

Division.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	Remarks.
		Number of Streets lighted.	Number of Lamps.	Number of Viss of Oil used.	Price per Viss.	Cost of Oil.	Pollums of Thread at 8 Pice.	Cost of Thread.	Repairs of Lanterns.	New Lanterns including Burners.	New Lamp posts.	Erecting Lamp posts.	Frames for Lanterns.	Number of Lamp-lighters.	Salary of Lamp-lighters.	Total.	Estimate for 1868.		

VII. REFUNDS.

Sanction.	Particulars.	Estimate for 1868.	Actuals to 30th Sept. 1868.	Estimate for 1869.	Remarks.
	1. <i>House Rate.</i> As per detailed abstract showing the years to which the anticipated refunds apply.				
	2. <i>Trade Tax.</i> Under Act IX. of 1865. As per detailed abstract.				
	3. <i>Trade Tax.</i> Under Act IX. of 1867. Do. do.				
	4. <i>Carriage License.</i>				
	5. <i>Cart Registration.</i>				
	Grand Total...				

(Signed) J. MACKEY.

APPENDIX

Statement showing the Demand, Issue, Collection,

Conicopilly Nos.	1			2			3			4		
	Balance on the 1st November 1867.			Bills issued from 1st November to 31st December 1867.			Deduct Collections from 1st November to 31st December 1867.			Remission.		
	Bills.	Amount.		Bills.	Amount.		Bills.	Amount.		Bills.	Amount.	
		RS.	A. P.		RS.	A. P.		RS.	A. P.		RS.	A. P.
1	1,228	6,854	9 2	8	50 11	4	293	1,372	0 7	60	522	5 11
2	756	3,268	11 8	*1	...	...	248	1,001	9 0	42	153	6 11
3	1,267	5,057	0 1	...	...	...	326	1,280	2 11	75	244	5 3
4	899	5,206	3 7	1	22 15	3	414	2,347	9 0	7	42	1 0
5	194	1,521	14 9	...	12 6	0	82	569	5 5	2	123	14 11
6	389	1,966	12 3	†	4 0	9	144	671	14 7	19	109	8 1
7	593	4,093	9 4	†	14 6	6	289	2,094	4 5	14	125	7 8
8	601	5,047	11 9	1	12 7	2	233	1,586	5 3	26	946	3 6
9	588	11,220	0 4	...	...	...	180	3,624	14 5	2	410	5 2
10	1,535	9,900	15 6	1	6 15	7	394	2,859	9 3	34	493	15 4
11	1,015	5,114	11 5	7	13 9	6	367	1,451	10 6	86	493	6 1
12	1,427	5,385	7 4	7	32 13	9	334	815	5 5	40	312	13 9
13	991	7,230	11 11	3	6 2	6	247	1,426	10 3	18	223	12 1
14	1,007	17,566	12 7	85	307 1	5	182	6,465	15 1	11	421	5 5
15	1,446	6,556	13 1	...	...	...	320	1,419	14 7	76	305	4 4
16	1,766	7,132	4 5	...	...	...	445	1,771	8 7	133	652	5 0
17	1,816	5,656	15 1	...	...	...	309	1,166	2 6	103	209	2 9
18	1,394	3,835	9 7	...	...	...	350	1,040	1 10	71	159	6 10
19	957	5,146	2 4	1	2 4	0	342	2,024	10 6	42	285	13 1
20	2,988	10,302	13 9	...	...	...	357	1,409	5 5	106	556	1 8
Total.	22,857	1,28,065	13 11	115	485 13	9	5,856	36,398	15 6	967	6,791	0 9

* The amount of this bill included in the demand

† No bill issued, as the previous bill was increased.

E.

Remission, and Balance, from 1st November 1867 to 31st August 1868.

5			6			7			8		
Balance on the 31st December 1867.			Bills issued to 30th June 1868.			Deduct Collections to 30th June 1868.			Balance on 30th June 1868.		
Bills.	Amount.		Bills.	Amount.		Bills.	Amount.		Bills.	Amount.	
	RS.	A. P.		RS.	A. P.		RS.	A. P.		RS.	A. P.
883	5,010	14 0	1,670	8,611	7 2	656	3,387	4 5	1,897	10,235	0 9
467	2,113	11 9	1,548	11,453	14 7	534	6,193	15 4	1,481	7,373	11 0
866	3,532	7 11	1,872	9,109	1 2	301	2,703	8 2	2,437	9,938	0 11
479	2,839	8 10	2,132	15,628	11 7	464	2,951	11 9	2,147	15,516	8 8
110	841	0 5	1,602	12,823	0 7	146	3,149	12 8	1,566	10,514	4 4
226	1,189	6 4	1,094	5,549	13 8	162	976	5 4	1,158	5,762	14 8
290	1,888	3 9	1,734	13,689	6 5	257	1,963	7 8	1,767	13,614	2 6
343	2,527	10 2	1,958	14,870	6 10	310	3,713	11 11	1,991	13,684	5 1
406	7,184	12 9	1,862	33,808	12 6	250	11,458	14 8	2,018	29,534	10 7
1,108	6,554	6 6	7	1,001	4 0	636	4,847	15 9	479	2,707	10 9
569	3,183	4 4	5	432	8 1	324	2,447	12 7	250	1,167	15 10
1,060	4,290	1 11	10	1,656	14 5	455	3,828	3 2	615	2,118	13 2
729	5,586	8 1	9	762	9 2	251	1,848	8 5	487	4,500	8 10
899	10,986	9 6	6	1,463	1 7	571	9,096	12 6	334	3,352	14 7
1,050	4,831	10 2	8	508	5 7	671	3,312	2 2	387	2,027	13 7
1,188	4,708	6 10	7	1,478	12 0	880	4,293	0 2	315	1,894	2 8
1,404	4,281	9 10	11	942	9 7	866	3,487	14 10	549	1,736	4 7
973	2,636	0 11	6	145	5 8	717	1,920	4 10	262	861	1 9
574	2,837	14 9	10	271	9 1	373	2,197	5 2	211	912	2 8
2,525	8,337	6 8	6	10 7	1	1,010	3,121	4 11	1,521	5,226	8 10
16,149	85,361	11 5	15,557	1,34,218	0 9	9,834	76,900	0 5	21,872	1,42,679	11 9

issued for 1867, that bill being divided into two.

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Statement showing the Demand, Issue, Collection, Remission, and Balance, from 1st November
1867 to 31st August 1868.—(Concluded.)

Conicopilly Nos.	9			10			11		
	Bills issued to 31st August 1868.			Deduct Collections from 1st July to 31st August 1868.			Balance on the 31st August 1868.		
	Bills.		Amount.	Bills.		Amount.	Bills.		Amount.
		RS.	A. P.		RS.	A. P.		RS.	A. P.
1	...	...	...	355	1,640	11 10	1,542	8,594	4 11
2	...	...	...	496	2,883	1 5	985	4,490	9 7
3	...	...	...	527	2,433	14 11	1,910	7,504	2 0
4	...	...	...	334	3,063	10 3	1,813	12,452	14 5
5	...	...	...	737	5,087	12 4	829	5,426	8 0
6	...	...	...	648	3,279	10 5	510	2,483	4 3
7	...	...	...	455	5,897	11 1	1,312	7,716	7 5
8	...	...	...	784	5,272	12 9	1,207	8,411	8 4
9	...	...	...	465	11,366	15 5	1,553	18,167	11 2
10	1,424	8,512	15 0	253	3,203	15 10	1,650	8,016	9 11
11	1,704	8,009	15 10	382	2,793	3 3	1,572	6,384	12 5
12	1,264	13,492	0 7	343	6,706	5 8	1,536	8,904	8 1
13	1,251	10,815	2 0	261	4,393	3 7	1,477	10,922	7 3
14	613	13,092	9 3	62	3,722	10 1	885	12,722	13 9
15	1,280	5,697	8 2	173	1,023	3 5	1,494	6,702	2 4
16	1,817	7,830	8 1	194	1,905	8 7	1,938	7,819	2 2
17	2,788	13,314	12 8	196	2,876	13 1	3,141	12,174	4 2
18	1,061	5,223	15 5	115	909	9 7	1,208	5,175	7 7
19	891	9,154	10 11	110	4,479	9 2	992	5,587	4 5
20	1,500	7,169	4 8	300	1,786	12 7	2,721	10,609	0 11
Total...	15,593	1,02,313	6 7	7,190	74,727	3 3	30,275	1,70,265	15 1

Statement referred to in paragraph 25.

(Signed) J. MACKEY.

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APPENDIX F.

House and Land rates Statement referred to in paragraph 27.

House and Land rates Statement referred to in paragraph 1

Month.	Warrants issued.			Warrants paid.			Balance of Bills.			Proportion of Warrants issued as shown in column No. 2, to Bills in column No. 6.
	1 No.	2		3 No.	4		5 No.	6		
		Amount.			Amount.			Amount.		
		RS.	A. P.		RS.	A. P.		RS.	A. P.	
1867. November.	452	1,537	5 7	340	1,313	13 3	19,757	1,08,140	10 11	1 6 9 per cent.
December.	371	1,394	1 4	250	889	6 6	16,149	85,361	11 5	1 10 2 „
Total...	823	2,931	6 11	590	2,203	3 9				
1868. January...	305	1,325	1 8	120	515	6 0	14,870	79,628	14 11	1 10 7 per cent.
February..	342	1,410	12 8	266	1,506	10 0	12,637	68,255	11 7	2 1 4 „
March.	379	1,256	4 0	242	1,102	0 11	10,657	76,372	15 7	1 10 3 „
April.....	316	1,717	7 5	161	669	11 4	12,510	87,595	8 8	1 15 4 „
May	391	2,282	14 7	176	941	6 6	17,900	1,76,252	8 5	1 4 9 „
June	198	729	11 10	155	907	12 10	21,872	1,42,679	11 9	0 8 2 „
Total...	1,931	8,722	4 2	1,120	5,642	15 7				
1868. July	180	683	5 6	104	522	7 8	18,419	1,09,646	5 7	0 9 11½ per cent.
August ...	62	282	6 6	40	298	3 5	30,275	1,70,265	15 1	0 2 7 „
Total...	242	965	12 0	144	820	11 5				

225. Mr. ... report)

Section Book. (Referred to in paragraph 23 of Mr. Mackey's report.)

Bill No.	Village.	Street.	Door Number.	Annual value.	Rate at 7½ per cent.	Collection.	Remissions		Date of collection.	Remarks.
							For un-occupancy	For other persons.		
8042		Ancharapen Street 73.	79	120	9 0 0	9 0 0			68 7 25	

Check Book. Form referred in paragraph 23 of Mr. Mackey's report.

Year.	Street No.	Bill No.	Door No.	1868.						Remarks.
				Amount.	Date					
1868	73	8042	79	9 0 0	68 7 25					

APPENDIX G.
House-rate Statement referred to in paragraph 35 of Mr. Mackey's report.

1	2	3	4	5	6	7	8	9	10	11
Conicopilly No.	No. of Bills.	Collected 1st November to 31st December 1867.	Bills.	Collected 1st January to 30th June 1868.	Bills.	Collected 1st July to 31st August.	Total Bills.	Total collection 1st November 1867 to 31st August 1868.	Months.	Average monthly collection.
1	293	RS. 1,372	656	RS. 3,387	355	RS. 1,640	1,304	RS. 6,400	10	RS. 640
2	248	1,001	534	6,193	496	2,883	1,278	10,078	"	1,007
3	326	1,280	301	2,703	527	2,433	1,154	6,417	"	1,041
4	414	2,347	464	2,951	737	3,083	1,212	8,362	"	836
5	82	569	146	3,149	737	5,087	954	8,806	"	880
6	144	671	162	976	648	3,279	1,001	4,927	"	492
7	289	2,094	257	1,963	455	5,897	1,327	9,955	"	995
8	233	1,586	310	3,713	784	5,272	1,885	10,572	"	1,057
9	180	3,624	250	11,458	465	11,366	1,283	26,450	"	2,645
10	394	2,859	636	4,847	253	3,203	1,073	10,911	"	1,091
11	367	1,451	324	2,447	382	2,793	1,132	6,692	"	669
12	334	815	455	3,828	343	6,706	1,759	11,349	"	1,134
13	247	1,426	251	1,848	261	4,393	815	7,668	"	766
14	182	6,465	571	9,096	62	3,722	1,164	19,285	"	1,928
15	320	1,419	671	3,312	173	1,023	1,519	5,755	"	575
16	445	1,771	880	4,293	194	1,905	1,371	7,970	"	797
17	309	1,166	866	3,487	196	2,876	1,182	7,530	"	753
18	350	1,040	717	1,920	115	909	825	3,870	"	387
19	342	2,024	373	2,197	110	4,479	1,667	8,701	"	870
20	357	1,409	1,010	3,121	300	1,786	1,667	6,317	"	631
Total...	5,856	36,398	9,834	76,900	7,190	74,727	22,880	1,88,026	3 2	18,802
										940

Average collection of each Conicopilly ...

Commission on Rupees 18,802, @ 4 Annas per cent. ...

RS. A. P. 2 5 7
3 8 5
4 11 2
5 14 0

APPENDIX H.

(Referred to in paragraphs 5 and 11 of Mr. Mackey's report.)

Memorandum of Trade Tax Bills in the hands of Conicopillies on Monday morning, 17th August 1868.

Date.	Conicopilly No.	Number of Bills.	Amount.
1868.			RS. A. P.
August.	15	1	2,975 16,892 0 0
"	"	3	2,345 16,957 0 0
"	"	14	748 4,778 0 0
"	"	6	8,350 20,468 8 0
"	"	18	1,174 5,049 0 0
"	"	20	2,816 11,298 0 0
"	"	15	1,646 6,922 8 0
"	"	17	1,413 6,143 0 0
"	"	12	2,398 12,585 8 0
"	"	4	10,909 0 0
"	"	7	2,925 7,197 0 0
"	"	8	1,761 7,897 0 0
"	"	9	1,789 7,897 0 0
"	"	19	1,206 6,003 0 0
"	"	2	4,188 22,694 0 0
"	"	11	1,197 5,057 8 0
"	"	5	2,565 21,983 0 0
"	"	17	1,053 3,906 0 0
"	"	20	1,668 6,460 0 0
"	"	16	2,140 8,293 8 0
"	"	2-5	2,229 9,898 8 0
"	"	13	694 8,031 0 0
			41,770 2,14,417 8 0

Memorandum of Trade Tax Bills in the hands of Conicopillies on 1st November 1867, as shown in Register of the Collector. (Referred to in paragraph 11 of Mr. Mackey's report.)

Conicopilly No.	Number of Bills.	Amount.
		RS. A. P.
1	4,012	23,189 8 0
2	5,538	31,686 8 0
3	3,949	27,174 0 0
4	2,866	12,873 8 0
5	5,528	38,183 8 0
6	4,401	25,724 0 0
7	3,030	11,879 0 0
8	2,343	9,889 0 0
9	2,583	10,288 0 0
10	2,884	14,418 0 0
11	1,774	7,068 8 0
12	1,708	7,356 8 0
13	1,114	4,568 8 0
14	558	5,670 8 0
15	1,127	5,851 0 0
16	1,761	9,765 8 0
17	779	4,295 0 0
18	805	4,596 0 0
19	1,029	6,529 8 0
20	1,873	6,819 0 0
	49,347	2,66,725 0 0

APPENDIX I.

Detail of Trade Tax Bills exhibited in Appendix II.

Detail of Bills.							
Conicopilly No.	1st Class.	2nd Class.	3rd Class.	4th Class.	5th Class.	Total Bills.	Total Amount.
							RS. A. P.
1	...	188	286	2,020	1,336	2,975	6,892 0 0
3	...	177	352	1,125	691	2,345	16,957 0 0
14	...	78	74	179	412	743	4,778 0 0
6	...	206	457	1,058	1,529	3,350	20,468 8 0
18	...	33	108	202	881	1,174	5,049 0 0
10	...	57	350	420	1,489	2,816	11,298 0 0
16	...	26	341	388	1,001	1,646	6,922 8 0
12	...	20	178	247	968	1,413	6,143 0 0
4	...	18	247	948	1,180	2,303	12,585 8 0
7	...	47	140	627	2,111	2,925	10,909 0 0
8	...	11	206	332	12,015	1,761	7,197 0 0
9	...	72	252	355	1,171	1,789	7,897 0 0
19	...	153	110	195	1,206	1,206	6,003 0 0
2	...	8	524	1,330	2,182	4,188	22,694 0 0
11	...	444	184	268	787	1,197	5,057 0 0
5	...	16	295	986	790	3,565	21,983 8 0
17	...	39	64	190	783	1,058	3,906 0 0
20	...	29	126	364	1,163	1,668	6,460 0 0
16	...	39	124	511	1,476	2,140	8,293 0 0
2-5	...	23	135	839	1,226	2,229	9,898 8 0
13	...		52	142	477	694	8,031 0 0
						41,770	2,14,417 8 0

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APPENDIX J.

ferred to in paragraph 8 of Mr. Mackey's report.)

CONICOPILLY'S DAILY BALANCE REGISTER.

No. 1 Conicopilly.

No. 1 Comcopy.																						
Date.	1st half-year 1866.					2nd half-year 1866.					1st half-year 1867.					2nd half-year 1867.					Total Bills.	Total amount.
	1st Class.	2nd Class.	3rd Class.	4th Class.	5th Class.	1st Class.	2nd Class.	3rd Class.	4th Class.	5th Class.	1st Class.	2nd Class.	3rd Class.	4th Class.	5th Class.	1st Class.	2nd Class.	3rd Class.	4th Class.	5th Class.		

A form on a similar principle will answer for the Abstract of the whole Conicopilly's account, and should show the daily balance of bills and value.
A similar form would answer for the Deposit Registers, the remarks being merely modified to suit.
Form referred to in paragraph 6 of the Report.

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APPENDIX K.

MADRAS MUNICIPAL COMMISSION.

Comparative Statement of Receipts for the years 1857—68.

Years.	House and Land Rates.	Wheel Tax under Act XXV. of 1856.	Carriage License under Act IX. of 1865.	Tax on Country Carts and Registration of ditto.	Trade Tax.	Tolls.	Warrant Fees.	Proceeds of Rubbish Sales.	Market and Slaughter-houses.	Grazing and Avenue Fund.	People's Park.	Fines.	Licenses, Fees, Strand Rents, and other Miscellaneous Receipts.	Interest.	Road.	Repair of Roads.	Improvements to Roads.	Improvements to Eastern Section of Royapuram, and the removal of Huts.	Government works.	Lighting.	Sale of Materials of Buildings, Lands, &c., purchased for public purposes.	Sale of Lands..	Total.	
1857	1,11,454	32,791	..	..	..	..	1,265	3,059	..	..	..	795	566,177	..	20,559	..	..	37,204	..	..	..	..	2,13,360	
1858	1,21,857	43,663	..	6,721	..	..	1,189	3,958	..	..	..	1,215	355,925	..	24,397	..	..	..	7,178	..	..	..	2,16,138	
1859	1,51,883	42,897	..	8,498	..	..	991	3,508	960	..	..	1,208	1,222	4,806	..	32,397	..	..	..	..	46	12,845	..	2,61,261
1860	1,42,193	41,009	..	8,242	..	..	867	3,642	2,191	..	..	1,061	1,732	2,349	..	25,746	..	..	..	..	33	6,051	..	2,35,116
1861	1,39,924	42,379	..	8,715	..	..	1,068	3,906	6,706	..	..	789	3,067	2,540	..	25,000	20,000	..	5,609	466	11,434	..	2,71,603	
1862	1,54,201	39,684	..	7,562	..	..	1,087	2,821	6,289	..	..	895	828	1,702	..	12,397	23,000	5,000	29,788	790	7,969	3,145	2,97,158	
1863	2,11,925	41,722	..	8,494	..	..	1,033	3,139	6,661	..	..	2,479	1,188	1,488	..	58,294	11,336	16,520	16,166	425	2,727	2,057	3,85,654	
1864	1,87,919	41,168	..	8,798	..	..	1,235	3,048	6,729	3,395	..	1,135	1,121	1,492	..	22,000	7,985	..	64,853	300	3,723	34,601	3,89,502	
1865	2,47,083	42,808	8,582	9,188	..	..	1,463	3,272	10,543	1,840	..	1,206	1,076	1,488	..	49,794	..	..	959	37	202	706	3,80,247	
1866	2,22,241	5,302	55,224	10,284	20,052	46,135	1,707	3,967	11,997	2,861	2,575	2,829	19,173	1,492	..	25,942	..	..	4,354	36	..	2,021	4,38,197	
1867	2,50,988	..	43,521	10,439	1,02,300	34,925	4,136	2,510	11,038	3,032	11,436	2,904	9,812	1,492	..	35,000	..	..	..	53	1,434	1,345	5,26,371	

MADRAS MUNICIPAL COMMISSION.
Comparative Table of Expenditure for the years 1857—68.

Years.	Roads.	Works.	Conservancy.	Lighting.	Watering.	Trevelyan Water Works.	Trevelyan Water Works Charges.	Burial and Burning Grounds.	Market and Slaughter-houses.	Flushing Drains.	Grazing and Avenue Fund.	People's Park.	Police.	Fire Engine and Plant.	Department.	Office Premises.	Interest.	Stores from England.	Stationery, Printing, Law and other Miscellaneous Charges.	Tolls.	Refund to Government.	Total.
1857	52,350	46,100	47,700	3,547	372	..	..	..	..	..	..	..	..	..	52,196	..	..	..	..	..	5,821	2,08,086
1858	93,128	40,443	53,826	2,975	2,246	..	6,981	422	..	..	..	..	..	..	57,888	..	..	..	..	..	..	2,57,909
1859	78,570	18,482	57,080	3,332	2,198	..	742	975	..	..	..	..	..	3,392	54,538	75	..	..	1,245	..	..	2,20,629
1860	1,01,840	49,971	59,015	5,040	1,276	21,122	198	1,354	..	177	..	..	..	4,208	59,855	2,476	..	..	1,388	..	..	3,07,920
1861	1,02,648	35,260	63,238	7,154	1,804	58,566	3,601	8,246	2,929	554	..	..	..	..	53,595	139	4,751	..	1,239	..	..	3,43,724
1862	1,00,995	40,105	67,983	10,891	2,289	10,989	2,518	269	2,869	445	..	..	..	..	54,675	252	..	..	3,778	..	..	2,98,058
1863	1,50,266	59,937	79,709	8,295	1,797	175	3,131	126	2,846	1,096	..	..	..	250	57,078	1,047	..	24,628	1,266	..	..	3,91,647
1864	1,31,558	54,049	72,668	7,230	2,492	1,861	2,891	44	2,821	3,035	2,460	..	..	129	60,944	541	819	19,148	1,221	..	..	3,63,911
1865	81,788	73,030	76,604	7,574	3,030	319	2,842	62	4,826	1,338	2,164	9	..	672	59,934	1,270	..	12,177	1,392	..	..	3,29,031
1866	1,23,161	32,599	92,000	9,465	2,919	50	2,246	37	7,321	1,220	2,077	9,826	70,072	160	91,211	1,351	84	..	4,993	13,527	..	4,64,319
1867	63,447	12,745	80,271	10,931	2,927	221	1,968	36	5,406	1,191	1,016	10,179	1,41,704	519	85,155	263	4	..	12,811	1,045	..	4,31,839

No. 23. ORDER THEREON, 2nd February 1869, No. 146.

In the letter above recorded, the President of the Madras Municipal Commission submits, for the information of Government, the Proceedings of a recent special Meeting of the Commissioners at which a report of a Finance Committee, appointed at the request of the President by the Commissioners, was accepted. This Committee was instructed to report on the Municipal accounts, and on the state of the collections with special reference to the heavy arrears which had accumulated. They were also requested to report on certain frauds committed by employes in the Collector's Department which had been discovered during the past year, and finally to inquire into the general system of management of the several departments of the Municipal Office.

2. A perusal of the exhaustive report of the Committee satisfies the Government that the President has correctly described the result of their labors, as bringing to light the regrettable fact that there has been, for many years past, great laxity of system in the Municipal administration of the Town of Madras. There would appear to have been no effectual check over the Collector's Department, and considerable negligence on the part of those to whom were entrusted the assessment and collection of the Municipal taxes. The majority of the Municipal Commissioners are averse, it is observed, to what would seem the natural consequence of the facts which have been established by their Committee, the dismissal of the officials who are responsible for the neglect of their duties. Their hesitation to adopt this course is founded chiefly on the ground that the majority of the present officials cannot fairly be made responsible for a system notoriously faulty, and for shortcomings which have been of long continuance. Further they record it as their opinion, that, although they consider that very severe blame attaches to the subordinate officials of the several Departments, there is no ground for suspecting their honesty.

3. The officials who have laid themselves open to the severest censure of the Committee are Mr. Jesudasen, the Collector, Mr. Wheeler, the Sanitary Inspector, and Mr. Bazely, the Assessor. The two former hold their appointments under Government, the latter is appointed by the Municipal Commissioners.

4. His Excellency the Governor in Council concurs with the Committee in considering that there is ground for censuring Messrs. Jesudasen and Bazely, for the want of energy and efficiency displayed by them, and that Mr. Wheeler has exhibited a spirit of insubordination which is very reprehensible. If the Commissioners had recommended it, His Excellency in Council would have been prepared to dismiss from their appointments Messrs. Jesudasen and Wheeler. As the Municipal Commissioners have not considered it desirable to make this recommendation, the Governor in Council is willing to adopt the course proposed by the President, and to direct that Officer to inform Messrs. Jesudasen and Wheeler, that they must be considered as holding their appointments on probation at present, and that their retention of their offices will depend upon the report which the Government may receive of their conduct and efficiency at the end of six months. The same notice on behalf of the Municipal Commissioners might, with advantage, in the opinion of Government, be given to Mr. Bazely. On this point it will be for the President to ascertain the views of the general body of the Commissioners.

5. The Governor in Council is constrained, in conclusion, to record his opinion that a portion of the blame for the very unsatisfactory condition of the Municipal Administration must be shared by Mr. B. Cardozo. The lengthened period during which Mr. Cardozo has been connected with the Municipality, and his familiarity with all the details of the office, should have served, in a greater measure than is shown by the report, to have protected the Municipal interests from the mismanagement from which they have for many years past suffered.

6. His Excellency in Council desires to tender his best thanks to the Finance Committee of the Municipality for the very valuable and laborious task which they have so satisfactorily performed. He cordially concurs with the President in considering that the recommendations made by the Committee for a thorough reform of the system of Municipal administration which have been adopted by the Commissioners are calculated, if carefully observed, thoroughly to secure the interests of the ratepayers.

(True Extract).

(Signed) R. S. ELLIS,

Chief Secretary.

the two years I have been in office, no doubt more might have been done, but I think when I commenced work I had a very uphill task before me. I take credit to myself however for having been the means of getting the Finance Committee appointed and when I now take this opportunity of publicly thanking for the great pains and trouble they took in unravelling such a mass of confusion as existed in the accounts I consider that the thanks of the Commissioners and Public are greatly due to those gentlemen for they had an enviable task before them.

Gentlemen, I will not detain you by any further preliminary remarks as we have some before us today and I would beg to suggest that Mr. Gova the Chairman of the Finance Committee be requested to bring up the report prefacing it with such observations as he may consider necessary. I would then read a few addenda to my Memorandum of the 30th of November which was circulated with the Report after which it will be open for my Commissioners to address the meeting and we shall I hope be able to come to a clear and definite conclusion as to how matters shall in future be conducted, it is and has ever been my earnest wish and endeavor as to work with the Commissioners whom Government have appointed to assist me in what I may say is rather a difficult and meritorious ~~task~~ service of Government the Commissioners & Public.

If there is no objection to the course suggested by me I will now ask Mr. Gova to bring up the

Mr. Gova then introduced the Finance Committee's Report. He said that his remarks would be as few as possible. It would in the first place he thought be well if the Commissioners could make up their minds to pass by all irritating matters. The Commissioners had not altogether been pleased with the President's memorandum on the Finance Committee's Report, but it would not mend matters if any reply were made. The President had now expressed his appreciation of the service rendered by the Finance Committee, and he would advise the Commissioners to let this override all other matters. He would therefore refer to two or three matters to which the President had objected. Mr. Gova after alluding to the paras in the Report to which Colonel Denison had taken exception, explained that it had not been in the least intended in those paragraphs to cast any reflection on the President. He would next turn to Mr. Vencataramiah's dissent which was to be found in page 29 of the Report. Mr. Vencataramiah differed with the Committee on the subject of certain discrepancies. He thought discrepancies having been explained should not have been afterwards alluded to. Mr. Gova was of opinion that the mere fact that the discrepancies had been explained by Mr. Bazely and Mr. Jesudasan did not show that they had not existed, and he could not therefore agree with Mr. Vencataramiah that the discrepancies having been explained they should not have been alluded to. The Committee had been composed of seven members, and the Report having been drawn up with very great care, was a candid and thorough one. Nothing was entered in it without being fully discussed, and care had been taken to present in it only what could be relied upon.

Colonel Denison then read the addenda to his memorandum of the 30th November 1888.

The Trade Tax Statement of 31st October 1887 was examined in the General Department, so far as the collections were concerned and these corresponded exactly with the entries in the Ledger, the correctness of the balance outstanding could only be ascertained in the Collector's Office by examining and totalling the Bills in the hands of the Comcopolies which was not done until December and the result was not reported to me by the Collector and should have been.

The Statement dated 16th December 1887 furnished by the Collector at the request of Col. Gillilan stated with the balance shown in that furnished by Mr. Bazely and dated 21st of October 1887, Rs. 2,49,807.8. The collections corresponded with the entries in the Ledger.

The second Statement furnished by the Collector at the request of Col. Gillilan dated 11th Nov. 1887 stated with a balance of

of only Paper 24, 117 and thus as before stated
reached me so late that there was not time
to examine it, prior to my handing it over to
Cord Gilliland at the meeting and he did not
discover the discrepancy till some time
after it was however I consider most in-
excusable on the part of the Collector to
have furnished that statement without
pointing out the difference between the
balance of his former statement, and
that brought forward in the latter, I can
only suppose he was himself ignorant of
the difference, and that he signed the latter
statement without taking the trouble to
examine it carefully if he did examine it
then his silence was all the more re-
prehensible.

I have already explained to
the Committee in my letter on and under of the
11th of May last, that only the collections of
Trade Tax figures in the Ledger, the Demand
could not be relied upon as it contained
a number of fictitious names and still more
of real ones twice and thrice entered in the
Collector's Registers.

The copy of ^{the} requisition stated
by the Collector to have been delivered to
Mr. Bazel in person differs materially
from the original list shown by the Collector
to Mr. Cardozo, and yet, the former stated
to the Committee that after receiving the
requisitions to Mr. Cardozo he went straight
into Mr. Bazel's room and gave him the
very paper Mr. Cardozo had seen, this is
evidently a misstatement.

There would appear
to be more laxness in the issue of duplicate
bills under the present than under former
collections.

Para. 20.

Para. 20.

Para. 20.

Para. 29.

Para. 111.

Para. 11.

Para. 42.

Para. 111.

The Collector did not bring this
my notice until the 12th of August 1868, and
he subsequently reported the same fully
had made good the amount, but I was
not going to keep him in the Department.

I consider the Collector should
be called upon to explain this.

The "Imprathies" keep their ac-
counts in English and of their services
are dispensed with, they must be replaced
by trained accountants, who will require
higher pay.

The owners of houses and lands
will not pay a full year's rate when their
property is unproductive it is hard enough
for them to pay a moiety when the house
remains empty for more than six months.

I modify my concurrence in this
Para. and consider that the remission Re-
partment should remain in the Collector's
Office the accounts may be checked and the
Bills deposited in the General Depart.
ment, but it is desirable the Collector's
record should show every transaction
relating to a Bill from its issue to its
recovery or remission. the General Depart.
should be one of audit.

The Distraining Officers recover
a far larger amount than is shown by
the proceeds of Property actually sold,
a large portion is redeemed on the spot
and still more prior to day of sale.

The percentage system would
be a great improvement in the
collecting and I imagine if it were
put to supply their places, it would
perhaps be better to give the work to a

Collector on Comptroller's account at Calcutta.

The present system is understood by all parties and the introduction of a new and more complex one will not be acceptable to the Public.

The tax on Vehicles and Animals is not collected in the same way as the others, the Public apply for licenses and pay the tax into the Collector's Office half yearly.

I don't know how the Committee got at the sum of nearly 70,000 Rupees as to credit of Improvement Fund, it is 40,355.9 - which should be at once devoted to Improvements such as were submitted by me in the Budget and also to improvements in John Pereira's.

The revision of assessment for 1869 was stopped by the Commissioners on the 9th of December last, so it will certainly not be completed by the 30th of March next, the rate must be fixed by the Commissioners, and sanctioned by the Government before notice can be given that the Registers are ready for inspection of the Public, it is also necessary that the amount of rating should be first filled in.

A new set of Registers has only lately been printed to last for 3 years, it will be an unnecessary expense at present to adopt the new form recommended by the Committee.

Until a Streetwari Index is completed, the present form of Register will better stand as it is for each house.

W. Cardozo Esq. Secy to the Comptroller

Jan. 27 to 60

Para 72.

61.

76 to 82.

62.

83 to 88.

64.

90.

104.

105.

66 to 67.

68.

but what he was ordered in his letter to my address dated 3rd December 1868.

The Municipal Act should be revised both by a Committee and by a District officer full of legal flaws and has required constant reference to our Solicitors.

In Para III of my memorandum of the 30th November, I have stated my opinion as to this, and see no reason to change it.

The adoption of the Committee's recommendations will increase the Office work and if it is not closely supervised by the Sanitary Inspector, it will fall into confusion.

The Act provides for payment of a Government Auditor out of Municipal Funds, if the Commissioners wish a separate Audit to be made every two months the Act must be revised.

Plans and Estimates of large works and improvements will in future be submitted to the Commissioners in the 3rd Quarter each year for entry in the Budget.

The Maximum should be 1000 Rupees.

Provision having been made in the Budget for 1869 for raising W. Stephens's salary to Rupees 300 per mensem, it is only necessary for the Commissioners to sanction it, and to put it in effect from 5th of Jan. 1869.

the date on which he took charge of the Engineer's Office.

Mr. Venkataramiah observed that in his dissent he had only stated that after it was clear to the Committee that there was no discrepancy there was no necessity for any comment.

Mr. Coleman then addressed the Meeting:—

CHAIRMAN AND GENTLEMEN.—We have met to-day to consider the report of the Finance Committee upon,

Firstly.—The discrepancy in the account pointed out by Colonel Gillilan.

Secondly.—The disputes which have occurred between the Collector and Assessor.

Thirdly.—The state of the collections with special reference to the immense arrears which have accumulated.

Fourthly.—The frauds that have been discovered in the course of the year.

Regarding the first, the Committee state that they found that the Collector's department has been for years in a most disgraceful state of inefficiency and that ~~any~~ Collectors made no earnest effort to reform the Department.

They also state that since December 1867 no single correct account has been presented by Dr. Jesudasan, and that none of the explanations given by Mr. Mackey accord with each other. They draw special attention to the fact, that it has only now been discovered that a sum of about 11,000 Rs. has been twice remitted by the President, and they are ~~convinced~~ in their conclusion that the Collector is not conversant with the most ordinary transactions of his office, and has trusted entirely to subordinates, signing apparently whatever paper was set before him.

They further inform us with regret that the statements given by Messrs. Bazely and Jesudasan, when the President demanded an explanation of the discrepancy, were not only unsatisfactory but absolutely untrue.

This report prominently brings to our notice another and worse instance of want of good faith, for which the Committee held the present Collector solely responsible. In his report of 19th May 1868, Dr. Jesudasan reported that there was a balance of trade Tax due on March 14, of Rs. 2,99,575-8-0. This balance did not exist, and we are compelled to report that Dr. Jesudasan knew, or ought to have known, it did not exist; for in his return, dated 17th March, he had reported a balance due of only Rs. 244,293-8 for the very same day, March 14. There may have been a mistake concerning the balance in December, but there could have been none with regard to that of the 14th March. Mr. Jesudasan may have correctly drawn his statement from the form of October 31, but we find that he believed that form to be incorrect, and that the wording of his accompanying Memorandum was calculated to mislead the Commission by concealing the actual difference which he knew to exist.

Now with regard to disputes between the Collector and Assessor, the Committee state that a very bad feeling existed between them. The ~~disputes~~ always proceeded from the Collector, against the Assessor, and to have been generally ~~undecided~~, and that the Committee also considered that the Collector might have justly complained that his Assistant had not given him such zealous aid as he ought to have done.

Regarding frauds they state that a tremendous amount of rascality and pilfering has been going on for years past, yet with one exception none was detected.

Enquiry proved that the check register, which contained the entry of the payment of the bills, contained very frequent erasures. The entry of payment had actually been made, but no care had been taken to transfer this entry, or the money to the cash keeper's books and chest. The consequence was that the Conicopillay erased the entry and pocketed the money in several instances.

Another serious circumstance that the Committee bring to our notice is that upon the representation of a Bill Collector having lost a bill, a duplicate was immediately issued, without enquiry, without even being a "duplicate," thus facilitating the commission of fraud. Bills thus known to be missing and yet in the face of this knowledge, no steps were taken by the Collector to ascertain the cause. Again, when pay-

ment for licence tax was tendered, a duplicate bill was given, and the original never recalled, owing to no registry being kept of the name of the Bill Collector to whom it was delivered. When this state of things was discovered, orders were issued for the return of bills for which duplicates were issued. One Bill Collector returned 600 bills; others less! This will give you a final idea of the vigilance that has been exercised in this department.

In March a remission of Rs. 23,460 was ordered by the President. The bills were made up into a sealed packet, accompanied by a series of memoranda, giving a careful description of the bills thus included and to the amount named. This sealed packet should have been sent to the President's Department, but was kept ~~at~~ the Collector's ~~almshouse~~. When Mr. Gover and Mr. Mackey inspected the office, this packet was produced, and both saw the detailed memoranda, exhibiting bills to the full value. Shortly afterwards, when these gentlemen desired to examine the packet, it was found open, and bills to the value of Rs. 3,311 were missing!!!

Another matter of equal importance arises in connection with these remitted bills. The practice of the office is that all cancelled bills shall be defaced by being stamped over the signature with the word "cancelled." On examining the bills remaining from the Rs. 23,460, it was found that many were not marked, at all, while others were endorsed in pencil. Now gentlemen, the probability is that these bills may be presented again for payment, depend upon it we shall not get the proceeds!!!

Some two years ago I had good reasons to suspect that the Collector's and Assessor's Offices were not in that healthy estate of management which ought to exist—in fact that these departments were the very reverse of it. I made strenuous efforts to re-organize the Department and my worthy colleague C. Parthasardly will bear me out in this. But the difficulties that existed were so great that I was obliged to abandon my own proposition.

The careful and elaborate investigation that has been lately made, has disclosed a state of affairs, not only corroborative of my suspicions, but of a great deal more which has not come to light.

The two gentlemen most deeply implicated in the neglect of duty are Dr. Jesudasan and Mr. Bazely, both equally deserving of the greatest reprehension. Dr. Jesudasan seemed totally ignorant of the common concerns of his office, signed any paper put before him with the greatest indifference. We have statements of Messrs. Jesudasan and Bazely not simply unsatisfactory but absolutely untrue. In Dr. Jesudasan's statement of May last, he reported a balance of nearly 3 lacs of rupees, a balance which he must have known did not exist. Drawing up his statement from a form which he believed to be incorrect, with a Memorandum calculated to mislead the Commission on this point. Regarding these accounts the President and his Assistant receive a share of the blame for not personally checking and affording proper supervision. I take leave to demur to this accusation, for it is impossible that the President could supervise and guarantee the correctness of every statement submitted to him. The head of no office in existence could warrant of his own knowledge the correctness of details set before him.

It is true he is made responsible, but is not morally so which must appertain to the subordinates to whom good faith and honesty every head of an office must necessarily trust.

The grossly discreditable way in which the Collectors neglected their duty is exceedingly conspicuous. Dr. Jesudasan is considered to have no share in introducing the evils which he knew to exist, but I do not consider this sufficient to exonerate him in any degree from the charge against him.

The amount of fraud and cheating going on for so many years is quite astounding, and the Collector and Assessor who could calmly ignore such a state of things, and permitted the recurring of them during their own tenure of office, without taking vigorous measures to trace and detect them ought to be peremptorily removed. It is quite incredible that they could have been ignorant of such a fact, and the slightest attention been paid to the state of the books. The very fact of the numerous erasures ought to have drawn the attention of any one with the slightest knowledge of his duties. The fact too, of so many Conicopillays having been discovered or suspected in these fraudulent transactions would have infused into the minds of any one of common sense, ample cause for suspicion had he ~~caused~~ sufficiently about the way his duties were performed. The confusion in which Bills were kept and issued opened the door for fraud, and rendered it totally impossible for the commission to say what was the real value of its balances of bills due. Some of the Conicopillays had lost their bills and others had some in excess; while no attempt was made by the Collector to enquire into these discrepancies, notwithstanding it was ascertained that one man had misappropriated the proceeds of missing bills to his own use, the Collector took no steps to ascertain whether bills of other Conicopillays were correct. To add to this undesirable confusion bills had been counted as paid, and again as being due, duplicate bills are made out, while the originals are in the hands of Conicopillays, this causing a double demand on the tax payers, and missing balances being in the hands of the Conicopillays, they were counted twice over, the balance shown in the amounts being consequently in excess, of what it ought to be—bills that should have been cancelled were either not cancelled at all, or only so in pencil, and the Collector alone is responsible for all this gross neglect and irregularity. The allegation of the Collector that he had adopted complete means of preventing fraud, was evidently an incorrect statement, the books being kept so carelessly as to render the keeper perfectly useless as a clerk. To suppose that Dr. Jesudasan is in any way exempt from responsibility because he found the accounts in the same state as he has continued to have them, is an evident absurdity on the face of it.

I have read Mr. Bazely's defence and consider it highly unsatisfactory, the testimony adduced of the great confusion and irregularity of his and other departments of the office cannot for a moment be palliated by any number of testimonials to his efficiency in book keeping upon which the present resolutions must furnish an ironical commentary. The pliability of conscience which has permitted the Collector and Assessor to tolerate so long a system of combined irregularity and fraud is so highly reprehensible, that in no other office whatever would the incumbents have been permitted to retain their places. Mr. Bazely's reputation as an Accountant stands high in this Presidency, the more conspicuous become his carelessness ~~higher that estimation~~ the culpability. He has been for many years in the office and cannot plead ignorance as an excuse for the state of things, of which we have seen as yet but a partial revelation.

When I look upon the whole of the revelations of the Committee regarding the laxity with which the respective duties of Messrs. Jesudasan and Bazely have been performed, only one rational course can be determined on, viz, that of corruption. This hot-bed of rascality, and every thing that it contains should undergo a complete purification and renovation—a more fitting opportunity than at present could never occur. Mr. Caradoca is about to leave us, probably never to join us a gain. Messrs. Bazely and Jesudasan have proved themselves unfit and should therefore be removed by application to Government. Misplaced leniency under the circumstances, could have only an evil influence, and it is imperative, that where so many interests are at stake, and where the negligence has been so wholesale and deliberate, that no consideration for personal interests should usurp the place of what is due to the rate-payers of Madras and the immediate removal of the delinquents is called for by every consideration attached to the dignity and integrity of the Corporation.

The Committee in remarking upon the state of the audit of the number of accounts, truly remark that they may be said never to have been audited at all. To suppose that my gentleman is competent to audit the complicated accounts of the Municipal Government, without any previous personal knowledge, and of the details and management of the several depart-

ments, is a fallacy in the highest degree, and the unsatisfactory state in which we find the Municipal accounts is quite sufficient comment upon the practice. It is quite ~~and~~ a fallacy to continue it anywhere. It is neither useful nor ornamental. I do not believe in any audit, unless the auditor is a part of the establishment and is quite conversant with all the minute in the department and can certify to every entry of his own personal knowledge. The mere confirmation of an abstract and verifying the details of it is not sufficient unless he can of his own knowledge certify as to the real state of facts. It is the whitewash which the public bodies and Corporations have recourse to conceal what in many cases may be a rotten state of things. This is a subject worthy of your future consideration. The remedy for this descriptive state would be the appointment of salaried auditors in the service of the Corporation—to supplant the slipshod auditing which has hitherto been tolerated.

Colonel Gillilan had hoped that some native gentleman would have risen to second the reasonable resolution of Mr. Coleman. He felt that it was due to the Commissioners themselves and to the public that the matter with regard to the accounts should not be passed over. When he first saw the large figures he knew there was something wrong, and when he asked for explanation, each explanation that was given only made the accounts more and more doubtful. He would second Mr. Coleman's resolution, but he did not second Mr. Coleman's remarks touching the honesty of Mr. Jesudasan and Mr. Bazely. He was always slow in attaching dishonesty to any person. He was aware that unless a person was well up in accounts and acquainted with all the details he would be greatly puzzled at having to deal with arrears. He could well understand the position of the gentlemen who was held to be responsible for the accounts. Mr. Jesudasan did not understand the accounts and could not give any explanation. He did not impute any dishonesty to Mr. Jesudasan who had never been brought up to accounts; Mr. Jesudasan was a doctor, and doctors he knew (he did not know whether any doctor was present) did not make the best accountants. (On Colonel Gillilan's dissent covering that Dr. Paterson was present he said that there was an exception to every rule, which occasioned great laughter). He could understand that Mr. Jesudasan being transferred to a department in which accounts were involved had accepted statements which were but before him by his subordinates. Colonel Gillilan therefore seconded Mr. Coleman's resolution without imputing any dishonesty to Mr. Jesudasan. He thought that the friends of Mr. Jesudasan would best consult the interest of that gentleman if they would apply to Government to remove him from his present post and place him in a position where his talents and integrity might be turned to account.

Mr. Coleman explained that he had no intention to cast any imputation on Mr. Jesudasan's moral character.

Mr. Gover also observed that there was nothing in the report imputing dishonesty to Mr. Jesudasan or Mr. Bazely.

As it was clear that no application to Government for an Auditor could be made before the Municipal Act was revised, the matter with regard to the Auditor was dropped. Mr. Coleman's resolution which was seconded by Colonel Gillilan then ran thus "that application should be made to Government for the immediate removal of Mr. Jesudasan Pillai, and that Mr. Bazely be removed by this Board from his office."

Mr. Krishnamma Chariar remarked that Government did not appoint Mr. Jesudasan, owing to any special fitness for the post he occupied. If fitness for posts were to be taken into consideration, the report of the Finance Committee showed that there were several persons who were unfit for their duty.

The President.—I bow to that remark. (Laughter).

The resolution on being put to the vote was lost, a large majority being against it.

Mr. Narasimulu Chetty in reference to explanations which had been offered by Mr. Jesudasan, Mr. Bazely, and Mr. Tavagram, proposed the following Resolution.—"That no officer of the Board should be permitted to remark upon its proceedings or upon reports which are to be submitted to it, until called upon to do so by the Commissioners."

Dr. Paterson thought that the proceeding with regard to Mr. Jesudasan had been out of order.

Colonel Gillilan observed that he had had Mr. Jesudasan's explanation before him as it had been circulated with the other papers. He thought that full justice had been done to Mr. Jesudasan.

son still held that the Commissioners
out of order with regard to Mr. Jesu-

President observed that it was customary
to allow a person who was accused of
something to defend himself. Surely the Commis-
sioners were not going to resort to such an English
proceeding as to shut out parties accused from
making any defence. If a charge were brought
against him (the President) he would like to be
allowed to afford an explanation.

Mr. Gover said that though an Englishman
he could not but fully support the motion of
Mr. Narasimulu. He had had much experience in
business and his experience taught him that when
proceedings were before a Board or Committee no
subordinate should be allowed to make any com-
ments on the proceedings. The Committee was
the guardian of its own honor as well as of the
honor of the subordinate. He did not object
to subordinates affording an explanation, but the
question was, when should it be made. It had
been he thought understood at the last meeting
when Mr. Wheeler's case was brought before the
Board that a subordinate could not make any
remarks on proceedings before the Board. He
therefore thought that Mr. Jesudasan's, Mr.
Bazely's and Mr. Tavagran's explanations ought
not to have been received.

Mr. Grose said that there was a great differ-
ence between the case of Mr. Wheeler and that of
Mr. Jesudasan, and Mr. Bazely. In Mr. Wheeler's
case, the portions of the report which had reference
to him were shewn to Mr. Wheeler before the re-
port was submitted to the Board, and he made
some remarks and very improper remarks too on it.
In the present case it was understood that the
subject would be discussed, and the explanations
had been under consideration. He approved of
the resolution proposed by Mr. Narasimulu in the
abstract, but would suggest that it be modified
and adopted.

Colonel Gillilan thought that same distinction
should be made with regard to subordinates. Con-
sidering Mr. Jesudasan's position it was only due
to him that the President should have given
him an opportunity of defending himself. Without
his explanation the Commissioners could not
have conscientiously acted in the matter. As for
his own part if he had not seen the explanation,
Colonel Gillilan would have requested that the
meeting be adjourned to give Mr. Jesudasan time
to afford an explanation.

Mr. Vencataramiah thought that there was a
technicality in the matter. The gentlemen in ques-
tion had no reason to anticipate what would be
done. The question was how did the report get
into their hands?

Mr. Gantz said that he was anxious that the
Commissioners should be allowed time to consider
the case of Mr. Bazely and Mr. Jesudasan. Dismiss-
sal was really a heavy punishment.

Dr. Paterson again urged that Mr. Jesudasan
and Mr. Bazely should be treated honestly and
fairly.

Mr. Narasimulu Chetty's resolution being put
to the vote was carried.

The President after this said the vote of the
Commissioners placed him in a false position. He
had all along no confidence in Mr. Jesudasan.
The Commissioners had by their silence shewn
that they approved of the appointment of the
present Collector. He could not be the President
so long as Mr. Jesudasan was the Collector.

Mr. Gover observed that when the Report went
up to Government the same facts which were
before the Board, being before Government, the
Government would probably carry out the wish
of the President.

Mr. Vencatasawmy Naidu being of opinion that
several who were in the office were at
fault proposed "That in reviewing the Report
of the Finance Committee the Board are not pre-
pared to apportion the blame due to the various
officers of the Municipality on account of the
irregularities brought to light in the office, and
feel that they are the result of a course of neglect

which dates from many years back." The resolution
being seconded by Mr. Iyasawmy Moodelly was
put to the vote and carried.

Dr. Paterson said that a great number of
the Commissioners felt themselves in painful
positions. The report had made an exposure
of facts of which they could not but be ashamed.
He thought that in this case they would have
arrived at a more satisfactory conclusion, if they had
gone deliberately to work. He received Mr. Jesu-
dasen's explanation too late to enter into it. Colo-
nel Gillilan had observed that medical men were
permanently unfit for dealing with figures (laugh)
so a great deal of time would be required for
his unfinancial head to understand the account.
After a few more observations, Dr. Paterson pro-
posed—that the Board resolve to adopt the re-
medial measures recommended by the Committee
and strongly recommend that they be carried
out.

The following amendment was proposed by Mr.
Grose and seconded by Colonel Gillilan, but on
being put to the vote was lost. That the Commis-
sioners desire that such of the remedial measures
proposed in the Finance Committee's Report as
have been approved by the President in the
memoranda read to the Board be introduced
forthwith.

After some further discussion Dr. Paterson's
proposition being put to the vote was carried.
The words "in communication with the Finance
Committee" were added before the Resolution was
put to the vote.

Mr. Gover then made some observations as to
the manner in which Mr. Wheeler, the Sanitary
Inspector had treated the Finance Committee
when he was called upon to supply them with
information. He acknowledged having received
much assistance from the heads of the other De-
partment, but Mr. Wheeler, though treated by the
Committee with the greatest consideration and
courtesy had set himself against the Committee.
It was then proposed by Mr. C. V. Parthasard
Iyengar and seconded by Mr. Shadagopal Moodelly
and carried.—That having heard the statement of
the Committee with regard to the extraordinary
conduct of Mr. Wheeler, the Commissioners re-
cord their emphatic condemnation of the action
of the Sanitary Inspector and express their sur-
prise that any servant of the Commission ap-
pointed by Government should have acted in
such a manner.

It was next proposed by Mr. Gover and seconded
by Mr. Vencatasawmy Naidu and carried.—That
the payments to Messrs. Mackey, Axellby and Quinn
recommended by the Committee be disbursed,
and that Mr. Stephenson's salary be increased to
Rs. 300 per mensem with retrospective effect
from the 5th June 1868.

Lastly it was proposed by the President and
seconded by Colonel Gillilan and carried.—That
the best thanks of the Commissioners be voted
to the Chairman and Members of the Finance
Committee for the most able and exhaustive
Report to which they had devoted so much of
their valuable time.

Municipal Commissioners' Office

MADRAS, January 28 1869.

To the Chief Secretary
to Government
Fort Saint George.

Sir,
Although the Municipal Act
does not require that Proceedings of
Special Meetings should be forwarded
to Government, the subjects discussed
at the Meeting on the 27th Instant
were so important that I think it my
duty to bring them to the notice of
Government.

The object of this Meeting was to
receive and adopt the report of a
Committee which was appointed on
the 24th of July 1868 with instructions
to examine the Municipal Accounts,
and the state of the collections with
special reference to the heavy arrears
which had accumulated, also to
report on certain financial matters
by Employers in the Collector's De-
partment which had been discussed
during the past year, and finally
to enquire into the general system of
management of the Department.

The report which I beg to en-
close exhibits the fact that there
had been for many years great lax-
ity of system in the administration

The Meeting then terminated

Yours faithfully

Ch. V. N.

of Municipal Affairs, a want of efficient ~~check~~ in respect of the collections, and very considerable negligence on the part of those to whom were entrusted the assessment of taxes and the collection of Municipal Revenue.

The Report enters very fully both into the shortcomings of the past and into the method to be adopted for the future. The Committee having been appointed at my instance, I may say that I have with certain reservations accepted very cordially the results of their labours and shall to the best of my ability endeavour to carry into effect their recommendations which would appear to have been adopted after most careful and searching enquiry and consideration and to be well adapted to promote the interests of the ratepayers.

The Government will observe from the report of the Committee and from the proceedings of the Special Meeting herewith forwarded that very severe blame has been cast upon some of the officials of the Municipality especially the Collector Mr. J. J. J. and the Assessor Mr. B. B. B.

At the meeting the question was raised as to whether the Government should not be solicited to remove the Collector from his Office and

and that the Commissioners should dismiss the Assessor.

At the same time it was distinctly stated that there was no ground for making a reflection on Mr. J. J. J.'s character in respect of honesty, but his ability to fill his present situation was questioned and had not the resolution to request of Government his removal been negatived by a large majority of the Commissioners I should have felt it my duty to recommend that Mr. J. J. J.'s services should be dispensed with.

But as this resolution was not carried I am induced to delay making to Government any such proposal in my capacity of President.

I would venture to remind the Government that the shortcomings of Municipal officials are of ancient date and are to be attributed in a great measure to a faulty and inert system of management and control of the various Departments which the President inherits from my predecessor and I am not without hope and indeed shall be very much disappointed if by a careful observation of the recommendations contained in the Report, the Municipal Administration is not placed on a firm and satisfactory footing in future.

Shower proposed with the permission of Government notifying to the Officers marginally noted who received their appointments from Government and also to the Asst. Comm. who hold his at the hands of the Commissioners that they must consider themselves on probation at present, and that the retention of their offices will depend upon the report of a Committee which I propose asking the Commissioners to sanction the appointment of at the expiration of six months, as to their efficiency.

I have included Mr. Wheeler the Sanitary Inspector in the List, for though I consider him a very good executive Officer, and he has warranted to my satisfaction I have been exceedingly dissatisfied with the report made of his conduct and bearing towards the Finance Committee as instanced by the Chairman Mr. Coker at the special meeting, and can only regret that this was not brought more prominently to my notice as to that of my Assistant at an earlier period. I trust however that the strong vote of censure passed on this Officer at the meeting and a Memorandum drawn up by me after the Meeting expressing my extreme displeasure at his conduct may have the desired effect and that

W.

Mr. Wheeler may by his future conduct and respectful demeanour toward the Commissioners restore himself to favor.

I trust the views herein expressed may meet with the favorable consideration of Government.

I have the honor to be,
Sir,
Your most Obedient Servant.

Charles Devine
President
of the Municipal Commission

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following letter from the
President of the Madras Municipal Commr.
Minutes 28 Jan 1869 No 55.
Order thereon No 146. 2 Feb 1869.

In the letter above
recorded, the President of the
Madras Municipal Com-
mission submits for the
information of Government
the proceedings of a recent
special meeting of the
Commissioners at which a
report of a ^{Finance} Committee ap-
pointed at the request of the
President by the Commissioners
was accepted. This Com-
mittee was instructed to
report on the Municipal
Account.

S. W. A.

Public 1869
of Jan 27-1869
Recd. of Madras Commr.
No 55.

of 1869

3 Dec 1869

Forwarded for information
to the Madras Commr.
Special meeting of the
Commissioners held on the
21 Jan 1869

accounts and on the state
of the collections with
special reference to the
heavy arrears which had
accumulated. They were
also requested to report on
certain frauds committed
by employes in the Collection
Department which had
been discovered during the
past year, and finally to
inquire into the general
system of management
of the several departments
of the Municipal Office.

2. A perusal of the
very able and exhaustive
report of the Committee satisfies
the Government that the
President has correctly de-
scribed the result of their
labors, as bringing to light
the regrettable fact that
these

there has been for many
years past great laxity
of system in the Municipal
Administration of the
Town of Madrid. There would
appear to have been no
effectual check over the
Collectors' Department and
considerable negligence on
the part of those to whom
were entrusted the apportionment
and collection of the Mu-
nicipal taxes. The majority
of the Municipal Commis-
sioners are aware, it is deemed,
how what would seem the
natural consequence of the
facts which have been
established by their Com-
mittee - the dismissal of
the officials who are re-
sponsible for the neglect of
them

their duties. Their hesitation to adopt this course is founded chiefly on the ground that the majority of the present officials cannot fairly be made responsible for a system notoriously faulty and for shortcomings which have been of long continuance. Further they record it as their opinion, that, although they consider that very severe blame attaches to the subordinate officials of the several departments, there is no ground for suspecting their honesty.

3. The officials who have laid themselves open to the severest censure of the Committee are Mr. Jendassen the

Meper Jendassen
Bazely

has exhibited a spirit of insubordination which is very reprehensible.

517
the Collector, Mr. Wheeler the Sanitary Inspector, and Mr. Bazely the Meper. The two former hold their appointments under Govt. the latter is appointed by the Municipal Commissioners.

4. His Excellency the Governor in Council concurs with the Committee in considering that ^{two} there is ground for ~~that these officials are~~

~~deserving of very severely~~
censuring for the want of energy and inefficiency displayed by ~~Meper Jendassen~~
displayed by ^{Meper} Meper and ^{Mr} Mr. Bazely and the ~~subordination exhibited by~~

Mr. Wheeler, and had if ~~been recommended by the~~
^{had recommended it,} Commissioners, His Excellency in Council would have been prepared to dismiss from their appointments Meper.

Meper Jendasen and Wheeler.
As the Municipal Com-
missioners have not con-
sidered it desirable to
make this recommendation,
the Governor in Council is
willing to adopt the course
proposed by the President,
and to direct that Officers
to inform Meper Jendasen
and Wheeler that they
must be considered as holding
their appointments on pro-
-bation at present and
~~that their retention of their~~
offices will depend upon
the report which the Gov-
-ernment may receive of their
conduct and efficiency at
the end of six months.

The same notice on behalf
of the Municipal Commissioners
should be given to Mr. Bagley.
The

5. The Governor in Council
is constrained in conclusion
to record his opinion that
a portion of the blame
for the very unsatisfactory
condition of the municipal
administration must be
shared by Mr. B. Cardozo.
The lengthened period
during which Mr. Cardozo
has been connected with
the Municipality, and his
familiarity with all the
details of the office should
have served, in a greater
measure than is shown
by the Report, to have pro-
-tected the municipal
interests from the mis-
-management from which
they have for many
years past suffered.

6 His Excellency in
Council desires to tender
his best thanks to the
Finance Committee of the
Municipality for the
very valuable and laborious
task which they have
so satisfactorily performed.
He cordially concurs with
the President in considering
that the recommendations
made by the Committee
for a thorough reform
of the system of Municipal
administration which have
been adopted by the Com-
missioners are calculated,
if carefully observed, tho-
roughly to secure the
interests of the Rate payers.

done by
the President of the
Municipal Council

*Received of the
- meeting of the 1st of June
from the Rev. Mr. [unclear]*

Book of 1864 } Madras.

Part 2

To

*The President of
the Madras Mission
Commrs.*

Book 2 } 1864

Recd.

G. O. 2 July 1864 No. 46.

Nos. 22, 23.

July 16th of 1870 -

*Being taken on the
1st of July 1870 of the
Special Meeting of the
Commissioners held
on the 21 July 1869 -*