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Government of Madras

Rev. DEPARTMENT

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*Proceedings of the Madras Government, Financial Department,
25th March 1872.*

Read the following papers:—

No. 217. Read the following letter from the President of the Local Fund Board, Malabar, to the Secretary to Government, Fort St. George, dated Calicut, 4th January 1872, No. 1.

With reference to paragraph 8 of the G. O., dated 26th December 1871, No. 825, I have the honour to inform you that the Notification regarding the new tolls to be levied in the circles of Calicut and Tellicherry was duly made and the tolls collected from the 1st September, and that I am not aware what Draft Notification on the subject of tolls is now desired.

2. It will be recollected that in paragraph 2 of G. O., dated 17th August 1871, No. 312, Government approved of the suggestion of the Board of Revenue that the tolls should be left as they were, i. e., that they should be levied under the existing rates and practice of the district.

3. Subsequently, in reference to the toll at the boundary of the Palghat Municipality, Government remarked, "The necessary Notification will be issued, the toll being made payable from the 1st of September." As the date of the Proceedings was the 17th August, this, it was thought, could only mean a Notification in the local Gazette, and it was inferred from this and from the general tenor of the Order of Government that the establishment of new tolls in the places proposed by the Local Boards was sanctioned, and that they were to be established under the existing practice of the district and not under the new Act. The tolls were accordingly established from the 1st of September. Looking at the very small proportion borne by these new tolls to the existing tolls, it is evidently very undesirable to introduce on account of them two separate tariff and modes of procedure.

	Old tolls.	New tolls.
Calicut	24,959	9,000
Tellicherry	20,847	3,300
Total...	54,796	12,300

and I do not gather from any part of the former orders of Government that this was intended.

raised by an increase in the existing state of things, but the Board have some reason to expect budget must represent the existing state of things, but the Board have some reason to expect from the Order of the 17th August 1871, No. 53, that a measure for increasing the land cess in Malabar will be laid before the Legislative Council during the present session. If such a measure is passed its effect can be shown in supplemental budgets.

CALICUT.

4. RECEIPTS.—The grant from Provincial Funds for roads is Rupees 1,12,220.

5. As a Government grant for schools Rupees 7,630 is entered under 6 (a). The sum allowed for this year is Rupees 8,750 and as Government do not seem to contemplate reducing it, it has been entered under 2 (a.)

6. The land cess estimate accords with the data given by the collections of previous years.

7. For house-tax, Rupees 29,409 is entered against Rupees 28,000 in the budget of the current year. The same Unions are to be retained. The Union Fund plays so important a part in this budget under all Grants (except Grant IV.) that it will be the most convenient course to describe its transaction here.

8. I. PALGHAT.—This Union occupies the whole of the Palghat Taluq which was rated under a repealed Act for a Rate school (with branches) at Palghat.

Balance	1,500
House-tax	11,000
Government grant	3,100
School fees...	1,920
Contribution...	700
Total...	18,310

The school charges are to be incurred in the old Rate-school at Palghat and in 25 other schools established in the principal villages of the taluq. The Kulpathy school which according to Government Order, 15th August 1871, No. 1,235, the Palghat Municipality is to support at

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No. 218. Proceedings of the Board of Revenue, dated 24th January 1872, No. 170.
From the President of the Local Fund Boards, Malabar District, dated 29th December 1871,
No. 287.

Abstract.—Forwarding Local Fund Budget Statements for Tellicherry and Calicut Circles for 1872-73.

From the Secretary Commissioner, dated 2nd November 1871, No. 71.

Abstract.—Remarks on the Tellicherry Local Fund Budget Estimates for 1872-73.

The draft budgets of the Calicut and Tellicherry Circles for 1872-73 will be submitted for the orders of Government. They have not yet been laid before the Circle Boards but it will not be a waste of time to review them inasmuch as sufficient data are available for determining the totals of receipts and expenditure under each head.

2. With regard to the delay that has taken place the Board are inclined to think that it has been unavoidable. The sums available for expenditure in Malabar are at the same time so large in themselves and so inadequate to the objects which they are meant to attain that considerable uncertainty must have attended the result of the revision of the last budget. It could not be assumed, for instance, that Government would allow the general fund to be swelled by a whole sale imposition of the house-tax, so that charges for dispensaries and so forth which are paid out of it elsewhere should be paid in Malabar from Union Funds. Hence the President did not feel prepared to bring the budget for 1872-73 before the Local Boards till the orders of Government on the budget of 1871-72 reached him. This happened to be on the 3rd January and a week's notice of meetings had to be given in the next District Gazette.

3. In both budgets credit is taken for very large sums which the President assumes will be paid by the Union Funds. Some of these sums are already being received by the Union Funds. Some of them are already being received by the Union Funds. Some of them are already being received by the Union Funds.

4. Next, as regards a draft Notification for the imposition of house-tax, I have the honour to inform you that at the Board meetings it was considered that no uniform rate could be fixed for all the unions in each circle; but that the rate must vary with reference to the number and description of the houses in, and the funds required by, each union.

5. In order to ascertain this, detailed lists of houses with their valuation are being prepared; but are not yet complete for all unions, owing to pressure on the Taluk Establishment due to Census work.

6. Section 67 of the Act stipulates that the Notification of the Governor in Council shall specify the exact amount of rates and taxes, and if it seems necessary, therefore, that complete information in detail should be awaited.

7. Lastly, in regard to the report on tolls, which I do in paragraph 8 of the G. O. under reply to having been expressly called for in G. O. dated 17th August 1871, I regret that I did not feel that it was calling for any report on the subject beyond some information regarding the tolls on the Tellicherry Municipality, and to which I have referred in the Government as alluding where they say at the end of paragraph 2 "the President will report with reference to the Tellicherry tolls."

8. The somewhat intricate matter of adjustment between Municipal and Local tolls is still under consideration and will be reported on shortly; but, as observed by Government in the Order of 1st August, the existing system of collection must continue till the close of the present contract, i.e., till 1st July 1872.

9. I have already written at great length on the subject of tolls in my letter dated 20th June 1871, No. 151, and in the absence of instructions I can form no conclusion as to the character of the further report now desired, and I beg that if any such is required I may be informed of its direction and scope.

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an expense of Rupees 900 is not in the list so that the Rupees 700 which is entered in I.-A as a contribution from the Palghat Municipality, and in III. as contributions, not being an appropriation from Municipal Funds such as would appear in column 3 (b), must be something additional to and exclusive of the cost of the Kalpathy school. In paragraph 13 of the letter submitting the budget of 1871-72 the President stated that it was a contribution by the Municipality in aid of the Central institution. The President has yet to explain how it is obtained. The school charges amount to Rupees 13,400 and Rupees 240 are to be spent in repairing school houses.

9. Out of the remainder of the income Rupees 1,000 is contributed to the Palghat Hospital. Government "see no objection to this mode of utilizing union surpluses provided that the contributions are not excessive and are strictly proportionate to the benefits derived by the residents within union limits." Both these conditions are fulfilled in the case now under consideration, but the levy of the house-tax through a whole taluk so as to provide for the greater portion of the cost of a dispensary as well as for education, is a very exceptional measure.

10. II. ANGADIPURAM.—The school charges, including Rupees 90 for repairing a school-house are less than the income, of which Rupees 3,000 is levied by house-tax, by Rupees 1,480 and Rupees 1,400 of this balance is to be spent on a market place at the central village.

11. III. CHERPULSHIRE.—Here the school charges including Rupees 40 for repairs are less than the income by Rupees 2,270, but they bear a fair proportion to the income from house-tax.

12. IV. MANJERI.—In this Union the house-tax is so high, that a contribution of Rupees 2,000 to the Manjeri Hospital, being about two-thirds of the cost is paid out of it and a large balance is left.

13. VI. PONANI.—The income is so large that a school-house costing Rupees 2,000 can be built out of it.

14. In the other Unions (except perhaps Tiruttala) the tax levied is only sufficient to meet

15. Some contribution from the Calicut, Cochin, and Palghat Municipalities is due towards the cost of educational inspection. The amount should be determined as soon as possible.

16. The receipts are—

	RS.
Road Fund	2,32,220
Union Fund	45,580
Endowment Fund	740
General Fund... ..	30,110

Total... 3,08,650

17. EXPENDITURE, ROAD FUND.—Statement II.-A. Part I., shows an assignment of Rupees 1,63,260 for New Works. It is necessary to reduce this to Rupees 42,920, and the Board are accordingly compelled to strike out all works not yet begun and reduce other allotments to the following extent:—

Item	RS.
3	14,000
4	16,000
6	10,000
7	1,500
9	1,600
10	5,000
11	1,740
12	5,000
13	2,000
14	40,000
15	15,000
16	8,500

Total... 1,20,340

18. Part II. shows an assignment of Rupees 1,21,160 for repairing roads, bridges, and a canal. The length of the roads mentioned in items 13, 14, 15, 20, 23, 24, and 25 should have been given.

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19. The expenditure on works by the Department Public Works being Rupees 1,52,630 the cost of Public Works Department supervision will be Rupees 26,760.

20. The share of cost of controlling establishments chargeable to the Real Fund is Rupees 1,670.

21. The allotment for contingencies by other agency, viz., Rupees 1,000, is obviously too large. It has been reduced to Rupees 100, but an allotment of Rupees 200 has been entered in Grant IV.

22. The reserve will be Rupees 20,920.

23. The expenditure of the Real Fund will thus be Rupees 2,51,800, leaving a balance of Rupees 230.

24. Grant I.—Statement II-A Part I, shows allotments of Rupees 2,000 and Rupees 1,100 for building a school-house at Ponani and a market-place at Angalipottam out of Union Funds, and of Rupees 1,500 for Avenue.

25. The cost of the supervision of the building of the school-house and the market-place which is Rupees 200 will also fall on Union Funds.

26. Part II, provides Rupees 700 for repairing school-houses to be paid out of Union Funds, and Rupees 150 for repairing the hospitals at Manjeri and Ponani, and Rupees 1,000 for repairing the Sulliam Chattram. With regard to the latter work the President will explain why it is considered to be one which need not be supervised by the Professional Department. He will also state how it happens that it is shown in Statement IV, opposite to the Vaidhanjeri Manjerikhanah.

27. The cost of Department Public Works establishment will be Rupees 27,500.

28. The total establishment being Rupees 1,410 must be shown here and not in Grant IV.

29. The grant will be—

Road Fund	2,32,220
General Fund	2,720
Total...	2,34,940

30. Grant II.—The cost of educational inspection is entered at Rupees 852. Rupees 2,760 is needed for the establishment of a Deputy-Inspector and two Inspecting Schoolmasters. The Circle cannot afford to have a larger staff at present.

31. The proposed distribution of Rupees 2,500 in results grants is shown in a list submitted with the Budget.

32. The grant is—

Union Fund	27,400
General Fund	5,620
Total...	33,020

33. Grant III.—The charges of the hospitals at Ponani and Manjeri amount to Rupees 4,770, of which Rupees 2,000 is paid from the funds of the Manjeri Union.

34. The allotment for Vaccination as fixed by Government is Rupees 1,800.

35. Rupees 2,000 are to be spent in digging wells, and 1,250 on general sanitary purposes. The whole amount should be shown under G.A.

36. The Rupees 750 assigned to Chattrams will be Rupees 450 for Chattrams which are provided by an endowment, and Rupees 300 for Manjerikhanahs which, not being endowed should not be shown in Statement IV.

37. The proposed contributions to hospitals in Municipalities are as follows—

Calicut	5,000
Coimbatore	2,700
Palaikottai	1,000
Total...	8,700

Rupees 1,000 of the Palaikottai contribution is to be paid from Union Funds.

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38. The grant is—

	RS.
Union Fund	3,000
Endowment Fund	440
General Fund	17,480
Total...	20,920

39. GRANT IV.—The Circle share of the cost of controlling establishments at the Presidency (taking the whole cost to be Rupees 22,730) will be Rupees 1,130.

40. The Collector's Local Fund Establishment consists of one Clerk on Rupees 50. The Circle share of Rupees 600 is Rupees 390.

41. A Clerk on Rupees 25 has been allowed to the Circle Board. A Peon on Rupees 7 will also be required, and the sanction of Government is requested for the appointment. The whole cost being Rupees 384 an allotment of Rupees 440 will suffice to provide batta for the few occasions on which it will be drawn.

42. Rupees 200 has been added for office contingencies.

43. The grant is—

	RS.
Road Fund	1,670
General Fund	490
Total...	2,160

44. The following is an abstract of the revised budget—

Receipts.		Expenditure.		
	RS.		RS.	RS.
Road Fund...	2,32,220	Grant I.... { Road Fund... ..	2,30,100	2,37,830
Union Fund...	45,580	{ Union Fund	4,920	
Endowment Fund ...	740	{ General Fund	2,720	
General Fund	30,110	Grant II.... { Union Fund	27,490	33,120
		{ General Fund	5,630	
		Grant III... { Union Fund	3,000	20,920
		{ Endowment Fund	440	
		{ General Fund	17,480	
		Grant IV... { Road Fund	1,670	2,160
		{ General Fund	490	
		General Reserve		3,000
		Balances.		
		Road Fund... ..	360	11,620
		Union Fund	10,170	
		Endowment Fund	300	
		General Fund	790	
Total...	3,08,650	Total...		3,08,650

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TELLICHERRY.

63. **Revenue.**—The grant from Provincial Funds for roads and general purposes is Rupees 1,500 of this Rupee 1,500 are needed for general purposes.

64. The grant for roads in the current year is Rupees 1,500. The amount is given in the Budget as Rupees 1,500. It has been reduced and entered under 2 (d). The excess, Rupees 600, is carried by a vote in Statement III to be a grant sanctioned by an order of Government dated the 21st November 1871, No. 111, which has not been communicated to this office.

65. The Rupees 1,500 entered as "Additional land revenue amount otherwise provided for" is a vote.

66. The money under the Budget is Rupees 1,500. It is proposed to form two new Unions, one at Arjankulam and the other at Marudai. The whole cost of the Manantoddy hospital is provided for out of the Manantoddy Union. The hospital at Taliparamba and Peringalam will be built and have a cost of Rupees 1,500 and Rupees 1,000.

67. No contribution from the Tellicherry and Cannanore Municipalities for educational purposes is given in the Budget. The amount should be determined without delay.

68. The charges are—

Road Fund	1,27,810
Union Fund	17,810
General Fund	10,000

Total... 1,55,620

69. **Revenue.**—Part II. shows an assignment of Rupees 61,500 for the new roads and bridges. It is necessary to reduce this to Rupees 17,810, and the reduction has been effected in the Budget.

Item 1	3,270
" 4	3,000
" 5	2,500
" 6	10,000
" 7	5,000
" 8	5,000
" 9	1,000
" 10 and 11	6,000
" 12	6,000

Total... 48,270

70. Part II. shows an assignment of Rupees 61,500 for Road Fund repairs. Some of the items do not appear in the previous Budget, and the length of some of the roads is not given. The present estimate is therefore far from complete when it estimates the Budget framed by the Local Board.

71. The total estimate for works is thus Rupees 81,790. The amount assigned for expenditure to the Public Works Department is Rupees 7,810 and the corresponding charge Rs. 19,190.

72. The charges connected with the new roads are given as Rupees 8,000. From H.C. it appears that the charges of the following items are—

1. General repairs	8,000
2. Repairs to the new roads	6,000
3. Extra labour and contingencies	1,100

73. The first item has been carried over to the next year.

74. The Public Works Department has been struck out.

75. Rupees 1,000 added to contingencies for "other works". The Revenue is Rs. 12,780.

76. The amount for the new roads is Rupees 81,790.

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59. The total expenditure is thus Rupees 1,27,510 leaving a balance of Rupees 500.

60. **GRANT I.**—Statement II.-A. shows the following allotments:—

	RS.
1. Taliparamba School house	1,350
2. Schools at Peringolam, Pyoli, and Kottayam	2,190
3. Repairing schools at Kavai, Peringolam, Pyoli, Anjerakandi, and Mavalai	220
Chargeable to Union Funds	3,760
4. Munnikannu Chuttrum	1,670
5. Avenues	600
6. Repairing Chuttrums and Musafirkhanas	500
Chargeable to General Funds	2,770

61. The state of the finances of the circle makes it necessary to postpone the building of the Munnikannu chuttrum though it was approved of in Board's Proceedings, 23rd February 1871, No. 823.

62. Out of the educational allotments Rupees 3,540 are to be spent by the Department Public Works. The corresponding charge is Rupees 850 and the total of the charge for Grant I. will be Rupees 20,000.

63. The charges connected with tolls and the contributions to Coorg and Mahé must be entered in this Grant. It will then be—

Road Fund	1,26,490
Union Fund	4,610
General Fund	1,150
Total	4,32,250

64. **GRANT II.**—An allotment of Rupees 3,188 is provided for Educational Inspection but it is more than the funds can afford, and Rupees 2,760 will suffice for a Deputy-Inspector on Rupees 100 and two Inspecting Schoolmasters on Rupees 35.

65. The Grant will be—

	RS.
Union Funds	8,970
General Fund	9,430
Total	18,400

66. **GRANT III.**—The charges for the Manantoddy hospital are shown as Rupees 1,940 to be paid out of Union Funds.

67. None of the charitable institutions in the circle being endowed, Statement IV. should have been left blank.

68. The allotment for vaccination is raised from Rupees 954 to Rupees 1,100, the amount fixed for the current year.

69. The Rupees 1,000 for digging wells, etc., entered under (g) has been transferred to (d).

70. The grant is—

	RS.
Union Fund	1,940
General Fund	3,190
Total	5,130

71. **GRANT IV.**—Item (a) is Rupees 590 and item (b) Rupees 210.

72. Sanction is requested for employing a peon on Rupees 7.

73. Rupees 100 are added for office contingencies.

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74. The grant is—

	RS.
Road Fund	1,020
General Fund	270
Total ...	1,290

75. The following is an abstract of the revised Budget—

Receipts.		Expenditure.			
	RS.		RS.		RS.
Road Fund	1,27,810	Grant I. ... { Road Fund ...	1,26,400		
Union Fund	17,840	{ Union Fund ...	4,610		
General Fund	16,030	{ General Fund ...	1,150		1,32,250
		Grant II. ... { Union Fund ...	8,970		
		{ General Fund ...	9,430		18,400
		Grant III ... { Union Fund ...	1,340		
		{ General Fund ...	3,190		5,130
		Grant IV ... { Road Fund ...	1,020		
		{ General Fund ...	270		1,290
		General Reserve			1,600
		<i>Estimates.</i>			
		Road Fund	500		
		Union Fund	2,320		
		General Fund	300		3,010
Total ...	1,61,680	Total ...			1,61,680

(A true Extract.)

(Signed) J. GROSE,
Secretary.

No. 249. Proceedings of the Board of Revenue, dated 29th January 1872, No. 203.
Read the following letter from the President of the Local Fund Board, Malabar, dated 25th January 1872, No. 19.

Submitting the revised Local Fund Budget for 1872-73 for the Calicut Circle.

The revised Budget of the Calicut Circle for 1872-73 will be immediately submitted to Government, who have before them the Board's Proceedings on the draft Budget (Board's Proceedings, dated 24th January 1872).

2. It will be observed that facts are now brought to notice which materially affect many points adverted to by the Board; but the totals of expenditure under the several grants will remain nearly the same. The receipts are Rupees 3,930 less, Grant I. is Rupees 7,850 less, Grant II. Rupees 540 more, Grant III. Rupees 2,350 more, and Grant IV. Rupees 360 less.

3. The Board beg to call special attention to paragraph 14 of the President's letter.

(A true Extract.)

(Signed) J. GROSE,
Secretary.

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No. 250. Proceedings of the Board of Revenue, dated 31st January 1872, No. 239.
Read the following letter from the President of the Local Fund Board, Malabar District, dated 28th January 1872:—

Abstract.—Forwarding Local Fund Budgets of Tellicherry Circle for the year 1872-73.

The revised Local Fund Budget Estimates of the Tellicherry Circle for 1872-73 are herewith submitted to Government in continuation of the Board's Proceedings dated 29th January 1872.

2. It will be observed that the total assets of the year are Rupees 1,55,070 and that the expenditure is Rupees 1,57,190, leaving a deficit of Rupees 2,120.

3. The following statement shows the sums appearing in the Circle Budget now before Government and those in the present one:—

	Total assets.	GRANTS				
		I.	II.	III.	IV.	Total.
	RS.	RS.	RS.	RS.	RS.	RS.
As per Budget now before Government	1,61,680	1,32,250	18,400	5,130	1,290	1,57,070
As per revised Budget	1,55,070	1,31,410	19,570	4,900	1,220	1,57,190
Difference	+ 6,610	+ 840	- 1,170	+ 140	+ 70	- 120

(A true Extract.)

(Signed) J. GROSE,
Secretary.

No. 25. ORDER THEREON, 25th March 1872, No. 366.
With the first Proceedings above recorded the Revenue Board submitted to Government draft Budgets for the Calicut and Tellicherry Local Fund Circles which had not been submitted to the Local Boards, and with the second and third they forward without review Budgets which have been approved by the local authorities. It is unnecessary to notice the former, which were very incorrect, as pointed out by the Revenue Board, and the Government proceed to dispose of the latter.

2. COMMENT.—The assets, including the revised Provincial grants, will amount to Rupees 3,26,600. The balances differ slightly from those shown in the Budget reviewed by the Revenue Board, those shown in the G. O., reviewing the budgets of 1871-72, having been entered. This was, of course, incorrect; but, as the Local Board have not seen reason to question these balances, the Government pass them. The revised Provincial grant is Rupees 1,32,220. From paragraph 16 of the President's letter it appears that the grants-in-aid of schools have been more correctly ascertained, and, pending report called for from the Director of Public Instruction, the figure entered, Rupees 7,630, is adopted. The estimate of land cess is the same, and those of tolls and house-tax nearly the same, as in the draft Budget. Contributions from the Palghat and Calicut Municipalities for educational inspection are moderate, and from paragraph 24 of the letter appear calculated on proper principles. The local grant for inspection having been reduced, these contributions ought probably to be so also; but pending discussion by the Commissioners they are retained. The President has furnished a statement showing the yield of tolls at each gate. None of the tolls are to be levied under Act IV. of 1871 but in accordance with the existing practice of the district, which the Government do not desire to change. Information as to the rates of all the tolls should be supplied. Five out of 17 are new tolls, including that

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at Kalpatti, on the boundaries of the Palghaut Municipality. The Commissioners and the Local Board have agreed that this toll shall be collected by the latter, more than half the proceeds in the current year being paid over to the Municipality. The sum entered in the Budget is, it is presumed, a net sum, no payment *per contra* to the Commissioners being shown. The gross yield should have been entered as receipt and the payment to the Commissioners debited. The President will report the amount, and will also furnish information with reference to G. O., 2nd May 1871, No. 619, Public, as to the sites where tolls are levied throughout the district.

3. The Local Fund Board propose allotments for works aggregating Rupees 1,70,310, of which Rupees 1,00,900 are for Road Fund works. In a separate Order the inclusion of a provision of Rupees 10,000 for the Yeda Kurra Bridge has been directed, funds being made available by an additional grant. Including this allotment the grant for New Works Road Fund will be fixed at Rupees 72,580, and to bring it to this amount the Government have altered certain items in Statement II.-A., subject to expression of the opinion of the Local Fund Board. The Local Board at first proposed new works amounting to Rupees 1,08,160, and in paragraphs 11-14 of his letter the President dilates upon the inadequacy of the provision made in the Budget now under review, and suggests that funds should be provided either by loan or by increased taxation. The Government cannot now pass orders on this application, which should be made the subject of a separate communication. In the apportionment of the sum at their disposal for grants-in-aid of Local Funds, the Calicut Circle has been liberally treated by Government. The Road Fund receipts are Rupees 2,55,940. The grants for new works and repairs are Rupees 72,580 and Rupees 1,00,610. The charge for establishment due to an expenditure of Rupees 1,67,000 by the Public Works Department is Rupees 42,050. It is not stated how the petty establishment charges have been distributed. The establishment should be divided without delay. The Road Fund charge for control is Rupees 1,790, and for tolls and ferries Rupees 1,410. Under the President's explanation, contingencies at Rupees 600 are possible. Tools and Plant want Rupees 1,790 and the reserve is Rupees 25,540, leaving a balance of Rupees 600. Grant I., including allotments of Rupees 3,800 from Union and General Funds, is Rupees 2,56,870.

4. The grant for a Deputy Inspector and two Inspecting Schoolmasters will be Rupees 2,760. The Union Budget is very similar to that of 1871-72. The contribution of Rupees 700 from the Palghaut Municipality to Union Funds has been omitted. The President states that the Local Board are averse to the sub-division of the Palghaut Union. In G. O., No. 229, of 5th March 1872, sanctioning the Notification for the levy of the house-tax in the current year, the Government have remarked on the extreme size of the unions in the Calicut Circle generally, and again urged their sub-division, to which they attach great importance. They consider such overgrown unions extremely objectionable, as the incidence of and benefits paid for from the house-tax, and the union management, should be localized as far as possible. In replying to this Order the Local Board will state more in detail their objections to the sub-division of the Palghaut Union. With reference to their remark as to Rule X., the Government are of opinion that the support of the Central School might be considered part of the educational expenditure of the separate unions. The institution will undoubtedly be of importance to the separate unions, and its support would be a proper object of union expenditure. The Government believe that, if the rule were to be construed so strictly as the Local Board contend, their objection would apply equally to the present arrangement, as the Central School is, it is believed, beyond the limits of the present union. The allotment for results' grants still appears small, and the President should understand that the amount cannot be estimated by adding up the detailed grants for the past year. A lump sum, whence grants are payable to all schools of the lower class applying for examination and sufficient to admit of legitimate extension of the system, should be assigned. Grant II. is Rupees 33,370.

5. An increased establishment is provided for under Vaccination, and the grant entered is passed. With reference to the union contributions for hospitals, the Government think there can be no question as to the admissibility of those from Palghaut and Manjeri, nor does that from Ponany seem excessive, in the light of the information now furnished in paragraph 21. The Palghaut contribution has been reduced as shown below. The Musafirkhanas not being endow-

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ed should not have appeared in Statement IV., nor the allotment for avenues, which is shown again under Grant I. in Statement IV.-B. The

Calicut	Rs.
Palghaut	1,000
Gulaboor	2,710
Total	2,660

Local Board entered Rupees 9,600 as contributions for hospitals as per margin. The charges of the hospitals at Calicut and Palghaut are now reported to be respectively Rupees 9,364 and

2,308. According to the latest returns, the institutions enjoyed income from invested capital, Calicut Rupees 2,785 and Palghaut Rupees 960. Without taking credit for other income, the sums respectively to be met from Local and Municipal Funds are Rupees 6,319 and Rupees 1,408. Local contributions, of Rupees 3,500 and 1,750 are certainly ample and have been entered, the latter as payable from Union Funds. The Gulaboor contribution covers the charges formerly paid by Government. Grant III. is thus Rupees 20,570.

6. The contribution for Controlling Establishment at the Presidency will be Rupees 1,200. The appointment of a peon, recommended by the Revenue Board, is sanctioned. Grant IV. is Rupees 2,290.

7. The Budget as revised by Government is as follows:—

Receipts.		Rs.
Balances	...	6,270
Allotments, &c.	...	1,71,650
Rates and taxes	...	1,44,710
Fees in schools	...	2,440
Contributions, &c.	...	750
Endowments	...	640
Total	...	3,24,500

Expenditure.		Rs.
Grant I.	...	2,56,870
" II.	...	33,370
" III.	...	20,570
" IV.	...	2,290
Total	...	3,13,100

Balances.		Rs.
Road Fund	...	600
Union do.	...	9,650
General do.	...	3,250
Total	...	13,500

8. TELLICHERRY.—The revised estimates of receipts amounts to Rupees 1,59,560. The Provincial grant is Rupees 58,340, of which Rupees 54,340 is assigned to the Road Fund, Rupees 4,000 being required for the General Funds. The Local Board's estimate of grants-in-aid of schools is accepted. The Government sanctioned the arrangement provided for in this Budget as regards the Tellicherry schools as a temporary measure only. In his letter of the 4th January the President states that the existing arrangement must continue till the expiry of the present contract on the 1st July 1872, and promises further report. The President anticipates that the Commissioners will refuse consent to the condition proposed; but, pending report of the result of the negotiation with the Municipality, the allotments are undisturbed. Contributions from Tellicherry and Cannanore are entered for Educational Inspection under circumstances similar to those above noticed for Calicut.

9. Of the whole receipts, Rupees 1,27,010 will be credited to the Road Fund. In order to provide for the increased charge for Public Works Establishment, the grant for new works must be reduced by Rupees 3,000. This sum is taken from item No. 5, which was reduced by the Board

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of Revenue in the first Budget. The allotment for contingencies is retained under the President's explanation. The Road Fund balance is Rupees 620. From Grant I. the allotment for the Manikunnu Chattrum is struck out. The details of entries in Statement I. under Educational New Works have been corrected so as to correspond with II.-A. The amount of Grant I. is Rupees 1,20,960.

10. The allotment for Inspection is revised as proposed by the Revenue Board. Results' grants estimated erroneously as in Calicut are placed at Rupees 9,159. It is hoped that this provision may prove sufficient. The figures entered in the G. O. of 25th December are exclusive of middle class schools and schools in Municipalities as far as shown in the Public Instruction Report for 1870-71. The attention of the Director is drawn to the necessity of showing more distinctly in future reports the charges falling on Local and Municipal bodies in connexion with lower class schools. One new union is proposed at Anjerikanaly. A draft Notification should be submitted. In Statement III., Union Funds have been debited, in the lump, with a share of Public Works Department Establishment, reducing the balance to Rupees 1,860. The details will perhaps correspond when the house-tax is assessed. The grant is Rupees 18,710.

11. According to the latest report the charges of the Tellicherry Hospital were Rupees 2,744, and the assured income cannot be less than Rupees 900. Half the net cost, or Rupees 900, is a proper contribution from Local Funds, and has been entered. The charges of the Manantoddy Hospital include an allowance of Rupees 50 per mensem to a resident Doctor for supervision. Statement IV. should have been blank.

12. The proposed peon is sanctioned. Grant IV. is Rupees 1,320.

13. The Budget is as follows:—

	Receipts.	Rs.
Balances	...	3,21,560
Rates and taxes	...	76,270
Contribution	...	680
Total	...	1,59,560

	Expenditure.	Rs.
Grant I.	...	1,20,960
" II.	...	18,710
" III.	...	5,200
" IV.	...	1,320
Total	...	1,55,190

	Balances.	Rs.
Road Fund	...	620
Union do.	...	1,860
General do.	...	1,860
Total	...	4,730
Total	...	1,59,560

(True Extract.)

[Signature]

Officiating Chief Secretary.

To the Board of Revenue.
 .. Revenue Department.
 .. Collector of Malabar.
 .. Accountant-General.
 .. Public Works Department.
 .. Inspector-General, Indian Medical Department.
 .. Director of Public Instruction.
 .. Sanitary Commissioner.

Exl. A. S. Rodgers.

Revenue C/H

8-1134

Cost. of 18723 Jundrey
FINANCIAL.

To THE BOARD OF VESTRY

Decd 20.01.2011

Ind. 24.3.30

G.O. 20.01.2011

MARCH.

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