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GOVERNMENT OF MADRAS

Rev. DEPARTMENT

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Proceedings of the Madras Government, Financial Department,
30th September 1873.

No. 223. Read the following letter from J. H. MASTER, Esq., President of the Municipal Commissions, Bellary, to the Hon. W. HUDLESTON, Chief Secretary to Government, Fort St. George, dated Bellary, 29th August 1873, No. 51 :—

I have the honour to submit my report on the working of the Towns' Improvement Act (III. of 1871) in the Municipality of Gooty, during the past official year 1872-73.

2. The usual statements of receipts and disbursements of the funds of that Municipality accompany, as well as the statement directed to be submitted in G.O., dated 12th June, No. 822.

3. Among the enclosures will be found the Auditor's report on the result of his examination of the accounts of the Municipality for the year under review. It represents a great number of irregularities which have been visited by permission being granted to the Superintendent to resign his post.

4. The estimates of this Municipality received the sanction of Government in their Order of 28th May 1872, No. 686; but as some items which constituted integral portions of the municipal revenues were struck out, and the receipt thereby diminished, the Commission acted on the suggestion contained in the concluding portion of paragraph 1 of the Order, and applied for permission to levy the trades-tax. This was sanctioned by Government in their Order of 26th August 1872, No. 1137. This raised the income of the Municipality by Rupees 1,045, making the aggregate estimate Rupees 6,395. The actuals, however, amounted to Rupees 6,451, which included a balance brought forward of Rupees 531-7-1, showing the net collections to be Rupees 5,919-8-11.

5. The decrease in the receipts under "Assignments and Allotments by Government" below the estimated amount calls for no special remark, so also the increase under "Tax on houses." The Commissioners appear to have formed their estimate of the receipts from tax on vehicles and animals and from registration and carts on erroneous data, as the income from those sources is less than the estimate by Rupees 324-12-0 and Rupees 230, respectively. In the latter case the decrease appears to have been the result of an order of the Commissioners (*vide* Proceedings of the Gooty Municipal Commission, dated 10th June 1872) based on a reference to them of the question whether the fees on the registration of carts should be raised (*vide* paragraph 2 of G.O., No. 686, 28th May 1872). The tolls realized upwards of thirty per cent. above the estimate. The decrease in the receipts from tax on arts is due to the late date on which sanction was accorded for the levy of the trade and profession tax (*vide* G.O., dated 26th August 1872, No. 1137). The other items do not call for special remark.

6. Although a small amount was entered under the head "Communications," yet there is no expenditure on this account, as the required communications had been already laid out, and no others were considered emergently necessary. Under "Repairs" the actual is in excess of the estimate by Rupees 206-3-9; this is attributable to an allotment of Rupees 275-7-9 for the repair of Sir Thomas Munro's Coonta (small tank).

7. Under Grant II., Education, a sum of Rupees 670 was budgeted for the Municipal School. Of this sum only Rupees 618 were disbursed. A further charge of Rupees 138 was incurred as a contribution to Local Funds on account of Educational Inspection. The Municipal School, the Vice-President remarks, "is doing fairly, and the average attendance during the year under report was forty-six boys."

I beg respectfully, however, to record my opinion that the municipal funds should not be burdened with the cost of a school of this class.

The principle should be maintained that aid in whatever shape should only be for elementary education.

8. Only Rupees 42-3-1 were disbursed as a contribution to the dispensary, although in the Proceedings of the Commissioners, dated 9th September 1872, sanction was granted for the disbursement of Rupees 442-2-3, which, however, does not appear to have been made from neglect in the Municipal Office.

9. *Vaccination.*—A disbursement of Rupees 32 only from the budget allotment of Rupees 185 was incurred on account of vaccination. Ninety-three per cent. of the operations are reported to have been successful.

10. *Conservancy.*—A Conservancy Establishment of fifteen sweepers and four carts is maintained by the Municipality under the supervision of an Inspector on Rupees 15, and a Maistry on Rupees 7 per mensem. The result is reported to be satisfactory. There are eight latrines now available to the public, four being for women.

11. In the concluding portion of paragraph 11 of my letter, dated 19th September 1872, No. 82, embodied in Proceedings of the Madras Government, dated 28th idem, mention is made of its being the intention of the Commissioners to erect another latrine at the Railway Station. This, however, has been finally abandoned, owing to the Railway Station bazaar having been removed beyond the precincts of the Municipality.

12. The Vice-President remarks on the strong protestations made by the railway employés against paying the house and profession tax, enjoying as they do, from the distance of the station buildings from the town of Gooty (upwards of two miles), very little of the advantages of a Municipality, while the latter is bound to maintain a road at a cost which might, with greater advantage, be spent on some other department of the Municipality; and, as the railway authorities are better able to attend to the conservancy of the locality than the Municipality can, it is a question whether it would not be better to exclude the railway premises from municipal limits.

13. Ten new lamp-posts have been added to the Municipality at a total cost of Rupees 250. Even this addition does not appear to meet all the requirements of the town.

14. The public health has been on the whole good. Dengue made its appearance there as in other parts of the district, but with no fatal result.

15. The report of the Vice-President is enclosed.

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From C. J. CROSTHWAITE, Esq., Vice-President of the Municipal Commission, Gooty, to J. H. MASTER, Esq., President of the Municipal Commissions, Bellary, dated 14th August 1873, No. 39.

With reference to G.O., No. 820, dated the 11th of July 1867, I have the honour to forward, for transmission to Government, the annual report of the Gooty Municipality on the working of the Towns' Improvement Act during the official year 1872-73, with the usual explanatory [illegible], as prescribed by Government in their Proceedings, No. 1646, dated the 28th October 1871.

2. The report of the medical officer of the place on the health of the town, the annual Auditor's report with certificate appended, and the statement called for by Government in their Order, No. 822, dated the 12th of June 1873, are enclosed.

3. The number of meetings held during the year under report are twenty-three.

4. The balance to the credit of the Municipality at the commencement of the year was Rupees 531-7-1. The actual receipts from the various sources detailed in Statement No. I. amounted to Rupees 6,451-1-11.

5. In G.Os., Nos. 686 and 1137, dated the 28th May and 26th August 1872, the estimates of receipts and expenditure were passed.

6. STATEMENT No. I.—The following statement shows the details of receipts :—

Heads.	Estimated receipts.	Actual receipts.	Increase.	Decrease.	Explanation.
	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	
Tax on houses and lands.	1,000 0 0	1,126 9 8	126 9 8	... ...	Too low an estimate.
Tax on vehicles and animals.	800 0 0	475 4 0	... ...	324 12 0	Excessive estimate.
Registration of carts.	500 0 0	270 0 0	... ...	230 0 0	The decrease is accounted for by the reduction of fees from Rupees 4 to 2 by Commissioners in the Proceedings, dated the 10th June 1872, for the second half-year.
Tolls	2,400 0 0	3,261 10 8	861 10 8	... ...	Increase is attributable probably to some increase in the traffic.
Fines	200 0 0	51 4 0	... ...	148 12 0	Excessive estimate.
School fees	20 0 0	136 0 0	116 0 0	... ...	Too low an estimate.
Tax on arts, &c..	1,045 0 0	319 0 0	... ...	726 0 0	This is occasioned by the levy of the tax having been commenced late in the year.
Assignments by Government.	260 0 0	195 0 0	... ...	65 0 0	Require no particular remark.
Miscellaneous ...	170 0 0	82 6 6	... ...	87 9 6	

The grant-in-aid shown is that for thirteen months as the grant for February was only received in this year.

Only that portion of deposit money, which was credited to the Municipal Funds, has been entered in Statement No. I., as directed in G.O., No. 1558, dated the 23rd November.

7. STATEMENT No. II.—GRANT I., *Communications.*—No expenditure was incurred as nothing was considered urgent.

Repairs.—Rupees 243-0-1 were spent in repairing the roads in the fort and pettah, as shown in Statement No. II.-A, Part II. The increase upon the budget sanction is due to an allotment of Rupees 275-9-9 for the repair of Sir Thomas Munro's "Coonta" (tank). The expenditure under this grant is, however, within the budgeted amount.

Grant II. *Education.*—The amount spent was Rupees 756 (which is within the budget). Of this, Rupees 618 were for the Municipal School, and Rupees 138 a contribution to Local Funds for Educational Inspection. The Anglo-Vernacular School has an establishment of two masters, one on a salary of Rupees 30 (who receives a grant-in-aid of Rupees 15 a-month), and the other 15 Rupees a-month, and a peon who received 7 Rupees a-month for the first half-year and Rupees 6 during the second, his salary having been reduced. The school is doing fairly, and the average attendance during the year under report was forty-six boys.

Grant III. *Hospitals.*—Of the 300 Rupees, allotted as contribution to the dispensary, only Rupees 42-3-1 were disbursed.

A resolution was passed in the month of September 1872, authorizing the disbursement of Rupees 442-2-3, which included the balance due for the previous year. I can only attribute the non-disbursement to neglect in the Municipal Office.

Vaccination.—A vaccinator, on a monthly salary of Rupees 10, was appointed about the end of November; since then he has vaccinated 106 children, of whom ninety-nine are reported as successful. The Commissioners are, I hope, beginning to watch his operations with some degree of interest.

Conservancy.—There are fifteen sweepers and four scavengers' carts maintained by the Municipality, having at their head an Inspector on a salary of Rupees 15 a-month, and a Maistry who drew 7 Rupees monthly up to the end of December, when his pay, as well as that of the tax Collector (*vide* Establishment, Grant V., in Statement No. II.-B) was raised to Rupees 8-8-0 by the Commissioners in their Proceedings, dated the 6th January 1873. The roads and lanes in the town are swept twice a-day. The carts traverse the town both morning and evening, convey away sweepings, and deposit them outside the town. These heaps are from time to time put up to auction and removed by the purchasers. There are eight latrines, of which four are for men and four for women, and eight scavengers, on a salary of Rupees 7 per mensem each, to remove and bury the excreta twice a-day.

ii. Up to the end of March 1872 three of the municipal sweepers were employed at the Railway Station, but since then the practice has been discontinued, the Railway Station bazaar having been removed to a spot outside the municipal limits. The intention (alluded to in the report for 1871-72) to build a latrine there* has died a natural death, and the Railway Station, which is nearly two miles from Gooty Town, practically reaps no benefit from being within the municipal limits, though the Railway employés pay both house and professional tax.

* At the station.

iii. I have lately had some strong protestations made to me against this taxation, and my own opinion is that it should cease. In order to include the Railway Station, the Municipality has been saddled with nearly two miles of road towards the maintenance of which the Local Circle Funds contribute, and the Railway Station residents can probably do their own conservancy more cheaply and better than the Municipality could do it for them at so great a distance.

iv. There are about seven drinking water wells in the town, which are cleared periodically; only one was cleared within the year under report. Most of them are enclosed by walls to protect them from the surface drainage, and to prevent accidents. The street drains were cleared during the year.

Grant IV., Lighting.—The expenditure under this head was within the sanctioned budget amount. The work was done by contract. There are twenty lamp-posts in the town; but this number being found inadequate it was resolved to purchase more, and a sufficient allotment was made for that purpose, but owing to dilatory management nothing was done till April in the present year. Ten new lamp-posts have since, however, been received from Madras at a cost of Rupees 250,

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Even this increase will not supply the wants of the town in this respect, and a further addition to the number must be made as funds admit.

Grant V., Establishment.—The decrease under this head is due to the following causes:—The Superintendent employed during the early part of the year (LaFrenais) drew a monthly salary of Rupees 60, and the balance of his salary for the greater part of the month of May 1872, viz., Rupees 50-5-2, was paid to the District Munsif of Gooty in whose Court there was a decree against him. He was dismissed in the month of June, from which time, and till the latter part of September, there was no Superintendent. The present man was then appointed on a salary of Rupees 50. He received this salary till the end of November, when it was raised to Rupees 60 in consideration of his performing the duties of writer as well, the writer on 20 Rupees a-month being then dismissed and his post abolished.

Refunds.—Ten Rupees were refunded to the lighting contractor, being a part of the sum he had deposited in the previous year.

8. The balance shown in Statement No. II. does not include the sum of Rupees 25 deposited by the lighting contractor, which is shown in Statement No. III.

9. *Statements II.-A and II.-B.*—These statements do not call for any special remarks.

10. *Statement No. III.*—In this, 900 Rupees deposited by the toll contractor, and Rupees 25 by the lighting contractor, and the balance of last year (Rupees 25) have been entered. The 900 Rupees were credited to Municipal Funds as part of the money due. The remainder, Rupees 25, ought to have been returned to the depositor at the end of the year. It was so returned only at the commencement of the current year.

ii. Of the 25 Rupees which formed a part of the closing balance in the year 1871-72, and have been included in the opening balance of 1872-73, Rupees 15 were credited to Municipal Funds in 1872-73 as a fine imposed upon the lighting contractor.

Vide G.O., No. 1558, 23rd Nov. 1872, end of para. 1.

iii. The remainder, viz., Rupees 10, were returned to the contractor, as shown under the head of "Refunds."

11. *Statement No. IV., Part I., Current.*—As there is no separate heading for miscellaneous money remaining uncollected, I have explained such sums as follows:—

A sum of Rupees 25 remained uncollected at the close of the year under report. Of this sum, Rupees 15 was due by the bandy-stand contractor, and the rest, Rupees 10, by the toll contractor, the latter being the amount of a fine imposed upon him by the Commissioners.

12. *Statement No. I.-A and Part II. of Statement No. IV.*—As no endowments have been entrusted to the Municipality, and as there were no arrears under "Tolls," "Rates on houses, &c.," "Taxes on arts, &c.," the Statements I.-A and arrears in Statement No. IV. are blank.

13. The sum of Rupees 2-8-0 shown as arrears under the head of tax on vehicles and animals in Statement No. I. was not left uncollected during the year, but was omitted from the accounts though collected. It is alluded to in paragraph 3 of the enclosed annual Auditor's report.

14. The following explanation accounts for the discrepancy between the receipts, expenditure, and balance described in the statement that accompanies this report, and those that accompany the annual Auditor's report:—

	Receipts.			Expenditure.			Balance.		
	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.
Statements I. and II.	6,451	1	11	5,449	14	11	1,001	3	0
Annual Auditor's Statement...	6,341	1	11	5,314	14	11	1,026	3	0
Difference ...	110	0	0	135	0	0	25	0	0

ii. The Auditor has included the deposit (Rupees 25) remaining at the end of the year, and has omitted 135 Rupees (the amount of grant-in-aid) as it was not entered in the cash-book. In Statements Nos. I. and II., the grant-in-aid has been included and the Rupees 25 omitted, as there is a separate Statement (No. III.) for the latter.

iii. Since the month of June 1872, the Municipal Schoolmaster's grant-in-aid of Rupees 135 has never been credited and debited to Municipal Funds, and consequently the sum has not been entered in the Municipal Cash-book. I cannot trace the cause of the omission.

iv. The grant was first made in the month of February 1872 and was till last December paid direct to the Head Master upon a monthly bill furnished by the Local Fund Circle Vice-President.

v. This practice originated in a mistake, Mr. Boyle, the then Acting Inspector of Schools, having written to Mr. Foster, the then Vice-President of the Gooty Local Fund Circle, suggesting an application for the grant-in-aid. Application was made by, and sanction for the grant was conveyed by the Director of Public Instruction to the Vice-President of the Local Fund Circle.

vi. In December last the mistake was brought to my notice, and since then the bills have been sent in by me as Municipal Vice-President; but, as the Treasury Deputy Collector has continued to send the grant direct to the Head Master, it has never been brought to account in the Municipal books.

vii. The Treasury Deputy Collector will be asked to send the cheque in future to the Vice-President.

15. *Public Health.*—The state of health was comparatively good. There was no epidemic during the year. Small-pox was, however, somewhat prevalent but seldom fatal. The Dengue fever, which was prevalent at a radius of ten and fifteen miles distance, spared Gooty entirely.

Between September and January a good many cases of malarious fever (not fatal) occurred.

16. *Accounts.*—The annual accounts were audited by Mattum Bhimachari, of the Sub-Collectorate Office, who is unconnected with the Municipal Commission.

17. He has brought to light many irregularities in the keeping of the accounts and general management of the books of the office.

18. These have been discussed at a meeting of the Commissioners, and steps taken to set right what has been wrong, and avoid past errors. With regard to his suggestions regarding the better registration of births and deaths, the system now in practice is that which has always obtained in this Municipality, and with care and attention fair results may, I think, be expected under it. The numbers of deaths and births during the year under report were 124 and 135, respectively.

19. As to the necessity of altering the wording of the Toll Contract Bond, I may observe that no real difficulty exists. The deposit can, and ought to be kept undisposed of till the close of the lease, when it can be made available in case of unpunctual payment.

20. The irregularities brought to light are not the fault of the agreement, but the result of bad management.

21. I may here observe that the Superintendent appointed at the end of last September has proved himself to be unfitted in every way for the post, and has to a great extent neglected his duties. Most of the irregularities detailed by Bhimachari, the annual Auditor, are due to his neglect, and the delay which has occurred in the submission of this report has been due chiefly to the same cause, and partly (latterly) to his incapacity through illness.

22. In fact, I have been obliged to have the whole of the statements prepared by Bhimachari (of the Sub-Collectorate Office) who has proved himself very useful in the matter.

23. The Superintendent has lately tendered his resignation and is only kept on till his place can be filled.

From M. BHIMACHARI, Annual Auditor of the Gooty Municipal Accounts for 1872-73, to C. J. CROSTHWAITE, Esq., Vice-President of the Municipal Commission, Gooty, dated Bellary, 9th June 1873.

Having been appointed* to audit the accounts of the Gooty Municipality for the year 1872-73, I beg to report that I have carefully gone through all the accounts, registers, and vouchers of the Municipal Office and completed my examination on the 4th ultimo.

* *Vide* Memorandum, No. 2, dated 10th April 1873, from the Vice-President, and Docket, No. 31, dated 18th April 1872, from the President.

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2. Before I begin to lay my result of the audit of the accounts, I beg to inform you that my audit was delayed for some days after I completed the accounts of ten months, owing to the accounts for February and March not having been audited till very late in the following month, that is 21st April last, instead of having been audited weekly or early in the month at least as they ought to have been.

3. The accounts audited by me are from 1st April 1872 to 31st March 1873.

i. I herewith send in an abstract statement of actual receipts and disbursements during the year, including the balance that remained on the 1st of April 1872, and the usual certificate.

ii. The opening balance* of the Municipality was Rupees 531-7-1, and the actual collections according to my statement amounted to Rupees 5,807-2-10, which made with the balance Rupees 2-8-0† which was collected in the last year and omitted from the accounts, Rupees 6,341-1-11. The disbursements amounted to Rupees 5,314-14-11, leaving a balance of Rupees 1,026-3-0. This balance agrees with that of the cash-book in the office. But the receipts and disbursements do not agree with that of mine, because Rupees 28-12-0 was to be paid to the lighting contractor for the month of December 1872. But he was fined 5 Rupees by the Commissioners in their Proceedings, dated the 11th of November 1872, when the instalment money was paid to the contractor only Rupees 23-12-0 was paid, deducting Rupees 5 from the amount of Rupees 28-12-0 due to him. In my statement I have not done so, because the Government in their Order, No. 1033, dated 16th August 1870, state that the fines imposed upon the municipal servants should not be taken as independent receipts, but should be deducted from the pay due to them, and that the remainder of the salary only to be entered under the head of expenditure. In the present case, I am of opinion that the lighting contractor is not a servant of the Municipality. Consequently I have entered Rupees 28-12-0, the real amount due to him, under disbursements, and taken 5 Rupees as independent receipt. This only caused a difference of Rupees 5, both in the receipts and expenditure, between my statement and the cash-book kept in the office. Of the balance of Rupees 1,026-3-0, Rupees 574-12-2 was in the Taluq Treasury, and Rupees 451-6-10 was in the Municipal Office.

* *Vide* paragraph 3 of my report, dated 9th April 1872, embodied in G.O., No. 1292, dated 28th September 1872.

† *Vide* paragraph 9 of my last year's report, embodied in the above G.O.

G.O., No. 1033, of 16th August 1870.

iii. I now begin to describe the course adopted by me to see whether or not the amount of Rupees 574-12-2 was right.

I first compared the Remittance book with the Treasury officer's receipts. They both agreed, and I made the total of remittances which amounted to Rupees 4,466-6-4.

The total sum drawn from the Treasury through cheques was Rupees 4,474-9-10.

Being unable to find out what amount of money had been credited in the Treasury on account of fines in municipal cases, I got information from the Tahsildar which made me understand that the amount of fines was Rupees 51-4-0, and the balance on the 1st April 1872 was Rupees 531-11-8.

	Rs.	A.	P.
The total remittance of	4,466	6	4
Added to the amount of fines	51	4	0
And the balance of last year	531	11	8
Amounted to	5,049	6	0
If the money drawn be deducted from this...	4,474	9	10
The balance will be ...	574	12	2

This is the sum that was on the evening of the 31st March in the Taluq Treasury.

iv. I shall now begin to observe something about the Rupees 451-6-10 which was in the Municipal Office with the Superintendent.

Of the Rupees 451-6-10 the Superintendent gives the following explanation :—

The shape in which Rupees 451-6-10 were, was—

Rupees	300	0	0	... ...	Currency notes, received from the toll contractor for the second half-year commencing from 1st October 1872 to the end of 31st March 1873. This was not paid at one time, but with some ready cash in order to make up the instalment money which was Rupees 276-10-8. He says he cannot remember the dates on which the notes were received, but they began to accrue since the commencement of the contractor's paying his instalment, that is, from November.
,,	100	0	0	... ...	This was an order paid by the Railway Company on account of assessment, &c., in the month of December.
,,	37	12	0	... ...	This was an order on Binny and Co., Madras, given by Mr. Crosthwaite in the month of March on account of taxes.
,,	6	0	0	... ...	were advanced to the Carpenter by the Superintendent himself.
,,	443	12	0	... ...	and the remainder
,,	7	10	10	... ...	were in ready money, which made the total of
,,	451	61	0		

The reason assigned by the Superintendent for not remitting the said amount, as received, is the following :—

Rupees 300	Notes were not remitted then and then as received, thinking that he would subsequently get them cashed and send to the Treasury.
Rupees 100 and 37-12-0	The reason for these orders not having been remitted is that they were not in the shape of money that could be received in the Treasury.

v. With reference to the Rupees 300 Currency Notes, I beg to observe that it is out of my power to ascertain whether the Rupees 300 were in the shape of notes or not, because there is nothing in the office to give me any information regarding the notes ; even if they were notes I am not inclined to support the explanation given by the Superintendent for keeping them in the office in his custody as valid, because I see no impossibility why the notes should not be remitted to the Treasury. The notes are in the current coins, and they will be received in the Treasury whenever and by whomsoever paid. Besides I am at a loss to understand, even if the statement made by the Superintendent for not remitting them, to the effect that they were kept back on the supposition of getting them cashed and remitted subsequently, be relied upon, why they were kept for so long a time, from the [illegible] in which the first instalment was paid.

vi. As regards the orders for Rupees 137-12-0 (one for 100 Rupees, and the other for Rupees 37-12-0), I beg to state that I can partly agree with the explanation given. The reason for my not agreeing with it partly is on account of his having kept the former with him since December last, till the 19th April, when it seems it was sent to Bellary for being cashed, and the latter since March till April, when it seems it was sent with some money to Madras for purchasing lamp-posts.

It is my opinion that only such coins as are receivable in Government Treasuries are to be accepted, and not like those which are now received that creates much difficulty to the Municipality in disposing them.

vii. With reference to the advance of 6 Rupees, the Superintendent states that he paid it to the Carpenter on his own responsibility without the permission of either the Vice-President or the Commissioners, as the work required from him was urgent. I believe that the Superintendent has no such authority as to advance money without the express sanction of the Commissioners. I am unable to find out the truth of the advance having been made, as no book of Miscellaneous advances is kept. Had there been a book, I could have found it out myself, consequently I suggest that an Advance Book must be kept. Besides this way of advancing money without any entry either in the cash or any other book is objectionable, and I cannot understand why it should not have been shown under "Expenditure of advances recoverable," instead of showing as cash in municipal chest.

viii. With reference to the ready cash of Rupees 7-10-10, the Superintendent says that it has been remitted since. With reference to the opening balance of this year I beg to observe that I have taken the balance of my statement and the cash-book of the last year. But a sum of Rupees 2-8-0 derived from a license was omitted from accounts, when I pointed out the error it has been entered in the cash-book after my audit, that is after 31st March 1872, as an entry having been made on the 29th idem. I cannot understand how this entry of the 29th can come after the 31st, on which date I had closed my audit and signed the book ; this is entered putting 29th March though it cannot be so done. The proper course for it was that it should have been entered in the month of April 1872, showing that it was in arrears last year and realized in this year. Consequently I have taken it as a receipt in this year.

ix. In conclusion on this point I beg to state that I was unable to verify the cash balance as desired by Government in their Proceedings, dated 12th August 1870, No. 1010, because the Superintendent said he has no money, and of what he had on the 31st March 1873 some has been expended in the month of April, and the rest remitted to the Treasury with some other collections made in April. Had I been appointed at the close of the year it was in my power to see what was the balance. Under these circumstances, and especially when the Auditors are appointed long after the close of the year, it would be certainly out of the Auditor's power to examine the cash in order to comply with the wishes of Government conveyed in their Proceedings quoted above.

G.O., No. 1010, dated 12th August 1870.

x. From this it will be seen that a large amount of money has been kept in the office without remitting it to the Treasury. I have understood the law as prescribing that all moneys received by the Municipality should be sent to the Treasury, and all moneys required for disbursement should be drawn from the Treasury, the Treasury acting as the Bank of the Municipality and keeping the accounts in gross, while the Municipality should keep accounts in detail. I think the balance of these two accounts should always agree, but they are now found to differ from two causes :—

1*st*.—From the Municipality keeping back portions of collections without remitting them.

2*nd*.—From their not having had sometimes timely communications from the Treasury Officer of the sums credited on account of fines.

I observe that Government in their Proceedings, No. 1291, dated the 21st August 1871, expressed an opinion that the retention of any portion of receipts in the Municipal Office may lead to serious irregularity, that the whole collections should be paid into the treasury as received, and, if necessary, a permanent advance of some rupees to be drawn on cheques as required, and to be separately accounted for, should be allowed for office purposes. I remember also having seen some Proceedings of this Municipality, dated about the beginning of May 1871, prescribing that no collections should be kept in the office for more than a-day, and that, as the Municipal Office is not provided with a separate Police guard for the safe custody of the money, the collections

G.O., No. 1291, dated 21st August 1871.

Proceedings of Gooty Municipality, dated 15th May, advertised in page 112 of the Municipal sheet published as supplement to *Bellary District Gazette*, dated 10th June 1871.

of the day must, except in cases of Sundays and other authorized holidays, be paid next morning into the Treasury. When such is the state of orders, I cannot understand why so much money, viz., Rupees 151-6-10, is left in the hands of the Superintendent himself, especially when the office is situated at some little distance from the town.

See account D in Column No. 4 of paragraph 4 of this report.

Had the cash account noted in paragraph 4 of this report been regularly kept up, I would have found out easily at what time this balance began to accrue, which is now impossible for me to do.

4. Accounts, &c.—The registers, accounts, and other miscellaneous books kept in the Municipal Office and seen by me are the following :—

1. Registers.

a. Cart Register.
b. House Register.
c. Register of Professional Tax.
d. Registers of tax-payers of all sorts on vehicles and animals.
e. Death and Birth Register.

2. Accounts.

a. Day-book or daily Cash-book showing all Receipts, Disbursements, and Balance.
b. Weekly Cash-book.
c. Ledger.
d. Cash Account Book showing the balance in Treasury and Municipal Office.
e. Acquittance-roll of Municipal Staff Establishment.
f. Treasury Remittance Book.
g. Cheque Book.

3. Miscellaneous.

a. File Books of House-tax, Bills of Collections.
b. Books of Vouchers of all sorts.
c. License Books.
d. File of Treasury Officer's Receipts.
e. File of Bills of Professional Tax Collections.

I shall now begin to make some observations regarding each of the above books :—

Registers.—*a. Cart Register.*—This shows the names of the owners and the number of carts, the amount of tax, the date of payment and the half-year for which they were paid, this is written up to 9th January 1873, since then it is discontinued. As this is not brought up regularly, it is not possible to compare this with licenses issued so as to be able to find out whether or not both agree.

b. House Register.—This register is supposed to contain the number, the name of the owners, the value of the house, the assessment, and the percentage at which the assessment is imposed. The register which is now in the office was written at the commencement of the Municipality in the place. It is almost worn out, the amount entered in it was at five per cent., whereas the tax now imposed is seven per cent. ; neither does it contain houses recently built nor houses exempted. It seems it is of no use even to the Superintendent. A fresh register should be opened so that the demand of this source of income may be clearly known, and that the fresh and existing buildings can without any difficulty be understood by any one. I presume that every one has right to see it if he likes, what is the assessment for his house. At the present state of things, if a man comes what is to be seen by him. The existing book is nothing better than waste paper. Such being the case, I suggest that a fresh register may be opened.

c. Register of Professional Tax.—This is supposed to show the names of persons and the rates according to the classes ; this does not contain some of the persons who have been taxed, nor all the remissions made on appeal, consequently I suggest that this may be kept up properly.

d. Registers of Taxpayers.—This is supposed to show the number and amount of vehicles and animals of all sorts, the half-year which the money will be paid, and the names of persons

licensed, whereas it contains all these particulars, except the tax, &c., of dogs, buffalos, elephants, and camels. The names of persons are written according to the index of letters. It is impossible to ascertain whether or not the amount paid by any one is right, the only means being counterfoils of licenses, and, unless we begin to see from the commencement of all licenses to find out particular name required, we cannot make out. In order to facilitate the reference, I suggest that the number of licenses may invariably be written as in day-book opposite to every name in this register. This is brought up to September, the reason of its discontinuance since then is not in my power to ascertain. I suppose the object of keeping this register is that if a man who has obtained some licenses for different animals and vehicles wishes to find out whether or not all those have been entered in the register can come and see from this.

At the present state of things he cannot do so owing to some of the animals not having been entered on account of their not having separate columns for them. Under these circumstances I suggest the defects may be supplied with.

e. Birth and Death Register.—This is kept according to the old form, but the returns are being sent in the new form. The material difference between old and new forms is that the former had no separate headings for the names of the parents of the children born, while the latter contains it. I have advised the Superintendent to keep it according to the new form which he has promised to do. The Conservancy Maistry, named Soobaya, it seems, is the Registrar, and his name has, it appears, never been published as desired by the Act, nor is any board showing his name and designation put up according to Section 89. The practice of getting the information is, the Registrar, it seems, will inquire the washermen and Begaries, the former to certify about the births, and the latter the deaths, and he will inform the Superintendent the same with a written statement. My practical experience convinces me that the returns are not very correct. It is out of the Registrar's power, indeed, to go and ask all the washerman and Begaries in the village, and I suppose that he cannot do especially when he is a man that has other legitimate duties to attend to. I opine that the parents or persons interested should give the information to the Registrar within twenty days, and this course is prescribed by Sections 92 and 93. Under these circumstances, I request that the provisions of the Act may be strictly enforced in order to ensure the correct preparation of accounts.

See Section 89 of Act III. of 1871.

See Sections 92 and 93 of Act III. of 1871.

Accounts.—*a. Day-book.*—This is brought up to date and is written carefully. The entries in this bear consecutive numbers. This shows daily receipts, expenditure, and balance, and is a bound one. There are some corrections made both with red and black ink. They are not initialed by any one, nor the pages have been numbered, which may give very probably room to persons wishing to tamper with them. Consequently I request that the pages may be numbered, sealed, and the total written on the last page with the signature of either the Vice-President or Commissioners, this book being the most important one showing the whole cash transactions of the Municipality, and one from which the remaining accounts, &c., are prepared and compared. The balance of this does not show how much out of it is in Treasury and how much in the office. In order to have these particulars the cash account, marked D, was introduced by Mr. Foster, the

b. Weekly Cash Account.—This is supposed to show the weekly cash transactions and balance, in fact being an abstract of daily cash-book. The object of keeping this is, I presume, to show the receipts and expenditure under different heads, and their total balance. The monthly Auditors will, I think, audit the account once in a-week, and send in a statement with their as well as the Superintendent's signature to the President for advertisement in the District Gazette. This is brought up to 20th September 1872. The reason of its discontinuance since then is not known. The balance of this book must coincide with that of the day-book. Being unable to find out what is the balance according to this, owing to the discontinuance of this account, and also to the office copies of the weekly statements sent to the President not having been kept in the office, I waited for the Gazette, dated 16th May 1873, which I expected would bring the last weekly statement of

March, with the intention of seeing whether or not the balance on the 31st March will coincide with that of my statement and day-book ; but my expectations proved fruitless, because the Gazette expected only brought the statements of February 1873. Consequently I was unable to fulfil my object.

c. Ledger.—I presume this is a most important book. This is not brought up to 31st March 1873. This contains the following heads of receipts and disbursements :—

RECEIPTS.

Description of heads.	The period up to which the book is brought up.
Section 40, Tax on houses, &c.	January.
Do. 63, Tax on vehicles and animals	November.
Do. 73, Fee for registration of carts	January.
Do. 77, Tolls	October.
Do. 17, Fines	November.
Collections from school fees	Do.
Miscellaneous collections	Do.

EXPENDITURE.

New Works	May.
Repairs...	November.
Educational...	December.
Dispensary	August.
☞ I have been informed by the Superintendent that since August the charge of the dispensary ceased from the hands of the Municipality.	
Conservancy	Decem[illegible] ...
Miscellaneous municipal purposes	November.
Supervision and Management	Do.

... this account had been kept up regularly and written up to date, this would have been of much use to me to see whether or not the entries in this would coincide with those entered in the daily cash-book. I think this is a most important book, being the fundamental instrument from which the annual accounts of the Municipality are prepared. I see no other account except this that can help for the most part the preparation of the annual accounts. When such is the importance attached to this account, the reason of the discontinuance of writing it regularly and up to the date of transaction I cannot understand. Had this been brought up regularly and up to the end of March 1873, it would have been in my power to see whether or not the total expenditure and receipts during the year under review would agree with that of my abstract of statement herewith sent.

d. Cash Account Book.—I shall now begin to observe some remarks with reference to this. On my reporting last year, being the Auditor for 1871-72, that the balance that was in the Treasury did not coincide with that in the cash-book,

Vide latter part of paragraph 8 of my report, dated 9th April 1872, embodied in G.O., No. 1292, dated 28th September 1872.

Mr. Foster, the late Vice-President, was good enough to prescribe a form in order that the balance of the Treasury and the Cash-book might agree.

This shows the daily transactions with the Treasury, money in Treasury, money in Office, and their total. This total must correspond with that of the day-book. Having obtained the information regarding the money sent to the Treasury and received therefrom, daily and monthly, by Municipality from the Taluq Cutcherry, I began to compare the account, and found the entries in this on the last day of each month agreeing with the cash-book (day-book) and the Taluq Treasury from April to August. But on the 26th of September the daily transaction differs, that is, the amount in Treasury is Rupees 731-13-3, and that according to this account is Rupees 731-5-3, having a difference of 8 Annas, which is the sum credited in the Treasury on account of fines in municipal cases, and which was not instantly informed to the Municipality ; but at the end of the

month the balance agrees, because the fines which the Treasury Officer had credited before 26th having been subsequently brought to this account. Again, at the end of October, they disagreed by the money in the Treasury being Rupees 860-15-2, while that entered in this account Rupees 860-15-6, causing thereby a difference of 4 Pies. The reason for this is that on the 16th of October the money drawn was Rupees 17-8-4, but the entry in this account is Rupees 17-8-0, thereby omitting 4 Pies from entering in this. The reason may be, I opine, through mistake. I have compared this entry with the cheque drawn, from which it seems the entry in this account is erroneous. Since then the entries do not at all agree. In some places I find the totals being incorrect. Besides the account is not brought up to date. The writing of it was discontinued on the 19th January 1873. The reason is not known. If this had been kept up properly, it was very easy to find out what amount was in Treasury and in the Municipal Office, both daily and monthly, and the balance on the 31st March 1873. Besides had this been written properly, I would have compared this with the cheque and remittance books to see whether or not the money sent to, and received from, the Treasury by the Municipal Commissioners would agree. Because the money drawn and sent must coincide with this, as this contains such transactions as occur. With this very object, I presume, this account was opened. I leave it to the Commissioners to consider about the utility of this account. It is my opinion that the preparation of this invaluable account should not be neglected.

e. Acquittance Roll.—This is kept up regularly, and nothing more to be added to what has been said regarding this in paragraph 8 of this report.

Vide Item H, column 3, paragraph 10 of this report.

f. Treasury Remittance Book.—The total number of remittances made during the year under report is sixty-three. No. 61, dated 28th February, for Rupees 19-4-9, is cancelled. The reason of this is, the Superintendent says, that by the time this was sent to the Treasury the latter had been closed, consequently it was brought in [illegible]. Between No. 51 of last year and No. 1 of this year, dated 3rd April 1872, I find traces of two numbers having been torn out. The reason cannot be now ascertained, as the Superintendent now existing is not the same person that was then.

No. 44.—The amount written in letters is Rupees 152-4-2, but that in figures is Rupees 152-4-6, and I compared this item with that of Treasury Officer's receipt, No. 553—72, dated 4th September 1872, which acknowledged the receipt of Rupees 152-4-6. Consequently I presume that in writing 2 Pies may have been put down instead of 6 Pies.

No. 45.—The amount in this in letters and figures is Rupees 509-3-2. The Treasury Officer's receipt agrees with it. But under the amount written in figures Annas 4 is added to it, saying fines. Properly speaking this should not have been entered, because the fine was not received in the office, and because it was credited by the Treasury Officer himself when he received it from the Magistrate.

g. Cheque Book.—The total number drawn is twenty-four. There is nothing noticeable in this.

iii. MISCELLANEOUS.—*a. File of House-tax Assessment Bills.*—This contains bills from 1871. These papers are not systematically filed, and are in a confused state. They are not consecutively filed according to the dates. It took much time to search for the bills when I was comparing the cash-book. I was obliged to search myself. Indeed one cannot make out from it to what year they belong, as they are indiscriminately filed. The reason of this, as stated by the Superintendent, is that file books cannot be got though indented for many times. I think that a separate book should be kept for every year.

b. File Book of Vouchers.—I have seen three books of these vouchers. These also do contain the papers of 1871, 1872, and 1873, and are not methodically kept. When I wanted to see a voucher, I had to search these three books through about. Letters, bills, nominal rolls, and others are promiscuously filed. In some places, I find the nominal rolls are not kept with the bills. I suggest, under these circumstances, that fresh books for every year must be opened. There must be two—one for receipts, and the other for expenditure ; the former should contain all the vouchers of whatever sort they may be regarding the receipts, while the other is for expenditure.

c. *License Books.*—I have seen these books of eleven sorts. The books contain for 1871, 1872, and 1873. They bear half-yearly consecutive numbers. I shall state enough, under the head of "Corrections," regarding the corrections and omissions, &c., in these. Except very few,* none of them have been numbered by the Commissioners. Besides, the cart licenses are not printed ones and written on slips of paper. Even these are not numbered by the Commissioners, and the total written on the last page with their signature. The practice existing is to number them when applications are made. In my opinion it is dangerous for many reasons, because it gives much room for anybody to embezzle the money as the book is not a bound one. Therefore I suggest that printed ones may be obtained in order to prevent fraud.

* See Item marked B, column 1, under the head of "Corrections," &c., in paragraph 10 of this report.

Further, I suggest that it is my opinion that there must be separate books for every year, and those must be bound ones, and the consecutive numbers in them may be either printed or they may be numbered by any of the Commissioners, and the total may be written on the last page with his signature.

d. *Files of Treasury Officer's Receipts.*—I have seen two books containing these receipts. They are kept well-enough.

e. *File of Professional Tax Bills.*—These are all tied up together and are not filed. There are two lists, one dated 4th February, and the other 4th March 1873, each containing money, amounting to Rupees 14, levied from persons holding licenses, Nos. 5, 6, 23, 24, and 40, for arts, professions, and callings. These two have been entered in the cash-book on the dates on which they are written, viz., 4th February and 4th March 1873. To this the Superintendent states that this may have been done through mistake, that he may have first misl'd the list, dated 4th February, and asked the person who collected the tax, viz., Soobbiah, who has written another and given it, which he may have entered in the cash-book. Thereby having double entry of the same amount, and the money was collected only once, and for this double entry he accounts that he had the money not from this source, but from others which were left out from entering into the cash-book, not knowing where it came from. Being still in a perplexed state as to how this mistake would have occurred, because if the first list had been mislaid there would not have been an occasion for double entry. I tried my best to find out the real state of the matter; but it was of no avail. I am of opinion that this not a possible mistake; because if the Superintendent had mislaid the first list, how he could have made an entry for that on the 4th February. Suppose even he had found it out a few days after, how he can enter on the 4th, because, when some days happened to pass between the date on which it was written and the date on which it was recovered, there would have been no place for making an entry on the very date; or are we to suppose that some space was left blank in the book. I presume it cannot be done; because if an addition was made the totals would have been corrected on these days, and as no corrections are made in the totals of those days, I cannot confirm the presumption of having some blank space been left out. I inquired of Soobbiah who had written these two lists in presence of the Superintendent and the Commissioner Narayanappah, when Soobbiah explained that, on Superintendent's asking him to give a list written for that amount, as the one that he had formerly given to the Superintendent has been mislaid somehow, he wrote another and gave it to him. I have some doubt about the explanation, because if he had given a second list, dated the 4th March, instead of the first, dated the 4th of February, why he has not stated anything about the missing of the first. Besides how could it be possible for a man to detect this error after one month. The Superintendent states for double entry that he had the money from other source, which, that source was not known. If he had more money than ought to have been according to the account, why he did not bring this fact to light. If the fact that he had the money from other source be depended upon, how he had entered in the account that it was from this source.

In furtherance I beg to state that I am not satisfied with the explanation given, and that this being an intricate subject having no good way through which I can possibly judge the origin of this,

I am left in a confused state regarding this, and, consequently, I request that the Commissioners will take the subject into their consideration and find out the truth of this point.

In conclusion I beg to suggest that all licenses, bills, &c., which will be issued in the Municipal Office may be written in Telugu, as those which are now issued are in English, which language could not be understood by people generally who hold the licenses, bills, &c. If this course be adopted it will be good for the public as well as the Government.

5. RECEIPTS.—I shall now commence to describe the various sources of income which this Municipality has. There are nine sources of income—

a. Assessment on houses and buildings.
b. Assessment on lands.
c. Taxes on animals and vehicles.
d. Registration of carts.
e. Professional tax.
f. Tolls.
g. Educational.
h. Fines.
i. Miscellaneous.

a. *House Assessment.*—There is nothing from which I can make out the demand of this source of income, the requisite account is the register* which is not kept up well, as mentioned in paragraph 4 of this report.

* *Vide b* under Registers, paragraph 4, of this report.

The actual receipts are Rupees 1,120-8-3. The balance on the 31st March 1873 to be recovered was Rupees 15-10-4 as stated by the Superintendent. I am obliged to enter here the balance as stated by the Superintendent owing to my not having possible means to ascertain it.

b. Land-cess.—The amount of road-cess collected during the year under review is Rupees 6-1-5 on the 17th June 1872. This was remitted to the Municipality by the Gooty Village authorities. In the same list they say the arrears of this source of item is Rupees 9-14-3. But there is nothing to make me understand that it has been collected since.

With reference to this I have the honour to point out that no Register of lands liable to assessment is kept in order that the amount which ought to be collected might be known. I think it is essential that such a register ought to be opened. At the present state of things we do not at all know whether or not there is any such land in the Municipality, unless we see the cash-book which shows the money collected on account of this, if any had been realized.

Being unable to know what is the demand of this, I received the information from the taluq, from which it appears that the demand, both on Government and Inam lands, is Rupees 17-7-0; of this Rupees 15-15-8 from Gooty, Rupees 1-7-4 from Chetnepally.

The money which has been collected belongs to Gooty, which has still to pay Rupees 9-14-3, and that from Chetnepally is still unpaid. Therefore total amount to be collected is Rs. 11-5-7.

c. *Tax on vehicles and animals.*—The following table shows the amount levied on different vehicles and animals—

	RS.	A.	P.
3 Four wheeled carriages, at Rs. 4½ per carriage	13	8	0
15 Two wheeled carriages, at Rs. 3 per carriage	45	0	0
8 Horses, at Rupees [illegible] each	80	0	0
2 Ponies under thirteen hands, at Rupees 1½	3	0	0
23 Ponies under eleven hands, at 8 Annas	11	8	0
544 Bullocks, at 8 Annas each	272	0	0
101 Asses, at 4 Annas each	25	4	0
22 Dogs, at 4 Annas each	5	8	0
127 Buffalos, at 8 Annas each	63	8	0
Total ...	475	4	0

With reference to this I beg to observe that there is nothing to show the total number of animals and vehicles liable to assessment in the Municipality. The want of this is felt very much, because we do not know who have not taken the licenses and who are to be prosecuted for the same. Therefore I think it better, if possible, to open a register of them occasionally noting in it the decrease and increase.

d. Registration of Carts.—The number of carts which have been registered during the year 1872-73 is 192, and the amount of fees produced is Rupees 270. I think it better to explain how Rupees 270 were collected when 193 carts were registered. The rate per cart was 2 Rupees for the first half-year, during which time seventy-seven were registered. Then, having read the G.O., No. 680, dated 28th May 1872, the Commissioners were pleased to reduce it to 1 Rupee in their Proceedings, dated 10th June 1872. Then the second half-year which had 116 carts registered produced Rupees 116. Both the amounts that is levied during the first and second half-year made the total of Rupees 270.

Vide Proceedings of Gooty Municipality, dated 10th June 1872.

e. Professional Tax.—The demand of this source of income according to the register and the petition book is Rupees 1,125, and receipts during the period are Rupees 319; after deducting the remissions of Rupees 178 made on appeal according to the petition register from the demand, the balance remaining uncollected is Rupees 628. The reason for so much balance is that the collection of this tax was commenced only in February 1873.

The exaction of this tax from the people was sanctioned by Government in their Proceedings, dated 26th August 1872, No. 1137, after reviewing the supplemental budget submitted by the Commissioners through the President with his letter, No. 69, dated the 10th August 1872, I cannot understand why the levy of this tax was delayed for so long a time as five months.

Vide G.O., No. 1137, dated 26th August 1872.

1872.—*Vide* the Proceedings of the Municipality, dated 26th March and 26th September 1872, respectively.

The total demand of this source of income is Rupees 3,315. Of this the first half-year produced Rupees 1,655, while the second realized Rupees 1,660. The actual collections amounted to Rupees 3,261-10-8, leaving Rupees 53-5-4 balance.

The contractors were different on two occasions.

In the first half-year 400 Rupees were deposited, and monthly instalments of Rupees 275-13-4 were paid for four months, viz., April, May, June, and July, and for the months of August and September Rupees 151-10-8 were paid, being the remainder of the whole amount after deducting the deposit put by the contractor, thus collecting the whole amount during the half-year only. The instalments were paid regularly, that is, within the third of every month according to the conditions of the agreement, except the last which was on the 4th September instead of within the 3rd as it ought to have been.

In the second half-year 500 Rupees were deposited, and monthly instalments of Rupees 276-10-8 were paid for the months of October, November, December, and January. Since then nothing has been collected during the year. The total money paid added to the deposit makes the amount of Rupees 1,000-10-8, leaving a balance of Rupees 53-5-4 more to be collected at the end of the year. The instalments of October and January were paid within the prescribed time, but for December and November were paid on the 6th and 5th January and December respectively.

The agreement executed by the contractor (which is neither signed by the Vice-President or Commissioners nor attested by anybody, and which fact, I think, is in violation of the provisions* of the Act and objectionable in many ways, because it gives much room to tamper with it if the Superintendent and the Contractor both join together) states that he has taken

* *Vide* Section 11 of Act III. of 1871.

the contract for Rupees 1,660; that he is to pay a monthly instalment of Rupees 276-10-8 within the 3rd of every month, that is, the instalment of October was to be paid in the month of November 1872; and that if he violates any of the above conditions the Commissioners are at full liberty to reauction the contract and to forfeit either full or any portion of the deposit of Rupees 500 which he had kept.

According to the conditions of the agreement the contractor was to pay every instalment without any exception within the 3rd. But great indulgence has been shown to him on two occasions, viz., when he paid the instalments of December and November, in which months he has paid on the 5th and 6th, nearly exceeding twice the time allowed. Thus he has infringed one of the conditions of the bond.

Secondly.—He is required to pay every instalment, whereas he has paid for four months. For February and March he has not paid. The Superintendent's reason for this is that the contractor was not at Gooty. But there was a deposit of Rupees 500. Even if we take this for one instalment, the remainder is not equal to the other instalment, which wants more Rupees 53-5-4 to be added to make an instalment. Consequently Rupees 53-5-4 were in arrears, and were not paid during the year and during the time the contract was in force. Thereby he has violated the other condition of the agreement.

This infringement has given full discretion to the Commissioners for forfeiting the deposit.

Now his contract is over, and it cannot be resold. It seems this fact was not brought to the notice of the Commissioners. Had it been there would have been much benefit to the Municipality and much loss to the contractor. The Superintendent says that the contractor has paid the balance of Rupees 53-5-4 on the 23rd April 1873. Even if it had been paid in the month of April, still it is left to the option of the Commissioners to enforce the conditions of the bond, because he has violated the two conditions of the agreement. I see no reason why he should be shown to the contractor. Thereby the Municipality gain nothing but loss, because, if they enforce the conditions of the bond, they will have 500 Rupees, the deposit, at their disposal. If they keep quiet allowing to the contractor the option of paying the money at his pleasure, what will they have?

I think having the balance at the end of the year will be the benefit and nothing more.

Suppose the contractor was a foreigner, and had gone away from this part of the country at the expiration of his lease, what is the course left for the Municipality to recover the money? They had two modes for this according to the conditions of the agreement—

1*st.*—Reselling the contract and thereby subjecting the first contractor to the loss that may be incurred by the second sale.

2*ndly.*—The option of forfeiting the deposit of Rupees 500.

It makes me to believe that these two courses are useful only during the tenure of the contract and not after, because, as in the present case, if the contract is over it cannot be resold.

2*ndly.*—They cannot forfeit the deposit because they have not received the full money, and even if the deposit be deducted there remains still some more to be collected. Therefore the two courses left have thus become useless.

According to the wording of the agreement the contractor was required to pay every instalment irrespective of the deposit money, and after he has paid the full amount the deposit should, I presume, be returned to him. But it seems to me to be the practice of collecting money for four or five instalments and collect the surplus remaining after deducting the deposit from the full amount within the close of the half-year. Even this existing practice was not followed in the second half-year as stated above.

Being dissatisfied as to the time at which the arrears were paid by the contractor on account of there being no entry up to the 23rd May in the cash-book, I asked the Superintendent to show me the voucher taken from the contractor's brother when he paid the remainder of Rupees 53-5-4. He was kind enough to say that neither he has taken the voucher from him as usual, nor given him any receipt for it. I think these were indispensable, and ought to have been taken and given.

Indeed it is out of my power to have this point cleared, consequently I leave it to the Commissioners, whom I request to take the necessary steps, to have this point cleared.

With reference to the wording of the agreement, I beg to observe that it states that the contractor is to pay the instalment of one month within the 3rd of the next month. From this it will be seen that the last instalment should be paid within the 3rd of the first month of the next year, that is, after the close of the year for which he was required to pay, and after the expiration of his lease. I presume this is not regular, because we should not allow arrears to remain at the end of the year when there is possibility for collecting it. If we adhere to the wording of the agreement we cannot help but of keeping arrears. Under these circumstances, I opine that the last instalment must be paid in the last month only. Therefore I suggest some alterations in the wording of the agreement. If no alteration is made, and if the present wording be continued, I see no use of having the condition in it, which states that if any of the conditions be infringed the contract will be resold at the risk of the first contractor. Because if the contractor fail to pay his last instalment within the 3rd of the first month of the next year, as in the present case, how the contract can be resold, because the period during which it had its force has expired ; consequently it is my desire that some necessary alterations are requisite.

The fact of my not finding an entry in the cash-book, up to the 23rd May 1873, of the Rupees 53-5-4 which were supposed to have been collected on the 23rd April 1873, as stated by the Superintendent, makes me to think that the transactions of each day are not entered in the cash-book on the date on which they take place.

On the whole I am not satisfied with the explanation offered for this, the more so as to the time at which the Rupees 53-5-4 were collected, owing to the non-existence of the voucher alluded to above.

Besides this toll contractor was fined Rupees 10 by the Commissioners in their Proceedings dated 21st October 1872. The Superintendent says that this remains uncollected owing to the contractor's absence from Gooty, and that when the remainder of the toll money, viz., Rupees 53-5-4, were paid on the 23rd April last by the brother of the contractor, he was asked to pay the fine of Rupees 10 remaining uncollected from his brother (contractor), but he went away promising that he would bring it within an hour, and has made no appearance up to this time. Besides he says he has not given to the contractor's brother a receipt acknowledging the receipt of Rupees 53-5-4, because he promised the payer that he would give it when the fine will be paid. It seems the fact of the fine being in arrears was not brought to the notice of the Commissioners. I am quite astonished for its being so since October 1872. I presume that the contractor had come to Gooty when he paid the instalments of October, November, December, and January. This presumption is strongly supported by the vouchers taken from him for the money he had paid for those months. I cannot understand the force of the statement made by the Superintendent to the effect that this is uncollected owing to the contractor's absence from Gooty, and why the contractor was not asked to pay the fine when he had come to Gooty to pay the instalments of November, December, and January. Under these circumstances I am inclined to think that the explanation tendered is unsatisfactory for allowing the fine of Rupees 10 to stand up to the present moment in arrears, thereby making it quite impossible to be realized. The fact of this fine having been inflicted upon the contractor was traced by me on perusing the Minute Book kept in the Municipal Office.

Vide Proceedings of Gooty Municipality, dated 21st October 1872.

g. Educational.—This includes the collection of fees from boys in the Anglo-Vernacular School and the grants-in-aid derived therefor. The collection of school fees for eleven months only have been entered in this, because an amount of Rupees 10 collected and received in the Municipal Office from the Head Master of the school has not been brought to account as stated under Omissions, *f*, paragraph 6.

h. Fines.—This includes only the fines levied from persons who were prosecuted and punished for acting in violation of the Municipal law.

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i. Miscellaneous.—I have included in this the remaining sources, such as contract of bandy-stand, amount derived from the sale of petition forms, manure, fines, sale of branches of trees, and other soundry sources. The bandy-stands were leased out along with tolls twice in the year, each time producing 15 Rupees. The amount for the first half-year has been collected and entered in the cash-book, but for the second half-year nothing has been collected. The Superintendent says that it was not paid till the 23rd of April 1873, when it was received and has not been entered in the cash-book up to the 21st May, and that it will be entered in future. In the first half-year it was collected in three instalments, viz., Rupees 2½, 5, and 7½. No agreement has been taken from the contractor. I think the agreements should invariably be taken from all contractors without exception (though not laid down in the Act for some), and the money should be collected in this case by instalments as tolls ; besides no arrears should remain at the end of the year. Because if the contractor was not a man of this country, and had gone away after the close of the year, how are the arrears to be realized. His property cannot be attached because he has no residence here, and then we will have to go to the Civil Court. The latter tribunal, too, cannot do anything if the defaulter be in a foreign territory without much difficulty.

Vide Proceedings of Gooty Municipal Commissioners, dated 26th March and 26th September 1872.

The following abstract shows the total of money collected from the nine sources stated above :—

	Rs.	A.	P.
1. Assessment on houses and buildings	1,120	8	3
2. Assessment on lands	6	1	5
3. Tax on vehicles and animals	475	4	0
4. Fees for registration of carts	270	0	0
5. Professional tax	319	0	0
6. Tolls	3,261	10	8
7. Educational	136	0	0
8. Fines	51	4	0
9. Miscellaneous (including assignment)	167	6	6
Total ...	5,807	2	10

I was unable to see whether the assessments of houses and buildings have been properly calculated, or what balance is remaining under each source as directed by Government in their Proceedings, No. 1010, dated the 12th August 1870, owing to the registers not having been kept regularly as stated in paragraph 4 of this report.

G.O., No. 1010, dated 12th August 1870.

Finally, I beg to state that the collections have been carried to the proper head of account shown in the cash account and remitted to the Treasury.

I shall now take leave of this branch of the report by giving an abstract of money remaining uncollected at the end of the year :—

	Rs.	A.	P.
House-tax	15	10	4
Land-cess	11	5	7
Professional Tax	628	0	0
Tolls	53	5	4
Miscellaneous	25	0	0

☞ Of the miscellaneous Rupees 15 from Bandy-stand Contractor, and Rupees 10, being fine due from the Toll Contractor for the second half-year.

Total ...	733	5	3

6. *Omissions.*—The following are the moneys that had been collected and omitted from the cash-book :—

		Rs.	A.	P.
a.	*Seven Buffalo Licenses.*—Of these six are dated 13th and one 23rd January last, at 8 Annas per license. The number of them is from 71 to 77	3	8	0
b.	*Two Bullock Licenses*, Nos. 283 and 284, both dated 10th February, at 8 Annas each...	1	0	0
c.	*One Ass License*, No. 53, dated 9th November, at 4 Annas each	0	4	0
d.	*Item No.* 766 in the cash-book. It is written for four petitions 8 Pies, and it is entered in the margin that from Nos. 338 to 342 are issued. It makes, therefore, five and not four. The price of five will be 10 Pies, the omission being 2 Pies	0	0	2
e.	*Item No.* 361, dated 5th March 1873, derived from a sale of a petition form	0	0	2
f.	*Item No.* 261.—The entry in the cash-book is Rupees 4-7-6, but according to the list of money given by the bill contractor and received in the Municipal Office is Rupees 4-7-9, being a difference of 3 Pies. The reason of this is not known, consequently the omission is	0	0	3
g.	*A letter*, dated 1st March 1873, from the Head Master of the School, sending 10 Rupees, being the fees collected for the month of March	10	0	0
h.	*Professional Tax License*, No. 136, for Rupee 1 issued on the 27th March and money collected on that date only ...	1	0	0
i.	*Professional Tax License*, No. 71, issued on the 25th March 1873	6	0	0
j.	*Professional Tax License*, No. 222, dated 27th March 1873.	6	0	0
k.	*Two lists* of assessment on houses, &c., one dated 24th February...	6	6	1
	And the other dated 28th idem	5	7	8
l.	*Item No.* 620, *dated 6th December*.—It is written in letters 10 and in figures 11 bullocks and the amount as 5 Rupees, but the 10 in letters is corrected, and written as 11 in characters, but the amount was not corrected and the number of licenses written opposite to this entry for the sake of reference is 11, therefore it is clear that 8 Annas are omitted from the cash-book	0	8	0
	Total ...	40	2	4

The Superintendent says that he was unaware of all these omissions until I detected and pointed out to him, and that he had on the evening of the 31st March 1873 Rupees 25-13-4. Not knowing wherefrom this happened to accrue, and that the fact of his having Rupees 25-13-4 more than the actual balance according to the cash-book, was not brought to the notice of the Commissioners or the monthly Auditor, thinking that he could rectify his errors, if any, by comparing the accounts again. And further accounts that 14 Rupees* which were entered in the cash-book on the 4th March 1873 under "Arts and Professions" and the 5 Annas that was found in excess in the cash-chest, with the exception of

* Vide item H, under "Miscellaneous," column 4 of paragraph 4 of this report.

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Rupees 25-13-4, should be taken as a part of the omission. Then the total of Rupees 25-13-4, Rupees 14 and Annas 5 will be Rupees 40-2-4, which was the sum collected but omitted from entering in the accounts.

With reference to the excess of 5 Annas he says that he found it out when examining the balance on the 31st March 1873, and does not know where it came from. It seems this fact also was not brought to the notice of the Commissioners. I presume that monthly Auditors should verify the cash balance in the Municipal Office when they are sending the weekly statement to the President for insertion in the District Gazette with their as well as the Superintendent's signature. It makes me to believe that the monthly Auditors have not done so, and that the Superintendent has failed to point out to them even, which was, I presume, one of his legitimate duties. If the monthly Auditors had done the audit properly weekly (which is not the case in many instances) by verifying the balance, I think the above sums would not have escaped their sight. In support of this, the Superintendent says that the monthly Auditors do or do not examine the cash on some occasions. I think the monthly Auditors should have examined the cash in office even at the close of the year though not on previous occasions.

The Superintendent states that he was unaware of all these omissions till I detected them, but he had the collections in the chest not knowing where it came from. Suppose if it be the case, why did he not enter the sum as soon as he found the money in excess (which began to accrue since long time) to what ought to have been. The omissions are from November. As soon as he found an excess he should have entered it in the cash-book, saying that it was found in excess, and that the way in which it came is not known. If he had done so there would not have been so much irregularity and trouble in the accounts as is now, and also the Superintendent would have been free from risk. I have directed the Superintendent to bring all these into account in the subsequent months.

The statements made by the Superintendent to the effect that he found on the 31st Rupees 25-13-4 Annas 5 in excess and regarding the other points are, in my opinion, unsatisfactory from the reasons already assigned by me.

7. The following table shows the amount of professional tax levied on the 31st March 1873, but not entered in the cash-book :—

Number of Licenses.	Amount levied. Rs.
122, 123, and 124	5
126 and 127	5
129...	3
131...	2
133...	2
138...	3
162...	1
205...	3
Total ...	24

The Superintendent says that this money was with him on the 31st March 1873. It was not entered in the cash-book as it was received in the evening, and that it will be entered in the month of April 1873. I think this way of doing is objectionable, because we should enter the money collected on the date on which it will be received in the Municipal Office. If not done so as on the present occasion, are we to suppose that the amount is in arrears? If we think so it is proper when the money was actually collected and received by the Municipality. I fear that this course of not entering the collections on the date on which they are made may lead to irregularity in accounts.

8. Having thus described about the actual receipts, I shall now commence with the total charges.

ii. The total amount expended during the year under report is Rupees 5,314-14-11.

iii. The sources on which the said sum was laid up are the following :—

Grant I., New Works, under Sanitation and Miscellaneous.—The total sum expended under this head is Rupees 105-10-6. Of this, Rupees 46-6-0 were spent for the construction of a dead-house for the *post mortem* examination, and the rest, Rupees 59-4-6, for building a fencing wall around a well named Nagoola Bhavi in the Fort. The amount budgeted in the estimate was Rupees 350, while the actual sum spent is Rupees 105-10-6, thereby leaving a balance of Rupees 244-5-6.

Repairs.—The total sum spent is Rupees 606-3-10 ; of this, Rupees 275-9-9 were incurred in repairing Sir Thomas Munro's Coonta at Gooty, Rupees 243-0-1 for repairing roads, and the rest, Rupees 87-10-0, for latrines. The sum allotted in the estimate was Rupees 400, while the actual sum spent is Rupees 606-3-10, thereby spending Rupees 206-3-0 more than the sum allotted.

Grant II., Educational.—The total amount spent is Rupees 621, while that estimated was Rupees 670 allotted in the two budgets (Rupees 370 and 300, respectively)—*vide* Orders quoted in the margin.

G.O., No. 686, dated 28th May, and No. 1137, dated 26th August 1872.

Grant III., Dispensary.—The amount expended is Rupees 42-3-1, while the estimate was Rupees 300. The reason for much decrease in this is owing to the charge of the dispensary having ceased from the hands of the Municipality from August 1872.

Vaccination.—The amount spent is Rupees 32, but that that was sanctioned in the budget was Rupees 185. The reason for the decrease is the recent entertainment of the vaccinator.

Conservancy.—The total sum disbursed under this head is Rupees 2,553-2-8 against the estimate of Rupees 2,240, thereby spending Rupees 313-2-8 more than the amount allotted.

This is composed of the following heads :—

	Rs.	A.	P.
1. Establishment	2,417	14	5
2. Repairing toll-boards	28	10	0
3. Making wicket-doors	7	8	0
4. Purchasing brooms and baskets, &c.	3	2	6
5. Beating tom-tom	1	2	0
6. Killing dogs, &c.	5	9	0
7. Cleansing drains	88	14	9
8. Cutting branches	0	6	0
Total ...	2,553	2	8

Grant IV., Lighting.—The total sum spent under this head is Rupees 363-12-0, while the sum allotted in two estimates (in the first Rupees 480, and in the second Rupees 400), aggregating an amount of Rupees 880.

Watering trees.—The amount expended is Rupees 97-8-0 against the estimate of Rupees 60.

Grant V., Supervision and Management.—The total sum disbursed is Rupees 883-6-10, while the estimate was Rupees 1,060. Of the Rupees 883-6-10,

Rupees 783 15 10 were paid for the office establishment,
" 30 0 0 paid to the Auditor for 1871-72,
" 69 7 0 contingencies.

883 6 10

Under the head of "Establishment" the net pay drawn by the servants, after deducting the fines, is exhibited as directed in G.O., No. 1030, dated 16th August 1870.

Refunds.—Ten Rupees were paid to the lighting contractor on account of deposit.

9. The following is the comparative statement showing the increase and decrease of receipts and charges against the estimated budget for the year 1872-73 :—

Receipts.

Item of Charges.	Estimated Receipts. Rs.	A.	P.	Actual Receipts. Rs.	A.	P.	Increase. Rs.	A.	P.	Decrease. Rs.	A.	P.
Assignments, &c.	260	0	0	60	0	0	...	...	...	200	0	0
Rates and Taxes.												
Houses and Lands	1,000	0	0	1,126	9	8	126	9	8	...	...	...
Tax on arts, &c.	1,045	0	0	319	0	0	...	...	...	726	0	0
Vehicles and animals	800	0	0	475	4	0	...	...	...	324	12	0
Carts	500	0	0	270	0	0	...	...	...	230	0	0
Tolls	2,400	0	0	3,261	10	8	861	10	8	...	...	...
Fines	200	0	0	51	4	0	...	...	...	148	12	0
Schools, &c.	20	0	0	136	0	0	116	0	0	...	...	...
Miscellaneous	170	0	0	107	6	6	...	...	...	87	9	6
Total ...	6,395	0	0	5,807	2	10	1,104	4	4	1,716	1	6

Expenditure.

Item of Charges.	Estimated Expenditure. Rs.	A.	P.	Actual Expenditure. Rs.	A.	P.	Increase. Rs.	A.	P.	Decrease. Rs.	A.	P.
Grant I.	750	0	0	711	14	4	...	...	...	38	1	8
,, II.	920	0	0	621	0	0	...	...	...	299	0	0
,, III.	2,725	0	0	2,627	5	9	...	...	...	97	10	3
,, IV.	940	0	0	461	4	0	...	...	...	478	12	0
,, V.	1,060	0	0	883	6	10	...	...	...	176	9	2
Refund	...	...	...	10	0	0	10	0	0	...	...	...
Total ...	6,395	0	0	5,314	14	11	10	0	0	1,090	1	1

From this it will be seen that the total of actual receipts and charges are within the sum estimated and sanctioned by Government ; but there are increase and decrease in the particulars.

The sum expended under Grant III. is within the amount provided, but in the conservancy under this head there is an increase, and under the heads of "Dispensary" and "Vaccination" there is a decrease. I have explained this in paragraph 8 of this report.

In conclusion on this point I beg to state that the result grants of Rupees 250 under Grant II., sanctioned by Government in their Proceedings, No. 686, dated 28th May 1872, was not expended. It is not in my power to ascertain the reason of this.

10. I shall now begin to observe about the corrections, &c., which I had noticed during the course of my examination of the account :—

i. Corrections.—*a. License of Buffalos.*—License No. 16 was first dated September and altered to 22nd May. Nos. 29 and 50 are altered to 30 and 51, respectively. The licenses issued during the year are contained in one book.

b. Bullocks.—Licenses Nos. 12 and 13 are altered. The dates of Nos. 64 to 75 are altered from 13th to 14th May. Nos. 85, 86, 90, and 91 have also been altered ; 90 and 91 were first 89 and 90 ; also Nos. 78, 79, and 80 have been altered to 79, 80, and 81. No. 171 was not issued. This number is left out from numbering. I have seen three books of these, for two pages have been numbered and the total written on the last page with initials of Thiroomavakar Moodelly, late Commissioner of this Municipality. The first ought to contain, according to the number written on the last page, 252, whereas there exists now only 244, thereby making eight less. The second is supposed to contain 251, but there exists only 249, making two less. The third book is not numbered. Altogether ten licenses are supposed to have been issued and their counterfoils torn away. The reason for this supposition is the cause of my finding out traces of tearing, as, for example, there are traces of tearing of counterfoils between Nos. 105 and 106, 56 and 57, 61 and 62, and 107 and 108.

c. Asses.—The number and date of license No. 5 is altered to 6, and 33 is altered to 32.

d. Carts.—I have seen three books. The dates of licenses from Nos. 11 to 13 are altered, that is, it was first 13th, subsequently it was made into 14th May. These are not printed ones.

e. Petitions.—The total number of petition forms supposed to have been sold is 387. No. 293 has been omitted from the cash-book. There is no duplicate for this. For this the Superintendent says that it seems a person came and wanted a form. It was accordingly granted to him with instructions that he should get it filled and bring the price. He went away with the form, and has not made his appearance again up to the present time. I think that petition forms should not be given to the applicants unless the price is tendered first.

No. 240.—The money was collected and credited in the account, but the form was not given to the party who paid the price. There is no loss to the Municipality as in the case of No. 293, where the loss sustained is 2 Pies. Upon the form it is written "cancelled;" but the form ought to have been given as soon as the money was received.

No. 344 was passed over in numbering.

No. 361.—There are two of this number dated 5th and 12th March 1872, and that dated 5th was not entered in the cash-book. This as well as from 324 to 336 the duplicates have not been filled in.

ii. ENTRIES IN THE CASH-BOOK WHICH HAVE NOT GOT ANY SORT OF VOUCHERS.—*a. Receipt.*—Item No. 25 for Rupees 1-2-0 credited on the 11th April 1872 as having been received by auction of sale of branches of a tree near the Post Office. There is no voucher for this, but there is Proceedings, dated 10th April 1872, sanctioning its sale.

b. Disbursement.—Item No. 41 for Annas 4 paid on the 20th of April on account of commission for the money order sent for the purchase of books. There is no voucher for this. Of course there cannot be one.

iii. EXPENDITURE SUPPOSED TO BE UNAUTHORIZED.—*a. Item No.* 55 for Rupees 2-6-0 spent on the 26th of April for clearing side-drains. There is no bill for this, but there is nominal roll. The bill was not passed in the meeting or sanctioned by the Vice-President, but it bears the signature of a single Commissioner. The same remarks apply to the following items, viz :—

b. Item No. 70.—Rupees 6 paid on the 1st of May for clearing side-drains.

c. Item No. 106.—Rupees 6-14-6 spent on the 1st of May for enclosing Nagoola Bavi (well).

d. Item No. 133.—Rupees 27-1-0 paid on the 16th May for carting stones for enclosing Nagoola Bavi (well).

e. Item No. 148.—Rupees 25-5-0 paid on the 21st May for carting stones for the same well. However there is Proceedings of the Commissioners sanctioning the construction of the fencing wall for this well.

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f. Item No. 623.—Amount of Rupees 90-1-8 paid on the 7th December for repairing roads was not passed in the meeting, but the bill of payment bears the singnatures of two Commissioners.

g. Item No. 748.—Rupees 42-4-9 spent on the 5th February for clearing drains. This was not passed in the meeting or sanctioned by the Vice-President, but contains the signature of a single Commissioner. There is a difference between the bill and the nominal roll. The former contains Rupees 39-8-0, whereas the latter shows that Rupees 42-4-9 was paid to the coolies. On my totalling the sum entered in the nominal roll I find that the total of it ought to be Rupees 42-12-6, and not Rupees 42-4-9. The reason for the discrepancy between the bill and the nominal roll is that a maistry named Mahomed Hussain, who was paid Rupees 3-4-6 for ten-and-a-half days, at 5 Annas per diem, is left out in the bill. The reason for this assigned by the Superintendent is the oversight, and for the discrepancy between his total and my total he says that only Rupees 42-4-9 paid were to the coolies, and admits that that total was wrong and agrees with the total made by me. I am at a loss to understand how it could happen that the coolies would have been paid only Rupees 42-4-9, and consented with it if they had actually done the work for the days entered in the nominal roll. However there is no loss but a gain of Rupees 0-7-5 to the Municipality if the nominal roll be credited.

h. I have gone through the acquittance roll for the year under report kept for the payment of the municipal staff establishment when I was examining the day-book. In this I find a maistry having been appointed on a salary of Rupees 7 per mensem since October and continued till the end of November, then his services were dispensed with. There is no proceedings of any sort or any other letter showing that he is to be entertained, or that such an extra man ought to be appointed. The Superintendent says he was appointed without obtaining the sanction of the President. I think that Section 28 of Act III. of 1871 (Towns' Improvement Act) clearly says

See Section 28 of Act III. of 1871.

that no servants of the Municipality are to be appointed or removed without the express sanction of the President. When such is the case, I am at a loss to know how an extra maistry was appointed.

iv. MISCELLANEOUS.—*a. Receipts, Item No.* 440.—This is a sum of Pies 6, being an excess found after the payment of the salary of the establishment on the 9th September 1872. How an excess has happened to be found is not known.

b. Expenditure, Item No. 350.—Amount of Rupees 30 paid on the 18th of July 1872 to the Hospital Assistant who was in charge of the Civil Dispensary at this station. There is a receipt from the Hospital Assistant acknowledging the receipt of the money. This expenditure is neither sanctioned by the Vice-President nor by meeting. I have seen the cheque which shows that this sum was drawn in order to its being paid to the Hospital Assistant ; but I cannot even find the letter or any other paper from him requiring that the same is required by him.

c. Item No. 689.—The sum paid on the 7th January 1873 for lighting contractor for December 1872. The entry in cash-book is Rupees 23-12-0 ; the receipt given is for Rupees 28-12-0. The reason of the difference of Rupees 5 is that the contractor was fined Rupees 5 by Proceedings, dated 11th November 1872. With reference to this I have some doubt, because how can a man give a receipt for more than he actually receives, and I have explained it in paragraph 8 of this report.

d. There is a receipt, dated 25th March 1873, acknowledging the receipt of Annas 2 for beating tom-tom. It seems the amount was not paid, consequently there is no entry of it in the cash-book. I think when the money is not paid the receipt taken for it should be returned to the person who gave it. I cannot understand why it was not paid when the Municipality has availed the use of the services rendered by the person who had given the receipt for the same.

e. Memorandum of perishable articles required for the Civil Dispensary (for which month is not known) for Rupees 1-8-8. This sum is written with pencil. It is neither initialled by any one, nor the date of receipt is put down.

11. Having thus described the mode in which I scrutinized the various accounts, &c., of this Municipality, I beg to represent that on account of this way of keeping the accounts, &c., the task of auditing was very laborious, and occupied much of my time indeed.

12. In conclusion, I beg to inform that I am not at all satisfied with the objectionable way in which the accounts, &c., are kept, and request that the necessary steps may be taken to have the various suggestions made by me in the body of this report to be brought into force, and to cause the accounts, &c., to be kept on a better footing.

STATEMENT showing the actual Receipts and Charges during the Official year 1872-73 in the Gooty Municipality.

Names of Months.	Receipts. RS.	A.	P.	Charges. RS.	A.	P.
April	483	2	8	437	11	0
May	598	14	8½	499	0	6
June	478	12	6	339	8	11
July	610	1	0½	350	4	1
August	341	9	0	523	9	9
September	706	8	9	359	7	5
October	188	11	0	529	4	3
November	391	14	8	487	1	7
December	724	8	1	467	11	4
January	438	2	7	389	9	10
February	880	13	0	884	0	8
March	309	0	4	547	4	7
Total	5,807	2	10	5,314	14	11
Balance of last year	531	7	1			
And the amount that was collected and omitted from bringing to account last year	2	8	0			
	6,341	1	11			
Deduct Charges	5,314	14	11			
Balance	1,026	3	0			

GOOTY,
9th June 1873.

(Signed) M. BHIMACHARI,
Annual Auditor of Gooty Municipal Accounts.

CERTIFICATE.

I hereby certify that I have examined the accounts of the Municipal Office of the town of Gooty for 1872-73, and found every item of receipts and charges to correspond with its voucher save few items as stated in my report that accompanies this.

GOOTY,
9th June 1873.

(Signed) M. BHIMACHARI,
Annual Auditor of Gooty Municipal Accounts.

No. 224. ORDER THEREON, 30th September 1873, No. 1402.

With his letter above recorded, the President of the Gooty Municipality submits the annual report for the year 1872-73. The estimates (original and supplemental) and actuals are compared below:—

RECEIPTS.

	Estimate, 1872-73. RS.	Actuals, 1872-73. RS.
Balance brought forward		531
Assignment by Government	260	195
House-tax	1,000	1,127
Tax on arts, &c.	1,045	319
Tax on vehicles	800	478
Registration of carts	500	270
Tolls	2,400	3,262
Fees	...	...
Fines	200	51
Miscellaneous	190	218
Total	6,395	6,451

CHARGES.

	Estimate, 1872-73. RS.	Actuals, 1872-73. RS.
Grant I.—		
New Works	350	106
Repairs	400	606
Grant II.—		
Municipal Schools	670	618
Results' Grants	250	138
Grant III.—		
Hospitals	300	42
Vaccination	185	32
Registration of births, &c.	...	...
Conservancy	2,240	2,553
Grant IV.—		
Lighting	880	364
Watering trees, &c.	60	98
Grant V.—		
Office, Contingencies	1,060	784
Refunds	...	...
Balance	...	1,001
Total	6,395	6,451

2. The principal item in which the receipts fall short of the estimate is the Profession-tax, and the deficiency is accounted for by the late date on which the introduction of that tax was decided on. The receipts from the "Tax on vehicles, &c.," is not only much below the estimate, but also considerably below the receipts of the previous year, and apparently without any particular cause being assignable. The decrease under "Registration of carts" is accounted for by the reduction in the rate of the fees. The increase under "Tolls" induces inquiry as to whether the general through traffic of the country is taxed at this point and is unable to avoid it.

3. It is observed that one-half of the Gooty municipal income is derived from this source; and, considering the position of the town, it seems doubtful whether the legitimate toll on town traffic is not degenerating into a transit duty on the trade of the country. The Collector will report on this subject.

4. The expenditure on Public Works calls for no remark. The President again draws attention to the expenditure of municipal funds on a middle-class school; but, as the Government have already sanctioned the school at the urgent request of the Commissioners, they must leave the matter in their hands. It is to be observed, however, that the grant from Provincial Funds and the fees from boys attending the higher class go a long way towards making up the additional expenditure incurred on account of the middle-class education imparted. More attention should be paid to the registration of births and deaths. The unexpended

balance at the end of the year was sixteen per cent. of the receipts, and the reason of this is disclosed by the report of the Auditor, who appears to have performed a laborious task with much care and ability. The accounts and registers of the Municipality appear to have been found by him in a state which can only be characterized as very discreditable, and the Government learn with satisfaction that the Superintendent has since been permitted to resign his post. They do not think, however, that the Vice-President can be entirely exonerated from blame, as such gross irregularities could scarcely have occurred if his periodical inspections had been conducted with care.

5. The question of excluding the railway premises from the limits of the Municipality should be submitted for the consideration of the Commissioners and specially reported on if necessary.

(True Extract.)

H. Stowell
Asst. Under Secretary
for Chief Secretary.

To the President of the Municipal Commission, Gooty.
,, Public Works Department.
,, Revenue Department.
,, Board of Revenue.
,, Accountant-General.
,, Sanitary Commissioner for Madras.
,, Surgeon-General, Indian Medical Department.
,, Director of Public Instruction.
,, President of the Local Fund Board, Gooty.

Exd. J. Wright.

Sent to Indian Office

Revd 18th Sept
No 3289

Govt. of {1873} Madras.

FINANCIAL.

To

THE PRESIDENT OF THE
MUNICIPAL COMMISSION,
Gooty,
&c., &c., &c.

Dated September, 30th.

Recd. October 17 1873 Encl.

G.O., 30th September 1873, No. 1402.

SEPTEMBER.
Nos. 223-224.

Gooty Municipality.—The annual report for the year 1872-73, reviewed.

No 115.

18 Oct 73