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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

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Read the following papers:—

No. 229. From the Hon. D. ARBUTHNOTT, President of the Municipal Commissions, Tanjore District, to the Hon. D. F. CARMICHAEL, Acting Chief Secretary to Government, Fort St. George, dated Vallam, 11th March 1874, No. 31.

I have the honour to forward, herewith, the Budget Estimates of receipts and expenditure of the Negapatam Municipality for the year 1874-75, in the forms prescribed in G.O., dated 27th October 1871, No. 1646.

2. From Statement I. it will be seen that the gross receipts of the Municipality have been estimated at Rupees 45,000, against Rupees 51,660 during the current year. The decrease is attributable partly to the abolition of the Professional tax during this year, and partly to a diminution in the income from other sources, excepting the House-tax and the Tolls. The Commissioners have estimated the income from the House-tax at Rupees 10,870, or Rupees 2,070 over the current year's estimate. The increase is attributed to the contemplated revision of the assessment which would appear to have been made very imperfectly. The Commissioners propose to dispense with the Professional tax for this year in accordance with the Order of Government, dated the 3rd June 1873, No. 767; but in order to make good the deficit in the receipts thereby caused, they request permission to levy tolls at double the present rates, *i.e.*, the maximum rates allowed by law, and have accordingly entered in their Budget an income of Rupees 21,000 under this head. I pointed out to the Commissioners in letter, dated 22nd January 1874, No. 14 (copy of which is enclosed), that the object of Government in abolishing the Professional tax is to lighten the pressure of local taxation, and that that object would be defeated if the tolls were to be levied at double the present rates, and I requested them to make up the deficit by reducing the expenditure. The Commissioners, however, state that they have made all possible reductions in the

* Letter from the Vice-President, dated 12th February 1874, No. 261, copy enclosed.

expenditure and that further reductions are impossible, and have desired* me to submit the Budget, as originally framed

by them, for the orders of Government, which I have accordingly done. I must, however, state it as my opinion that, where the choice lies between continuing the Professional tax and increasing the rates of Tolls, the former alternative should be preferred. We do not know to what extent the increased rates of tolls may affect the traffic of the country, and, as this tax also falls on the traffic of the Negapatam Circle, the Local Fund Board may have cause for complaint. As regards the Professional tax there is at least the advantage of the people being accustomed to it.

3. The only other item of receipt that calls for any remark is the sum of Rupees 4,450 entered under the head of Local Fund Contributions. Of this the amount of Rupees 1,450 is the increased contribution to the Municipality sanctioned by the Negapatam Local Fund Board for the maintenance of the Dispensary at Negapatam from 1874-75, and the remaining sum of Rupees 3,000 is for the maintenance of the Road No. 36. Although Government have expressed it as their opinion that no contribution ought to be given from the Local Funds on account of Road No. 36, the Commissioners think that they are entitled to the contribution, and have, in the accompanying letter of the Vice-President, requested

me to refer the matter again to Government. I do not think that the reasons adduced by the Commissioners are valid, and have submitted the matter for the consideration of Government through the Board of Revenue. I beg to enclose a copy of my letter to the Board on the subject.

4. The Commissioners propose to undertake only two new works during this year, viz., the construction of a market for which a sum of Rupees 5,200 has been allotted, and the improvement of the beach which is estimated to cost Rupees 2,000. With reference to the latter work, I beg to state that, as it is a long-standing complaint that the timber-yards and other buildings intervening between the sea and the beach road obstruct the sea-breeze and are a source of nuisance, the Commissioners want to keep the sea face of the town clear by removing these buildings. The lands on which most of them are situated are waste lands belonging to Government and rented out to private individuals; and the Commissioners desire to be put in possession of them together with certain other pieces of assessed lands (both Government and private) lying along the line of the road on the east. I shall do myself the honour of addressing Government shortly through the Board of Revenue on this subject.

5. Although it was the wish of Government, as expressed in paragraph 2 of the G.O., dated 3rd June 1873, No. 767, that no new project should be undertaken by the Commissioners before the water supply of the town is provided for, the Commissioners propose to construct the market first for the reasons stated in the accompanying copy of the Vice-President's letter, dated August 1873, No. 144. The work is estimated to cost Rupees 24,000, to meet the bulk of which a loan of Rupees 20,000 is asked for by them from Government to be repaid with interest in five annual instalments. The plan and the estimate of the market is herewith sent for the inspection of Government. The formal application prescribed by the rules for the loan will be submitted shortly. If, however, the continuance of the Professional tax or the increase in the rates of Tolls be disallowed, the execution of these works will have to be postponed till the finances of the Municipality are in a more flourishing condition and admit of such large expenditure.

From the Hon. D. ARBUTHNOTT, President of the Municipal Commissions, Tanjore District, to H. J. STOKES, Esq., Vice-President of the Municipal Commission, Negapatam, dated Vallam, 22nd January 1874, No. 14.

With reference to the Budget Estimates forwarded with your letter of the 19th December 1873, No. 231, I have the honour to request information as to why an increase under the head of Income from the Tax on Houses, &c., and a decrease under that of Registration of Carts, License fees, and Magisterial fines are expected.

2. Adverting to the proposal of the Commissioners to levy the tolls at the maximum rates allowed by the Municipal Act, I beg to refer you to the Proceedings of Government, dated 31st March 1871, No. 436, from which you will observe that Government will not at all listen to the proposal. The object of Government in abolishing the Professional tax was to reduce the amount of taxation, and this would certainly be defeated if the decrease in the income caused by the Professional tax is to be made good by increasing another and perhaps a more obnoxious one. I request, therefore, that you will ask the Commissioners to revise the Budget and reduce the expenditure.—*Vide* G.O., dated 3rd June 1873, No. 7671.

3. Referring to Statement II.-A, I observe that a lump sum of Rupees 10,300 has been entered for repairs to Communications. I beg to draw your attention to the Order of Government,

dated 28th May 1872, No. 682, Financial Department, that the details of this expenditure may be given in full in regard to this item, and that maintenance allowances may, as far as possible, be assigned for the principal thoroughfares.

4. In Statement II.-B, Grant III., fuller particulars as to the description of servants employed on the Dispensary Establishment and the monthly remuneration of each should be given.

5. I further observe that no provision is made in the Budget for charges on account of a Hospital Assistant. It is very likely that a Hospital Assistant will be sent by the Surgeon-General as soon as a reference lately made by him is answered, and I think, therefore, some provision must be made for meeting that charge, unless the Commissioners have abandoned their plan of establishing a Dispensary at Nagore. While on this subject, I beg to remind you of my docket, No. 5, on letter from the Surgeon-General, dated 18th December 1873, No. 7664, and request an early reply thereto.

6. I return the statements and request that they may be revised and forwarded to me without delay.

From H. J. STOKES, Esq., Vice-President of the Municipal Commission, Negapatam, to the Hon. D. ARBUTHNOTT, President of the Municipal Commissions, Tanjore District, dated Negapatam, 12th February 1874, No. 261.

I have the honour to forward, herewith, a resolution of the Commission on the subject of the revisal of the Budget recommended in your letter, No. 14, dated 22nd January 1874. I really do not know in what directions reduction of expenditure can be made without seriously injuring the efficiency of the Municipality. If anything, more money ought to be spent on conservancy; and our roads are now in very bad condition and requiring repairs urgently. The towns-people would object very much to putting out our lights. These three items will cost Rupees 29,382. In other respects, I do not think this Municipality is *extra-ordinary*. The Hospital and the Establishment must be kept up, and if there is to be no surplus for new works and improvements, but the charges are to be fixed, it would not be easy to prove the necessity of a body of Commissioners for the purpose of disbursing them. The Proceedings of the Government of India referred to by you are of the year 1871, and I think that since then the policy therein set forth has not been adhered to.

2. An increase is expected under the head of House-tax, because it is in contemplation to revise the assessments which have been very imperfectly made, and the result will probably be an increase approximating to that entered in the Budget.

3. The estimate of repairs to roads enclosed herein is only an approximation. Repairs are undertaken as soon as their necessity becomes apparent in each case, and can only be foreseen generally.

4. A list of the dispensary servants is enclosed.

5. No provision is made in the Budget for the Nagore Hospital, because it was uncertain whether under the new rules a medical subordinate could be appointed whose salary the Municipality could afford. The necessity for a dispensary in Nagore still however exists, and if a Dresser can be sent there to be subordinate to the Apothecary in Negapatam, it is anticipated that his salary could be met from unexpended balance of the sums provided for 1874-75 for New Works and Repairs. The amount this year provided for the Nagore Branch Hospital was Rupees 1,200. This amount remains unexpended.

EXTRACT from the Proceedings of the Municipal Commissioners, Negapatam, 10th February 1874.

“ Letter from the President returning the Budget for 1874-75 for revision.

“ Resolved that the Commissioners do not see their way to carry on the necessary work of the Commission if the amount of the Budget is reduced; they, therefore, hope the President will forward on the Budget as already prepared. They have already reduced expenditure as much as they were able, after a careful consideration by a Sub-Committee. The sum allotted for New Works is only Rupees 7,200, of which Rupees 2,200 is savings. The work on which this is to be expended, viz., the beach improvement and the market, are urgently needed. The only other tax besides

Proceedings of the Madras Government, Financial Department,
26th June 1874.

Tolls which could be increased is the House-tax, to the increase of which the Native Commissioners have a strong objection."

NAGORE,
12th February 1874.

(Signed) H. J. STOKES,
Vice-President.

List of Dispensary Servants entered in Statement H.-B, Grant III.

Particulars.	Salary per mensem.			Salary per annum.
	RS.	A.	P.	RS.
One Purveyor...	10	0	0	120
One Nurse...	10	0	0	120
One Ward Cooly...	6	8	0	78
One Cook...	5	0	0	60
One Toty, Male...	5	0	0	60
One Toty, Female...	3	0	0	36
One Dhoby...	2	0	0	24
Total	41	8	0	498

(Signed) H. J. STOKES,
Vice-President.

NEGAPATAM,
12th February 1874.

NEGAPATAM MUNICIPAL COMMISSION.

ESTIMATE.—Repairs and Reforming Metal Roads in Negapatam and Nagore for the Year 1874-75.

MEASUREMENTS.			Cubical contents.	Designation of Work.	Rate.			Per.	Amount.		
Length.	Breadth.	Height.			RS.	A.	P.		RS.	A.	P.
Feet.	Feet.	Feet.									
2,300	18	4	476	Six yards Permal Covil Road, 1st mile...	2	4	0	6 yards.	1,071	0	0
3,450	18	4	575	" Permal Covil Road, 2nd mile...	2	6	0	"	1,365	10	0
3,300	18	4	550	" Bazaar Road, 1st mile...	2	4	0	"	1,237	8	0
3,350	18	4	558	" Powder Magazine Road, 2nd mile...	2	6	0	"	1,325	4	0
3,100	18	4	516	" Durgah Road, Nagore, 5th mile...	2	12	0	"	1,419	0	0
2,300	18	4	476	" Road No. 36, 1st mile...	2	4	0	"	1,071	0	0
3,400	18	4	567	" Road No. 36, 2nd mile...	2	6	0	"	1,346	10	0
3,350	18	4	558	" Road No. 36, 4th mile...	2	10	0	"	1,464	12	0
				Total					10,300	12	0
Particulars of Charges.											
				Quarrying, loading and unloading...	0	7	0	"			
				Laying metal complete...	0	5	6	"			
				Railway fare from Tanjore.	1	4	0	"			
				Cartage to first mile...	0	3	6	"			
				Total	2	4	0				

(Signed) H. J. STOKES,
Vice-President.

NEGAPATAM,
12th February 1874.

Proceedings of the Madras Government, Financial Department,
26th June 1874.

From H. J. STOKES, Esq., Vice-President of the Municipal Commission, Negapatam, to the Hon. D. ARBUTHNOTT, President of the Municipal Commissions, Tanjore District, dated Negapatam, 1st December 1873, No. 217.

In forwarding a copy of a resolution passed at the last meeting of the Municipal Commissioners, I have the honour to address you on the subject of the Local Fund Grant towards the maintenance of Road No. 36 in this Municipality.

2. Before the receipt of the resolution of Government the Local Fund Board, of which I am Vice-President, had already increased the grant for this road for 1874-75 from Rupees 1,200 to Rupees 3,000; one member (who was the only member present who did not also belong to the Negapatam Municipal Board) objecting on the grounds now taken by Government. I shall state the reasons why the Municipality thinks these grounds to be untenable, in the hope that, when the Government have the question clearly before them, their opinion may be modified.

3. The Government observe that the whole expenditure on Communications amounted to only Rupees 8,600, or about Rupees 1,200 less than the income from Tolls; and are of opinion, therefore, that this Commission should cease to receive aid from Local Funds, particularly as Negapatam is a depôt for sea-borne trade, and the tolls thus fall on the traffic of a wide area beyond the town.

4. These three arguments can, I think, be answered satisfactorily. You will observe that the amount provided in the Budget for repairs was Rupees 9,360, and had this been expended it would have been nearly what we actually realized by tolls. But instead of this Rupees 5,862 only were spent on repairs. The reason of this was that my *locum-tenens*, Mr. Happell, treated the roads in a manner which differed from that which had been in vogue up to his arrival. He found them in pretty good order; and thinking, I presume, that they needed little repair restricted expenditure on them. In the months of April, May, and June, I find from the ledger that Rupees 2,605-5-0 were spent on road repairs. Mr. Happell arrived in July; and from that month till the following January, after which I resumed charge, Rupees 2,225-2-6 only was expended on this account. During my absence also (as part of the same policy) the permanent road cooly establishment was reduced from Rupees 224 to Rupees 150 per mensem, and the consequence was that the roads were considerably impaired, and enhanced expenditure afterwards necessitated. This is the reason of the actual figure being so much less than the Budget; and it was not so because the amount budgeted for was not required. The amount (Rupees 5,862) spent on repairs does not include the road cooly establishment, on which Rupees 2,150 were expended within the year. This amount appears under "Other items," but has been expended on the roads; and by far the greater part of it on Road No. 36; so that it is fairly debitable along with the repairs against the income from tolls, supposing the latter applicable exclusively for road purposes. If this figure be added we have an actual expenditure of Rupees 8,012 on repairs of roads (to which a share of the Overseer's salary should be added) against Rupees 9,876 received from tolls. The cost of lighting, too, and of watering (the latter of which is so essential on our roads in the hot weather to prevent the laterite being blown away) should be taken into account in any estimate of the expenditure on a road.

5. But there is no reason to suppose that the income derived from tolls is to be applied exclusively or mainly to expenditure on roads. The Municipal Act (Section 38) authorizes tolls to be levied "for the purposes of the Act;" and the funds required for the purposes of the Act may be raised from all or any one or more of the sources named in the Section. So that it is clearly not intended by the Act that the income derived from tolls should be applied mainly to roads; but on the contrary such income may be the sole source of funds for all the expenses of the Municipality; nor has Government ever laid down that the income from tolls was to be spent mainly on roads. On the contrary for five years after this Municipality had begun to collect tolls, the Government sanctioned the full grant of Rupees 4,990 towards the maintenance of Road No. 36; and did not consider that, because the full income from tolls was not spent on roads, this was any reason for decreasing the grant. The Commissioners are of opinion that the tolls, as the other rates and taxes, are applicable for the general purposes of the Act; and look to an increase in them as

*Proceedings of the Madras Government Financial Department,
26th June 1874.*

one of the means which may be used to fill up the deficit which will arise from the abolition of the Professional tax.

6. As to Negapatam being a depôt for sea-borne trade, and the tolls thus falling on the traffic of a wide area beyond the town, the Commissioners do not think that this represents the true state of the case. It may be observed generally that the tolls in every town fall on the traffic of a wide area beyond the town; but that inland this area surrounds the town on all sides; whereas in a seaport half the area is cut away. The Government probably think that the goods brought to Negapatam for export give it an advantage over inland towns. Our chief export is paddy and rice, and the great bulk of this is brought into the town by rail, and consequently pays no toll. It is questionable also whether if all the goods brought in for export did pay toll, this would give a seaport town any great advantage over an inland one. For the latter is equally a distributing centre; and distributes by means of vehicles which have to pay toll on entering before they can return from it with their loads of produce; whereas a seaport town has not the same advantage of carts entering to return with produce, because it distributes mainly by ships, which pay no toll. That these arguments are not illusory is best shown by a comparison of the average amount of tolls collected for the last three years at the same rates as in this Municipality in Tanjore and Combaconum, towns of nearly equal population—

Tanjore (population 52,356) collected Rupees 1,567 per mensem.

Combaconum (population 43,162) collected Rupees 1,257 per mensem.

Negapatam (population 48,689) collected Rupees 836 per mensem.

7. I have above endeavoured to answer the arguments of the Government Resolution in favour of stopping the Local Fund contribution, and will proceed to show why the Municipality thinks itself entitled to this contribution.

8. Road No. 36, extending for six miles from the west gate to the Karikal frontier, is peculiar in two ways. It is extremely expensive, and a great part of it is not in a town. It is made of sand veneered over with a coating of six inches of laterite. This metalling has to be brought by rail from Tanjore, and costs Rupees 2-8-3 per cubic yard. We estimate that on an average to keep up the roads, as they should be kept up, would cost a thousand rupees a mile per annum, and we have about twelve miles of road in the Negapatam Municipality. A laterite road of this kind requires constant attention, as if once allowed to deteriorate its destruction follows rapidly; and hence the necessity of keeping up a permanent road establishment. Of the six miles of Road No. 36 about two miles and a-half do not pass any houses, but are in fact district road connecting separate towns (Nagore, Velipoliam, Negapatam) and not passing through income-yielding places.

9. The road is an important railway-feeder, and carries more traffic than any single road of its length in the district. It is a much better and more expensive road than would be required for purely municipal purposes, particularly as the trade from Nagore is of small amount in the wet weather. At other times a sand road, such as those all over the district, would suffice; and will have to suffice, I think, if the Government withdraw the Local Fund contribution. The metal road, particularly after the abolition of the Professional tax, will be beyond the means of the Municipality.

10. The large amount of betel-nut imported yearly at Nagore passes to the railway for distribution to the district and elsewhere, and the salt from Vedaraniem is carried to the north and west of the district along this road, but neither pays any toll; the one entering by sea and the other by the canal.

11. This question was before the Government (though not perhaps as prominently as now) in 1867, and their Proceedings, Nos. 295 and 414, dated the 11th and 27th of May of that year, fully recognise that this road is a railway-feeder and as such not properly maintainable from Municipal Funds. The Commission remains of the same opinion; and is confident that, if the facts are placed before Government, it will not appear that there is no just cause for complaint as to the insufficiency of the Local Fund Grant. If, however, allowed to collect tolls from carts leaving the railway yard and from salt boats at a rate calculated on their capacity compared with that of carts

*Proceedings of the Madras Government, Financial Department,
26th June 1874.*

and to have a share of the Port Fund, the Municipality will be content to give up claims to aid from the Local Fund Board.

From the Hon. D. ARBUTHNOTT, President of the Municipal Commissions, Tanjore District, to J. GROSE, Esq., Secretary to the Board of Revenue, dated Vallam, 11th March 1874, No. 55.

I have the honour to forward, for the orders of Government, copy of a letter from the Vice-President of the Negapatam Municipality regarding the contribution payable to the Commissioners by the Local Fund of the Negapatam Circle for the maintenance of that portion of Road No. 36 which lies within the limits of the Municipality.

2. In order to enable the Board fully to understand this subject a reference to the correspondence which has already taken place is necessary.

3. Under the old classification of roads into Imperial and Local, this road was placed in the former class and maintained out of Imperial Funds. Soon after the introduction of the Municipal Act into the town of Negapatam, the Commissioners agreed to take charge of the portion of the road lying within municipal limits provided the maintenance allowance hitherto allotted to it were paid to them; and Government acceded to this request, and directed that, as the road was a railway-feeder, the allowance shall be paid out of the District Road-cess.

4. The amount of this allowance was after some correspondence fixed at Rupees 4,990, and the Commissioners continued to receive it till the year 1871. In the beginning of that year, Local Fund Boards were organized and the District Road-cess was incorporated with the Land-cess and placed at their disposal. In that year, however, being the first in the Local Fund administration, the previously-existing arrangements with regard to the maintenance of roads were allowed to continue; but when the Budget of the Negapatam Circle for the year 1872-73 was under preparation, the question as to the propriety of granting the allowance was discussed, and it was settled that the Commissioners ought to receive henceforth only Rupees 1,200.

5. The Commissioners considered, however, the reduced allowance was totally inadequate and represented that it ought to be increased. The matter came again under the consideration of the Local Fund Board, and it was decided that the contribution ought to be raised to Rupees 3,000. Provision has accordingly been made for this sum in the Budget submitted for the year 1874-75. One of the members present at the meeting, Mr. O'Shaughnessy, the Range Officer, however, dissented from this decision, and was of opinion that the Commissioners were entitled to no contribution at all on account of Road No. 36.

6. Previous to this, the inadequacy of the Local Fund contribution was noticed in the report of the Negapatam Municipality for the year 1872-73, and Government in reviewing this report remarked as follows:—

“Regarding the decrease in the Local Fund contribution for roads from Rupees 4,990 formerly paid by Government to Rupees 1,200, the Vice-President reports that the Commissioners consider the amount altogether insufficient. The Government observe, however, that the whole expenditure on Communications including a proportionate share of the cost of Public Works Establishment amounted to Rupees 8,680, or about Rupees 1,200 less than the income from Tolls, and, under these circumstances, they are of opinion that not only the Commissioners have no just cause for complaint, but that the Local Fund contribution for roads should cease altogether; Negapatam being in fact a depôt for sea-borne trade, and the tolls on the traffic falling on a wide area beyond the town.”

7. As the resolution of the Local Fund Board fixing the contribution at Rupees 3,000 was passed before the above Order of Government was received, I communicated it to them in view to their modifying their resolution if they thought proper in accordance with the views of Government. The Local Fund Board simply passed a resolution, in reply, stating that “they understand that this question is at present under reference from the Negapatam Municipality to Government.” The reference alluded to is contained in the letter of the Vice-President (copy of which I now

*Proceedings of the Madras Government, Financial Department,
26th June 1874.*

forward), and it is clear that the Local Fund Board agree with the Commissioners and adhere to their former resolution. It should, however, be observed that all the members present except one when the resolution was passed were also Municipal Commissioners, and that *that* gentleman dissented from the decision.

8. In his present letter Mr. Stokes, on behalf of the Commissioners, requests a reconsideration of the opinion expressed by Government in the order above referred to for the following reasons:—

1st.—In estimating the expenditure on roads account should be taken of the road cooly establishment, the Overseer's salary, the lighting and watering. Moreover the expenditure on roads in the year 1872-73 was small, not because a small amount only was needed, but because the repair of roads was considered by the then Vice-President as of secondary importance.

2ndly.—There is nothing in the Act to show that it is the intention of the Legislature that the whole of the income from tolls should be expended on roads alone; on the other hand, from Section 38 it would appear that it may be expended on any of the purposes of the Act. Government themselves have been paying the contribution for five years since the establishment of the Municipality, although the entire income from tolls was not expended on communications alone.

3rdly.—It is true that Negapatam is a depôt for sea-borne trade, but it is not true that on this account it is in a better position in regard to tolls than other inland towns of the same size and population. In fact, a seaport is at a disadvantage in this respect, and at Negapatam the principal traffic is carried on by Railway and the salt brought down by the Canal pays no toll to the Municipality.

4thly.—The maintenance of Road No. 36 is very expensive and requires an allowance of nearly Rupees 1,000 a-mile.

9. These arguments do not seem to establish the right of the Commissioners to the contribution from Local Funds which they have applied for. Mr. Stokes has, doubtless, conclusively shown that the income from tolls derived by the Negapatam Municipality is much less than the income derived from the same source by other towns of about the same size and population, and that the maintenance of the road is very expensive; but this does not amount to proving that any deficit in their income should be made good by a contribution from Local Funds. There is nothing in the Act, it is true, which lays down imperatively that the income from tolls should be expended on roads alone, but it is evidently only reasonable that each particular class of taxpayers should have their particular requirements attended to out of the tax they pay before it is applied for other purposes. Mr. Stokes observes that Government have been paying the maintenance for five years after the Municipality was formed. But the reason for this is to be found in the distinction made by the old and new Municipal Act regarding the liability of the Commissioners to maintain roads situated within the limits of their town. Under Section 11 of the old Act all thoroughfares, except such as were private property or were repaired and kept under the control of Government, were to be considered the property of the Commissioners and to be maintained from Municipal Funds. Road No. 36 was at the time under the control of the Government, and when the Commissioners undertook to have charge of it, they stipulated with Government that the maintenance allowance allotted to it should be paid to them, and this was allowed in G.O., dated 11th May 1867, No. 1438, Public Works Department. Under Section 13 of the new Act, however, all public streets, which term includes all the roads and thoroughfares, are to be considered the property of the Commissioners, and if it is desired to exempt any road from the operation of the Act, it should be done by a Government Notification. It, therefore, clearly follows that the maintenance of the roads situated within the Municipality to the extent of their means is now a duty cast upon them by law, and no contribution is, therefore, claimable by them on this account, save under the very exceptional circumstances contemplated in Section 27 of the Local Funds Act.

10. The only ground on which the assistance of the Local Fund Board can at all be claimed by the Municipality for Road No. 36 is that the traffic of the circle passes over the road in question, but it is clear that it is this traffic that pays the toll, and it cannot be said that the amount of this tax is less than the sum required for keeping the road in good order.

*Proceedings of the Madras Government, Financial Department,
26th June 1874.*

11. It must also be observed that no contribution is paid by the Commissioners to the Local Fund Board towards maintaining the roads outside the limits of the Municipality, and no toll is levied by the Local Fund Board on traffic leaving the town.

12. Mr. Stokes states that, if allowed to collect tolls from carts leaving the railway yards and from salt boats at a rate calculated on their capacity compared with that of carts and to have a share of the Port Fund, the Municipality will be content to give up claims to aid from the Local Fund Board. This proposal is clearly untenable. To levy a toll on carts leaving the railway yards which are situated within the limits of the Municipality will be altogether contrary to the provisions of the Municipal Act, and before the Commissioners put in a claim for levying a toll on salt boats or to have a share in the Port Fund, they will have to undertake the maintenance of the salt canal and the improvement of the Negapatam harbour, and if they do so, they will find that their financial position will not be bettered by the arrangement.

13. Though I cannot admit that the Commissioners have any claim to aid from Local Funds on account of Road No. 36, still as the road extends to nearly six miles within the Municipality and passes through a portion of the town which does not pay much in the way of taxes to the Commissioners, and as the Local Fund Board have already agreed to pay Rupees 3,000 per annum, and looking to the present reduced income of the Municipality I would not have objected, but I have just now learned that the Commissioners, in order to make good the deficit caused in their income by the abolition of the Professional tax as ordered by Government with the view of lightening the pressure of local taxation, propose to levy the tolls for the coming year at double the present rates, or, in other words, at the maximum rates allowed by law. This must have the effect of raising the amount of tax paid by the traffic of the circle when entering the town to double the present amount. Under these circumstances, I cannot recommend that the claim of the Commissioners should be allowed.

14. As this matter concerns both the Local Fund Board and the Municipality, I have made this reference through the Board of Revenue, instead of direct to Government, as I originally intended.

From C. W. W. MARTIN, Esq., Vice-President of the Municipal Commission, Negapatam, to the Hon. D. ARBUTHNOTT, President of the Municipal Commissions, Tanjore District, dated Negapatam, August 1873, No. 144.

I have the honour to request that you will lay before Government the accompanying resolution of the Negapatam Municipal Commissioners concerning the market which they wish to build.

2. The original proposition was to spend Rupees 12,000 on a market, but, when the requirements of a Municipality containing 50,000 inhabitants were fully considered, a plan such as that enclosed was found to be necessary, and the cost is estimated at Rupees 18,800, or Rupees 24,330 according as the building is brick-in-mud or brick-in-chunam.

3. The present resolution adopts the more expensive because the more lasting material, and asks for a Government loan of Rupees 20,000 to be paid with interest in five years, to supplement the Rupees 6,000 which they had set apart this year, and of which Rupees 1,600 odd have been expended in purchasing and levelling the houses on the selected site.

4. The Commissioners have requested me to state that they considered carefully the suggestion of Government that the market-project should be postponed to that of the water supply, but that, as it appeared plain to them that both projects must be executed out of loans, they have determined that it is more advisable to proceed first with the remunerative project of the market, with the expectation of obtaining such a profit as will make the interest on the larger loan necessary for the water supply fall more lightly upon them. They also think that their experience justifies them in calculating that the preliminaries to the adoption of a water-supply scheme, and to the commencement of operations after its adoption, are sufficiently numerous to make it certain that a demand for funds on account of the water supply will not be made on them for nearly three years. They think it undoubted that the market will, meanwhile, have become a profitable concern. And that, by economy and foresight, they will be able, in the fourth and fifth years, to

provide for the payment of instalments on the new loan for the water supply, as well as for the two last instalments for the market.

5. It may have escaped the notice of Government that particular attention is being constantly given to the improvement of the water in Negapatam. The Municipality own a steam-pump which is at work the greater part of the year emptying tanks, and Municipal Funds are liberally employed in cleansing the empty tanks; this must have greatly improved the quality of the water, and the wants of the people having been thus to some extent attended to in that respect the Commissioners wish now to improve the food supply by getting it to flow through a properly-regulated market.

6. Mr. Commissioner Smith has made the following calculations regarding the actual charges which will fall on the Municipality in connexion with the market and the receipts which may be expected from the market:—

1st Instalment on loan Rs. 4,000 + interest twelve months on Rs. 20,000 =	Rs. 5,000
2nd „ „ „ 4,000 + „ „ on „ 16,000 =	„ 4,800
3rd „ „ „ 4,000 + „ „ on „ 12,000 =	„ 4,600
4th „ „ „ 4,000 + „ „ on „ 8,000 =	„ 4,400
5th „ „ „ 4,000 + „ „ on „ 4,000 =	„ 4,200
Total charges in connexion with proposed loan ...	24,000

Basing the calculations on rents and fees at a lower rate than those now paid by tradesmen in other parts of the town, the receipts from the market should be:—

Rental of sixty-eight Stalls, measuring 10' x 10' at 2 Rupees each per	Rs.
fees from vegetable stalls (4 measuring 72' x 21' each), at Rupees	1,632
80 per mensem ...	960
Fees derived from Meat Stalls, measuring 181' x 48', at Rupees 50 per	
mensem ...	600
Total ...	3,192

Deduct Estimated Cost of Establishment.

	RS.	RS.
1 Sergeant ...	30	
1 Conicopillay ...	20	
1 Conicopillay... ..	10	
2 Peons ...	14	
4 Sweepers ...	20	
Contingencies ...	6	
	100	
		1,200
Balance ...		1,992

7. This leaves Rupees 16,000 odd to be provided from the Municipal Funds of the next five years. The figures upon which this result is obtained are believed to be well within the mark, and the cost of establishment is probably above what is required.

8. If this calculation can be at all depended on, the Municipality will, at the end of five years, be in possession of a property in this market paying a clear profit of over eight per cent. after paying all charges on account of establishment and upkeep, and the Commissioners submit most respectfully that such a profit will be an important addition to the funds of the Municipality.

EXTRACT from the Proceedings of the Municipal Commissioners, Negapatam, dated 12th August 1873.

“Proposed by Mr. F. Oliver that the extent of accommodation to be provided in the new market be considered and settled.

“The Commissioners decide that it is desirable to build a solid edifice in brick and chunam. An application will be made to Government for a loan of Rupees 20,000 (twenty thousand) to be repaid with interest in five years.”

(Signed) C. W. W. MARTIN,
Vice-President.

ABSTRACT ESTIMATE, TANJORE DISTRICT, NEGAPATAM TALUQ.
Work.—Constructing a Public Market for the Negapatam Town.

Quantity.	Description of Materials.	Rate.	Item.	Amount.
		RS. A. P.		RS. A. P.
105,253	Cubic feet of brick-in-clay ...	0 1 9	Cubic feet.	11,512 0 9
58,786	Square feet of plastering ...	1 8 0	Sq. feet.	881 12 7
28,824	Square feet of roofing ...	16 0 0	Do.	4,608 8 0
341 1/2	Cubic feet of country wood ...	1 4 0	Cubic feet.	427 5 6
68	Doors with iron work, complete ...	12 0 0	Each.	816 0 0
2	Do. do. ...	30 0 0	Do.	60 0 0
2	Do. do. ...	20 0 0	Do.	40 0 0
1,862	Cubic yards of earthwork ...	0 1 0	Cubic yard.	116 7 0
2	Wells ...	100 0 0	Each.	200 0 0
	Scaffolding and Sundries ...			187 14 2
	Total Estimate ...			18,800 0 0

(Signed) C. W. W. MARTIN,
Vice-President.

ABSTRACT ESTIMATE, TANJORE DISTRICT, NEGAPATAM TALUQ.
Work.—Constructing a Public Market for the Negapatam Town.

Quantity.	Description of Materials.	Rate.	Item.	Amount.
		RS. A. P.		RS. A. P.
105,253	Cubic feet of brick-in-chunam ...	0 2 6	Cubic feet.	16,414 8 0
58,786	Square feet of plastering ...	2 0 0	Sq. feet.	1,175 11 6
28,824	Do. of roofing ...	16 0 0	Do.	4,608 8 0
341 1/2	Cubic feet of country wood ...	1 4 0	Cubic feet.	427 5 6
68	Doors with iron work, complete ...	12 0 0	Each.	816 0 0
2	Do. do. ...	30 0 0	Do.	60 0 0
2	Do. do. ...	20 0 0	Do.	40 0 0
1,862	Cubic yards of earthwork ...	0 1 0	Cubic yard.	116 7 0
2	Wells ...	100 0 0	Each.	200 0 0
	Scaffolding and Sundries ...	2 0 0	Cwt.	471 8 0
	Total Estimate ...			24,330 0 0

(Signed) C. W. W. MARTIN,
Vice-President.

*Proceedings of the Madras Government, Financial Department,
26th June 1874.*

No. 229-A. From the Hon. D. ARBUTHNOTT, President of the Municipal Commissions, Tanjore District, to the Hon. D. F. CARMICHAEL, Acting Chief Secretary to Government, Fort St. George, dated Vedarniem, 26th May 1874, No. 75.

As promised in my letter of the 11th March 1874, No. 31, I have the honour to forward, herewith, a formal application from the Municipal Commissioners of Negapatam for the loan of 20,000 Rupees required for the construction of a market in that town.

Nos. 230—236.

No. 237. ORDER THEREON, 26th June 1874, No. 1073.

The Budget Estimates of the Negapatam Municipality for 1874-75 are compared below with those for 1873-74:—

RECEIPTS.			EXPENDITURE.		
	1873-74.	1874-75.		1873-74.	1874-75.
	RS.	RS.		RS.	RS.
Balance...	6,000	2,700	Public Works.		
Surplus Pound Fund	250	270	New Works—		
Rates on Houses	8,800	10,870	Communications	11,760	7,200
Tax on Arts	14,000	700	Miscellaneous		
Tax on Vehicles	1,400	1,400	Repairs—		
Registration of Carts	1,700	1,300	Communications	7,200	10,300
			Miscellaneous	250	250
Fines	900	214	Tools and Plant	100	100
Endowment receipts	4,080	196	Educational—		
Contribution from Local Funds—			Salary Grants	950	
Roads	1,200	3,000	Result Grants	700	650
Hospitals	1,420	1,450	Inspection	350	350
Miscellaneous	410	500	Sanitation—		
			Dispensary	4,900	3,188
			Vaccination	200	200
			Registration of Births, &c.	444	444
			Conservancy	14,660	12,414
			Miscellaneous—		
			Lighting	3,280	3,692
			Markets		
			Watering Streets, &c.	222	300
			Supervision and Management	3,640	2,836
Total	51,660	45,000	Total	51,660	45,000

2. The estimated income of the Negapatam Municipality for 1873-74 was Rupees 51,660, of which Rupees 6,000 was the balance from the previous year, and Rupees 14,000 the receipts from the Professional tax.

3. For 1874-75 they estimate their income at Rupees 45,000. The opening balance is only Rupees 2,700; the Professional tax if wholly discontinued will entail a loss of Rupees 13,300, and a decrease of Rupees 5,170 is anticipated in other items, the entire decrease being thus Rupees 21,770. On the other hand, the Commissioners propose revising the valuation of house property which is said to be very imperfect, and thus to gain Rupees 2,070. They wish to raise the tolls to the maximum and anticipate an increase of Rupees 11,100 to their revenue from this source; they claim an additional grant for roads, &c., from the Local Fund Board of Rupees

*Proceedings of the Madras Government, Financial Department,
26th June 1874.*

1,830, and expect an increase of Rupees 110 from petty sources. The total increase is thus Rupees 15,110, against a decrease of Rupees 21,770, the net result being that in the Budget as submitted the estimated income for 1874-75 is less by Rupees 6,660 than that for 1873-74, and the expenditure has been adjusted accordingly, so as not to exceed Rupees 45,000.

4. In forwarding the Budget, however, the President expresses a strong opinion against the proposed increase in the rate of the tolls, and remarks that if the choice lies between that measure and continuing the Profession-tax he would prefer the latter. In this view the Government are disposed to concur, and the estimated income from tolls must consequently be reduced by one-half. In their Order of to-day's date, No. 1072, the Government have declined to allow any contribution for roads from Local Funds, and the item of Rupees 3,000 on this account must also be struck out reducing the total income to Rupees 31,500.

5. As already remarked the budgeted expenditure is Rupees 6,660 below that for 1873-74, and, after a careful examination of the various items, the Government do not consider that any reduction is feasible beyond the transfer to loan funds of the sum of Rupees 5,200 assigned for the construction of the market. The expenditure side of the Budget will then stand at Rupees 39,800, or Rupees 8,300 in excess of the income as above reduced. To make good this deficiency the Government resolve to authorize the Commissioners to continue to levy the Profession-tax except as regards the sixth, seventh, and eighth classes specified in Schedule B of the Act.

desirable improvement and that it will probably be fairly remunerative, but, as above stated, the Government consider that the full amount required should be obtained by means of a loan, and the application received with the President's letter, dated 26th May 1874, will be returned for revision accordingly. The Government would also observe that, as the income from Surplus Pound Funds is not vested in the Commissioners by law, it should not be offered as part of the security for the loan. The revised application may be at once published in the District Gazette by the Collector, and after the expiry of one month from the date of publication the President will move the Government to make the loan under the provisions of Rule VI. (a) of the Loan Rules published on the 13th October 1873. In the meantime the Government of India will be requested to place the sum of Rupees 25,000 at the disposal of this Government for the purpose.

(True Extract.)

D. F. CARMICHAEL,
Acting Chief Secretary.

To the President of the Municipal Commission, Negapatam, with four enclosures returned.
 .. Board of Revenue.
 .. Revenue Department.
 .. Public Works Department.
 .. Accountant-General.
 .. Surgeon-General, Indian Medical Department.
 .. Sanitary Commissioner for Madras.
 .. Director of Public Instruction.
 .. President of the Local Fund Boards, Tanjore.

Exd. J. Wright.

N^o 2295

Revised Hyderabad

Govt. of 1874

FINANCIAL.

To
THE PRESIDENT OF THE
MUNICIPAL COMMISSION,
Nagapolam,

Secy. &c.,

Dated June, 20th.

Recd. July 7th

Ind.

G.O., 20th June 1874. No. 1073.

JUNE
Nos. 229-238.

Nagapolam Municipality—Others passed the Budget Estimates of the Municipality for 1874-75 and application made to the Government of India for the sum of Rupees 57,000 being placed at the disposal of the District Government to be granted to the Municipality as a loan for the construction of a market.

N^o 104

2295
13 July 74