

THE



Bombay Government Gazette.

Published by Authority.

THURSDAY, 17TH AUGUST 1893.

Separate paging is given to this Part, in order that it may be filed as a separate compilation.

PART V.

PROCEEDINGS OF THE LEGISLATIVE DEPARTMENT, BOMBAY.

The following Second Report of the Select Committee of the Council of His Excellency the Governor of Bombay on the Bill to further amend the Law relating to the municipal government of the City of Bombay, and the Bill as amended by the Select Committee, are, in accordance with Rule 25 of the Rules for the conduct of Business at Meetings of the Council, published for general information :—

Second Report of the Select Committee appointed to consider Bill No. 1 of 1893, a Bill to further amend the law relating to the municipal government of the City of Bombay.

We, the members of the Select Committee appointed to consider Bill No. 1 of 1893 (a Bill to further amend the law relating to the municipal government of the City of Bombay), beg to submit our report.

2. The Bill, as already reported by us, was published in English on the 15th July, 1893, and in Gujarati on the 20th July, 1893.

3. We met on the 12th August, 1893. The Honourable the Advocate General was present in accordance with the Resolution of the Council. The Honourable Mr. Macdonell did not attend.

4. We have re-considered the Bill, and have re-drafted section 4. We recommend that the Bill be adopted by the Council in the form in which it now appears.

H. BIRDWOOD.
BASIL LANG.
T. D. MACKENZIE.
PHEROZESHAH M. MEHTA.
H. BATTY.
R. G. OXENHAM.

Poona, 12th August, 1893.

Dissent of the Honourable Mr. Runchorelal Chotalal.

The suggestion made in the Select Committee's report of the 29th July, 1893, to require the approval of Government in case the Corporation wished to deposit their balances in any other Bank than the Bank of Bombay, was in accordance with the provisions of the Madras Municipal Act, and I felt sure that Government would not advise to select a Bank unless they thought that it was as safe as the Presidency Bank. But as this restriction of Government control is omitted in the present report, I hesitate to join in this report.

An Exchange Bank whose head-quarters are elsewhere and who has got a number of branches in different parts of the world, and who may be carrying on transactions of risky nature, is not as safe as the local Presidency Bank (whose weekly accounts are regularly published for general information) for the deposit of any public trust money, and therefore the framers of the Act 3 of 1888 have wisely restricted the deposit of the Municipal balance to the Presidency Bank.

The Calcutta Act is silent on this point, but it has no express provision permitting the Municipality to deposit money in any Bank they like, with a guarantee that any loss arising therefrom will be made good from the Municipal Fund, as is proposed in this instance; and the consequence is that the Calcutta Municipality continue to deposit their balances in the Presidency Bank although no interest is paid by the Bank.

The money collected or raised by loan by the Municipality is for a specific work of public utility, and is kept in the custody of the Corporation as Trustees, and therefore the straightforward course for them is to follow the example of Government in regard to their cash balances, and deposit the same in the Presidency Bank or invest in Government securities.

It appears that the Municipality has suffered no loss by observing the existing law. On the contrary, by investing the surplus balance in Government paper, the Municipality has gained during the last two years more than what they could have got by depositing the money at interest in any Bank.

But if the Municipality is anxious to earn some interest without running the risk of fall in the price of Government Paper, I beg to suggest that the following words be added at the end of clause 1 of Section 122, viz.:

“Or be advanced on Demand or Fixed Loans on the security of Government Paper or other Public Securities.”

This will enable the Municipality, if they like, to utilize their balances in getting interest without any risk to the capital or without any fear of loss from the fall in the price of the Securities. Perhaps the Bombay Corporation themselves may approve of this plan if the question be referred for their consideration.

As it is said that to keep money in the Bank of Bombay without interest is illegal at present, I beg to suggest that either the words “at interest” be removed, or the words “or without interest” be added in clause 1 of Section 122.

RUNCHORELAL CHOTALAL.

Poona, 14th August, 1893.

Note by the Honourable Mr. W. R. Macdonell.

I was not present at the Meeting of the Select Committee held on 12th August, 1893, but I concur in the recommendation of the Committee.

W. R. MACDONELL.

Bombay, 17th August, 1893.

Bill No. 1 of 1893.

A Bill to further amend the law relating to the municipal government of the City of Bombay.

(As amended by the Select Committee on the 12th August, 1893.)

WHEREAS it is expedient to further amend the City of Bombay Municipal Act, 1888, in manner hereinafter appearing;

It is enacted as follows:—

1. This Act may be cited as “The City of Bombay Municipal Act Amendment Act, 1893.”

2. In sub-clause (i) of clause (a) of section 93 of the City of Bombay Municipal Act, 1888, for the words “in accordance with the terms heretofore prescribed,” the following words shall be, and shall be deemed to have been, from the 31st December, 1892, substituted, *viz.*:—“referred to.”

3. In section 94 of the said Act, for the last five words therein, the following shall be, and shall be deemed to have been, from the 31st December, 1892, substituted, *viz.*:—“nine thousand four hundred and ninety-eight.”

4. For section 122 of the said Act there shall be substituted the following:

“(1). Surplus moneys at the credit of the Municipal Fund which are not required for current charges may, with the sanction of the Standing Committee, from time to time, be deposited with the Bank of Bombay, or be invested in public securities: provided that:

(a) Surplus moneys remaining to the credit of the Municipal Fund, after section 109 (d), (e), (f) and all other provisions of the Act specially requiring moneys to be paid off, set apart or invested, have been complied with, may, if not required for current charges, be from time to time deposited or invested, withdrawn, disposed of, re-deposited and re-invested in such other manner and subject to such conditions as

may be sanctioned by the Standing Committee present at an ordinary meeting or at a meeting specially called for the purpose, at either of which no less than ten members are present, and that:

(b) Notwithstanding anything contained in section 49 (g), the power vested by this section in the Standing Committee shall not be delegated to any sub-committee.

“(2). Such deposits and investments as may be sanctioned by the Standing Committee in accordance with sub-section (1) and the proviso thereto, shall be made by the Commissioner on behalf of the Corporation, and with the like sanction the Commissioner may at any time withdraw any deposit or vary any investment so made, or dispose of any securities and re-deposit or re-invest the money so withdrawn or the proceeds of the disposal of such securities; but no order for making any deposit, investment, withdrawal or disposal under this section shall have any validity unless the same be in writing, signed by the Commissioner and one member of the Standing Committee and the Municipal Secretary.

“(3). The loss, if any, arising from any such deposit or investment shall be debited to the Municipal Fund.”

“(1). Surplus moneys at the credit of the Municipal Fund which cannot immediately or at an early date be applied to the purposes of this Act or of any loan raised thereunder may be, from time to time, deposited at interest in the Bank of Bombay or be invested in public securities.

“(2). All such moneys which it is necessary to keep readily available for such application, and all moneys which cannot, in the opinion of the Municipal Commissioner, concurred in by the Standing Committee, be favourably invested as aforesaid, may be deposited at interest at any Bank or Banks in the City of Bombay which the Standing Committee may, subject to the control of the Corporation, from time to time, select for the purpose.

"(3). All such deposits and investments shall be made by the Commissioner on behalf of the Corporation, with the sanction of the Standing Committee, and, with the like sanction, the Commissioner may, at any time, withdraw any deposit so made or dispose of any securities and re-deposit or re-invest the money so withdrawn or the proceeds of the disposal of such securities; but

no order for making any deposit or investment, withdrawal or disposal under this section shall have any validity unless the same be in writing, signed by the Commissioner and one Member of the Standing Committee and the Municipal Secretary.

"(4). The loss, if any, arising from any such deposit or investment shall be debited to the Municipal Fund."

By order of His Excellency the Right Honourable the Governor in Council,

C. H. A. HILL,

Secretary to the Council of the Governor of Bombay
for making Laws and Regulations.

Poona, 17th August 1893.