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PART V.

PROCEEDINGS OF THE LEGISLATIVE DEPARTMENT, BOMBAY.

The following Extract from the Proceedings of the Governor of Bombay, in the Legislative Department, is published for general information:—

Abstract of the Proceedings of the Council of the Governor of Bombay, assembled for the purpose of making Laws and Regulations, under the provisions of "THE INDIAN COUNCILS ACT, 1861."

The Council met at Poona on Friday, the 27th October 1876, at noon.

P R E S E N T.

His Excellency the Honourable SIR PHILIP EDMOND WODEHOUSE, K.C.B., Governor of Bombay, *Presiding*.

His Excellency the Honourable SIR CHARLES STAVELEY, K.C.B.

The Honourable A. ROGERS.

The Honourable J. GIBBS.

The Honourable MAJOR-GENERAL M. K. KENNEDY.

The Honourable RAO BAHADUR BECHERDASS AMBAIDASS, C.S.I.

The Honourable SORAJEE SHAPOORJEE BENGALLEE.

The Honourable Colonel W. C. ANDERSON.

Paper presented to the Council. The following paper was presented to the Council:—

Letter from the Secretary to the Government of India, dated 17th October 1876, returning, with the assent of His Excellency the Viceroy and Governor General signified thereon, the authentic copy of the Bill to amend the law relating to the land revenue administration of the city of Bombay.

The Honourable Mr. ROGERS said—I have the honour to propose the first reading of Bill No. 3 of 1876, the object of which is to secure payment to Government of certain sums of money by the Municipal Corporation of the City of Bombay. These sums consist of two items, one of 36 lakhs and one of 6 lakhs, on the whole 42 lakhs

Mr. Rogers moves the first Reading of Bill No. 3 of 1876; —the Bombay Municipal Loan Bill.

of rupees, which the Municipality of Bombay have taken up as a loan from the Government of India,—the first, or larger sum, for the carrying out of the scheme for a new water supply from the Tulse Lake, and the smaller sum of 6 lakhs for the purpose of improving the surface

drainage of the town of Bombay. The Council are aware that by Act II. of 1872 the repayment to Government of the 15 lakhs of rupees lent for the Vihar water-supply and of the 4 lakhs of rupees lent for the improvement of the water-supply by the construction of a reservoir at Tulsi is secured. The instalments laid down in that Act have been regularly paid up, and a certain sum of money, the amount of which it is not necessary to state at present, is outstanding on that account. The Government of India, at the request of the Municipality, have now consented to combine the balances of these loans with the new loans that they have recently consented to give the Municipality, and they have instructed the Local Government to secure the repayment of the whole of the sum thus accumulated by 60 half-yearly instalments and at the rate of $4\frac{1}{2}$ per cent. interest. This Bill is merely meant to secure that object. Act II. of 1872 is repealed, and provision is made for the repayment of the whole accumulated sum. I beg now to propose the first reading of this Bill.

His Excellency the PRESIDENT said that the Bill appeared to have the complete consent of all parties interested.

The Honourable SORABJEE SHAPOORJEE BENGALLEE :—A meeting of the Corporation was held on 25th February 1876, and it was resolved :—"That the terms offered by the Government of India for loans of 36 lakhs and 6 lakhs of Rupees respectively, be accepted with the cordial thanks of the Corporation."

The Honourable Mr. ROGERS :—There will be no occasion to ask for a Select Committee to go through the details of this Bill, I think, and I propose now, if it is consented to read the Bill a first time, that we should form a Committee of the whole Council and consider it in detail.

His Excellency the PRESIDENT :—There are reasons, are there not, why it should go through all its stages as rapidly as possible so as to receive the assent of the Governor General in Council before the 2nd of November? I am afraid that will not be found practicable, but as far as we are concerned, we may proceed with the Bill through all its stages to-day, as there seems to be no sort of opposition and no objection to it.

The Bill read a first time.

The Bill was then read a first time.

Standing orders suspended and the Bill read a second time and considered in detail.

His Excellency the PRESIDENT :—I propose now that the standing orders be suspended, and that the Bill be read a second time and considered in detail in Committee.

The Bill was accordingly read a second time and the Council proceeded to consider the Bill in detail.

His Excellency the PRESIDENT said it was improbable that the Viceroy's assent could be obtained by the 2nd November and that therefore Section 1 required alteration. After some discussion it was resolved that for the words "the 2nd November 1876" in the 6th and 7th lines of the section, should be substituted "such date as may be notified by the Governor in Council in the *Bombay Government Gazette*"; and the section was passed as amended.

Section 2 was passed as it stood.

His Excellency the PRESIDENT, with reference to Clause (c) of Section 3, said :—That makes it imperative on the Corporation to accept the calculations of the Accountant General, about which they have been differing.

The Honourable Mr. SORABJEE SHAPOORJEE BENGALLEE :—There is no difference now.

His Excellency the PRESIDENT :—Act II. of 1872 requires the Corporation to pay so many thousand rupees every month, and the question arose between Mr. Padder, the Municipal Commissioner, and the Accountant General, whether out of that monthly payment interest should be taken and the balance only carried to the diminution of principal, or whether the whole of the monthly payment should be applied to diminish the principal, leaving the interest to be paid at the end of the year.

The Honourable Mr. SORABJEE SHAPOORJEE BENGALLEE said he was informed at the Municipal Office that that had been settled, and suggested that the clause might run "the Accountant General and the Municipal Commissioner."

His Excellency the PRESIDENT said that would not do.

The Honourable Mr. GIBBS:—Mr. Pedder told me that he and the Accountant General had settled the difference between them on this point. The only question is whether the date "2nd November 1876" in Clause (c) is to stand. I think it may. This Act does not grant the loan. It merely applies to the repayment.

The Honourable Mr. ROGERS said the calculations must be made as if the Act did come into force on the 2nd November.

The word "still" in lines 30 and 37 was struck out and the section passed.

The Honourable Mr. ROGERS, in reference to the blanks left in lines 13, 14, and 15 of Section 4, proposed to insert "January" and "July".

This was done and the section passed.

The Honourable Mr. ROGERS, with reference to Section 5, said he had received a letter from the Municipal Commissioner, which, perhaps, he had better read to the Council, as it explained matters. The Municipal Commissioner said, and he (Mr. ROGERS) thought correctly, that the amount of the instalments as stated in the draft copy of the Bill was not quite accurate and he wished to have another item substituted for it. Mr. Pedder's letter was as follows:—

"I observe that in Section 5 of Bill 3 of 1876, it is proposed to enact that 'in order to ensure the repayment of the consolidated loan with interest' (within 30 years) 'the Municipal Commissioner shall pay half-yearly the sum of Rs. 1,80,158-7.'

"I would beg respectfully to point out that this figure has been transferred from the Resolution of the Government of India No. 3028, of 20th December 1875, para. 2, and that it is the sum which would pay off in 60 half-yearly instalments the new loan with the balances of the 15 lakh and 4 lakh loans as they stood on 1st January 1876, or, as estimated by the Government of India, Rs. 59,00,000. The date taken in the Act is, however, 2nd November 1876, and the Municipality has been paying instalments of sinking fund on the 15 lakh and 4 lakh loans for the intervening 11 months.

"The real balances due it will be found (by the mode of calculation adopted in the Accountant General's memo. of 19th January 1872, according to which the Government agreed to advance, and the Municipality to receive, the 15 lakh and the Tusi 4 lakh loans, *vide* Government Resolution 3215, of 13th October 1876) are as follows:—On the 2nd November 1876—

				Rs.	a.	p.
15 lakh loan...	...	...	...	12,65,162	0	2
4 ,, ,, ...	...	...	...	3,73,649	8	11
				16,39,811	9	1
Add—amount of new loan	...	...	...	42,00,000	0	0
				<hr/>		
			Total...	58,39,811	9	1

or say Rs. 58,40,000.

"By the mode of calculation adopted by the Government of India (Controller General's Circular No. 145, of 10th May 1873, forwarded to this Office with the Bombay Government Resolution 3300, Financial Department, of 12th September 1873) the half-yearly instalment necessary to pay off with interest at $4\frac{1}{2}$ per cent. in 30 years a sum of Rs. 58,40,000 amounts to Rs. 1,78,326-2-6, which sum, I request, may be substituted for the sum of Rs. 1,80,158-7-0 now entered in the Act.

"I have already (my No. 6820 of 20th instant) had the honour of addressing you with reference to the dates of interest and instalment."

The figures it is now proposed to substitute for the amount stated in the draft Bill has not been calculated by the Accountant General, but a calculation has been made by proportion, and the amount is approximately correct, within a few annas. Mr. Pedder's calculation is worked out according to the Accountant General's formula.

The Honourable Major-General KENNEDY:—I think we may accept Mr. Pedder's calculation.

The Honourable Major-General KENNEDY:—Who made this calculation of Rs. 1,80,000?

The Honourable Mr. GIBBS:—The Government of India. They calculated it from the beginning of the year, and the Municipality have since made payments, which, of course, reduce it.

The 21st and 22nd lines of Section 5 were struck out, and the words "One lakh, seventy-eight thousand, three hundred and twenty-six rupees, two annas, and six pies" were substituted. The section was further amended by the insertion in the blanks of the word "January" after "of" in the 19th line, and of "July" after "of" in the 20th line.

Section 5 was then passed as amended.

Section 6 was passed without alteration.

Section 7, as drafted, having been read,

His Excellency the PRESIDENT said—Is the "Chief Accountant of the Municipality" the proper person to make such a report? That would be asking one subordinate officer of the Municipality to report against another. The officer who should receive the money on behalf of Government ought to be the person to report default of payment to the Chief Secretary.

The Honourable Major-General KENNEDY:—The Municipal Commissioner may have drawn a cheque and still may not have paid it in to the Treasurer.

The Honourable Mr. ROGERS:—Then the Accountant General would be the proper person to report.

His Excellency the PRESIDENT:—He would have knowledge, of course, of any payment into the Bank of Bombay.

The 5th and 6th lines and the words "that capacity" in the 7th line of Section 7 were struck out, and the words "Accountant General" substituted: and Section 7 was passed as amended.

With reference to Section 9, His Excellency the President said that Government paid a large sum for public buildings.

The Honourable Major-General KENNEDY:—And for water-rates, too.

The Honourable Mr. ROGERS asked if it was necessary to state in what manner the attachment should be effected.

The Honourable Mr. GIBBS said the power was given to the Governor and he might take any means he liked and by such officer as he might direct. It was quite sufficient to give the Governor in Council power to attach.

His Excellency the PRESIDENT:—I suppose the Municipal fund will always be in the Bank, and to be found there.

The Honourable Mr. GIBBS:—Yes, the Corporation are bound by the Act to keep everything in the Bank.

The Honourable Major-General KENNEDY—And they are bound by the Act to keep a certain balance there, too.

His Excellency the PRESIDENT said he did not understand the meaning of the first part of the third portion of the section.

The Honourable Mr. GIBBS:—That only refers to debts already fixed by law. For instance, there is a debenture loan on the House Tax, and that cannot be touched unless the claim upon it be first discharged. But we have a prior claim as against all other creditors.

Section 9 was then passed without alteration.

Sections 10, 11, and 12, and the preamble were also passed without alteration.

His Excellency the President then moved that the Bill should be read a third time and passed.

The Bill read a third time and passed.

The Bill was accordingly read a third time and passed.

The Council then adjourned.

By order of His Excellency the Governor in Council,

G. C. WHITWORTH,

Acting Under Secretary to Government.

Poona, 27th October 1876.