M.R.O. 1—77,006—8-6-37.

(1) Number of pages_____

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MADRAS RECORD OFFICE.

Government of Madras.

Financial **DEPARTMENT.**

G.O. No. 90		Press / Mis.
62-63		
Dated 19-2-	1868.	

62-63 5/6

Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department,
19*th February* 1868.

No. 62. Read the following Proceedings of Government in the Public Works Department, dated 12th February 1868, No. 487.

Directing that Mr. Sim, Member of the Board of Revenue, and the Chief Engineer for Irrigation, be associated with Colonel Strachey for the purpose of discussing certain questions regarding the project for extending the Irrigation works.

(Vide Proceedings, Public Works Department, dated 12th February 1868, Nos. 273 & 274).

No. 63. ORDER THEREON, 19th February 1868, No. 90.

To be recorded.

(Signed) R. S. ELLIS,
Chief Secretary.

Exd. J. Tulloch.

Proceedings of the Madras Government, Public Works Department,
12th February 1868.

No. 273. Read the following Proceedings of the Government of India, in the Public Works Department, (Irrigation,) dated Fort William, 1st February 1868, No. 10 I :—

Deputation of the Inspector General of Irrigation Works to Madras to discuss certain matters relating to Irrigation.

Read again the following papers :—

Letter from the Government of Madras, No. 1,843, dated 20th June 1867.
Do. do. ,, 2,359, ,, 5th Aug. ,,
Do. to do. ,, 147 I, ,, 18th Sept. ,,
Read also letter from the Government of Madras, No. 3,475, dated 11th Nov. 1867.

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1. Resolution.—The Madras Government, in June last, forwarded for sanction by the Government of India a project for the extension of the Irrigation Works supplied from the Pennair Anicut in the Nellore District. For reasons explained to the Madras Government, the Governor General in Council found himself unable to give sanction to the project until further explanations were afforded. The Government of Madras has subsequently expressed a hope that an additional report, more recently sent up, will satisfy the Government of India that the project is sound, and that the works will now be sanctioned.

2. His Excellency the Governor General in Council has observed with much satisfaction that the Government of Madras has at once cordially responded to the request that projects of the class under consideration shall henceforth be sent up for the consideration of the Government of India in a more complete form, and His Excellency in Council trusts that no delay will in future arise in dealing with proposals for the execution of new projects for irrigation works in the Madras Presidency.

3. In the present case it seems to His Excellency in Council that the best way of disposing of the questions on which further information has been desired by the Government of India will be, to depute the Inspector General of Irrigation Works to Madras to go into the project personally with the Engineers of the Madras Government, under the provisions of the Circular Resolution (No. 60, dated 2nd July 1867,) describing the powers and duties assigned to the Inspector General of Irrigation. This course would have been adopted sooner, but Colonel Strachey has been detained by other duties which he could not conveniently quit.

4. The Governor General in Council remarks that it will certainly conduce to the speedy termination of any discussions that may arise between the Government of India and Local Governments, on professional or technical subjects in relation to irrigation works, to bring them to a point by personal communication between the local professional Officers and the Inspector General of Irrigation Works. It is believed that, most frequently, all differences of opinion will thus be speedily reconciled in a manner which will be acceptable both to the Local Government and the Government of India, and the Governor General in Council would, so far as is possible, adopt such a method of settling differences for the future.

5. The visit of Colonel Strachey to Madras at the present time may, in the estimation of the Government of India, also be taken advantage of for considering, in communication with the Officers of the Madras Government, some other matters which are of much present importance in relation to the progress of irrigation in India.

6. The first of these refers to the system to be followed in framing the Revenue Accounts of Irrigation Works, so that they may exhibit results which shall be comparable for all parts of India.

7. It will be remembered that the main object of Colonel Strachey's visit to Madras and Bombay last year was to obtain data on which to make proposals for effecting the above purpose. Colonel Strachey has expressed an opinion, in which the Governor General in Council fully concurs, that it will be a more satisfactory way of proceeding, in attempting to accomplish the end in view, that he should discuss the subject personally at Madras with a few selected Revenue and Engineer Officers, who have a full knowledge of the requirements of the Madras works, and endeavour to arrange a plan which might be submitted with a joint recommendation from them all, for the approval of the Madras Government. By conducting such a discussion at Madras it would probably be possible to settle in a few days, to the satisfaction of all parties, what otherwise would require a very tedious and difficult correspondence.

8. The Governor General in Council recognizes the fact that the extent of irrigation at Madras is much greater than in other Provinces of India, and, therefore, that the requirements of its system of revenue and irrigation administration must be considered as of primary importance in any conclusions adopted. It is believed that no serious difficulty will arise in arranging a plan which shall fairly meet all the essential wants of all parts of the country, and the Government of India trusts that the present proposal will be acceptable to His Excellency the Governor of Madras in Council, and will lead to an early settlement of this important question.

9. The next subject relates to the exhibition, in the Annual Accounts of the empire, of the revenue derived from irrigation works under a new separate head, distinct from Land Revenue and Public Works, under one or other of which the income is now shown, the system in different Provinces varying without much reason.

10. In adopting this change, the plan that has been accepted for the last few years in respect to the Forest Revenues might be followed, and it is thought that it would, for several reasons, be productive of sensible advantages; accompanied as it naturally would be with a corresponding separate exhibition of the charges for irrigation works, which constitute the set off against the revenues.

11. With a growing expenditure on irrigation works, it will become yearly more important to show in a distinct and tangible form, on the face of the Annual Accounts, the results of this expenditure on the revenue and charge of the year. The re-action of such a distinct perception of the true importance of this class of works, on their administrative control, would also probably prove of much value.

The large income which would be shown to be due to irrigation, (and this particularly applies to Madras,) would indicate in an unmistakable manner the necessity for making all needful grants for the maintenance of the works which secure that income.

12. The frequent complaints which have arisen in past years, as to the insufficient grants for such purposes, would almost certainly soon cease in the face of the facts which such an account would exhibit in an uncontrovertible form. At the same time the immediate juxtaposition of the charges and revenue would afford a ready and most useful check on the economical management of the Irrigation Department, and would constantly keep in view the necessity for strict rugality, and indicate where the administration was best conducted so far as financial considerations were concerned.

13. It is not to be disguised that some difficulty may be found in settling how such a plan shall be carried out. But the questions will probably be chiefly on matters of detail, and there seems no reason for doubting that such a close approximation to the true facts may be attained in the separation of the irrigation revenue and charges from those due to other sources, as shall secure the real ends in view.

14. In close connexion with these questions arises a third, viz., how it may best be possible to assist the improvement or restoration of the numerous minor irrigation works in the Madras Provinces, with due regard to financial considerations.

15. The Governor General in Council has deemed it necessary, on financial grounds, to limit closely the application of funds obtained by loan to certain classes of works. Under the rules laid down on this subject, the prosecution of such minor works as have now been referred to from money obtained by loan could only be authorized under special arrangements. It would be satisfactory to the Government of India to find that some plan of operations could be devised which should place at the command of the Madras Government for the improvement of these minor works whatever funds were really essential for the purpose, and the visit of the Inspector General of Irrigation Works to Madras might be taken advantage of to consider this point also. Colonel Strachey is fully conversant with the views which the Government of India has adopted in relation to the financial control to be exercised in the application of borrowed money to irrigation works, and it is highly probable that any plan in which he concurred, and which met the approval of the Government of Madras, would at once be accepted by the Governor General in Council.

16. If during Colonel Strachey's visit to Madras the Government of Madras should desire to ask Colonel Strachey to communicate with their officers on any other subject relating to irrigation he will be instructed to comply with any requisition so to do.

17. It is the wish of the Government of India that any discussions which may take place between the Officers of the Government of Madras and the Inspector General of Irrigation shall be entirely regulated as desired by His Excellency the Governor of Madras in Council; and though the Governor General in Council hopes that the Madras Government will acquiesce in the consideration of

the subjects referred to in this Resolution in the manner suggested, yet, should any decided objection arise, it is left to the full discretion of the Government of Madras to act as it thinks best in respect to all of them.

ORDER.—Ordered that a copy of this Resolution be forwarded to the Government of Madras.

(Signed) C. H. DICKENS, Colonel, R. A.,
Secretary to the Government of India.

No. 274. ORDER THEREON, 12th February 1868, No. 487.

IRRIGATION, No. 13.

1. In their Proceedings above recorded, the Government of India advise this Government of the deputation to Madras of the Inspector General of Irrigation Works, for the purpose of disposing of the questions on which further information is desired regarding the project for the extension of irrigation from the Pennair Anicut, and of considering, in communication with the Officers of this Presidency, the propriety of introducing an improved system of framing the Revenue Accounts of Irrigation Works, with a view to the exhibition of that revenue in the Annual Accounts of the empire under a separate and distinct head, and of determining the mode in which it may best be possible, with due regard to financial considerations, to assist the improvement or restoration of the numerous minor agricultural works in the several districts.

2. The Government of India, recognizing the extensive scale on which irrigation is carried on in this Presidency, point to the great importance of the requirements of its system of revenue and irrigation administration being thoroughly considered in order to the arrangement of a plan which shall meet all essential wants, and be applicable to other parts of India. To give effect to the proposal for the separation of the Irrigation revenue and charges from those due to other sources in the Annual Accounts the Government of India suggest the adoption of the plan now followed in respect to the Forest Revenues, which, while conclusively demonstrating the wants of the works that secure the income exhibited in those accounts, would at the same time afford a ready and useful check on the economical management of the Irrigation Department. Finally, taking into consideration the restrictions which are imposed by existing rules on the appropriation of money obtained by loan, it is suggested that some plan should be devised, whereby this Government would have at their command whatever funds may be essential for the improvement of Minor Agricultural Works.

3. The fuller information which is required by the Government of India in connection with the Survapilly Channel project will be furnished to Colonel Strachey by the professional Officers of Government.

4. Concurring in the views expressed in paragraph 7, that the other matters specifically noticed above can best be arranged by personal communication between the Officers of this Government and the Inspector General of Irrigation Works, His Excellency in Council resolves to direct that a Member of the Board of

Revenue and the Chief Engineer for Irrigation be associated with Colonel Strachey for the purpose of discussing the points adverted to in paragraphs 6 to 15 of the orders of the Government of India. As a Member of the Board of Revenue, Mr. J. D. Sim will be requested to undertake the duty in question. On receiving the views and recommendations of these Officers, the Government will be prepared to give the subject their further consideration.

(True Extract.)

Colonel, R. E.,
Secretary to Government.

To J. D. Sim, Esq.
To the Chief Engineer for Irrigation.
,, Inspector General of Irrigation Works.
,, Revenue Department.
,, Financial do.
,, Board of Revenue.
,, Controller of Public Works Accounts.
,, Superintending Engineers.
To Captain Kennedy.

Exd. S. T. Augustin.

Prov. of Alta

Trait. 1868 Dept. of.

Prov. Govt. P. W. Dept.
No 487.

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15 C. No 82.

Directing that Mr. Lieut. Governor, Members of the Bd. of Revenue, and the Chief Engineer for Irrigation be associated with Colonel Strachey for the purpose of discussing certain questions regarding the project for extending the Irrigation Works.

19 July 1868 R. 90

Received

62. 63.

M.R.O. 1—77,066—6-6-37.

(1) Number of pages

(2) Date of repair

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial **DEPARTMENT.**

G.O. No. 91	Press / Mis.
62-63	
Dated 19-2-	1868 / 1898.

64-65 7/7

Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department, 19th February 1868.

No. 64. Read the following letter from the Accountant General, Madras, to the Chief Secretary to Government, Fort Saint George ; dated Fort Saint George, 28th January 1868, No. 340.

Budget and Resource Department.

I have the honor to forward, for the orders of Government, copy of a letter, No. 50-146, dated the 21st instant, from the Secretary and Treasurer to the Bank of Madras, requesting to be informed whether the amount of premium of half per cent., now levied by this Department on Railway bills, for funds required by the Madras Railway Company on Bellary and other Provincial Treasuries, is to be paid to the Bank or to the credit of Government, in cases when the Huzoor Treasury of the District drawn upon is under the charge of the Agent of the Bank.

2. It is true, as stated in paragraph 2 of the above letter, that I have made an arrangement with the Bank by which all the surplus balances at the Huzoor Treasuries of Bellary, Cocanada, Cochin, and Calicut shall, whenever requested, be transferred to Madras to the credit of Government at par, and under this arrangement the charges incidental to the removal of funds from the Provincial Treasuries will be saved to Government. But I do not see how this arrangement can be held to give the Bank any claim upon the half per cent. premium, which is especially levied on all Railway supply bills to protect the Government from the risk and loss which are frequently incurred in moving funds from one District to another to meet such drafts. No expense of any kind is now incurred on this account by the Bank, as the Government is bound to place it in sufficient funds to meet the Railway bills, and although the payment of them diminishes the available assets belonging to Government in the hands of the Bank, it must of course be understood that when the Government transferred to the Bank its cash balance it transferred at the same time all existing liabilities upon it, of which the duty of meeting Railway drafts was one.

From the Secretary and Treasurer, Bank of Madras, to the Accountant General, Fort Saint George ; dated Madras, 21st January 1868, No. 50-146.

With reference to your demi-official letter of the 16th instant, I have the honor to request you will be so good as to let me know whether the premium usually charged by Government for bills drawn payable at Taluq Treasuries, the Huzoor Treasury of which may be under the charge of an Agent of this Bank, is to be paid to the Bank or to credit of the Government.

2. I make this inquiry with special reference to the agreement entered into with you, to the effect that all surplus balances at the Huzoor Treasuries of Bellary, Cocanada, Cochin, and Calicut shall be transferred to Madras to credit of Government at par, whenever required by you.

No. 65. ORDER THEREON, 19th February 1868, No. 91.

The Governor in Council considers that for the reasons stated by the Accountant General in the letter above recorded, the premium charged by Government for bills drawn payable on Taluq Cutcherries of Districts of which the Huzoor Treasury is in charge of an Agent of the Madras Bank, should be paid to the credit of Government.

(True Extract).

Chief Secretary.

To the Accountant General.
,, Directors of the Bank of Madras.

Exd. J. Tulloch.

Bank of Madras,
Madras 21st January 1865.

No. 50/146.

To.

N 3

The Accountant General,
Fort Saint George.

Sir,

With reference to your demi-official letter of the 16th Instant, I have the honor to request you will be so good as to let me know whether the premium usually charged by Government for Bills drawn payable at Talug Treasuries, the Huzur Treasury of which may be under the charge of an agent of this Bank, is to be paid to the Bank, or to credit of the Government.

2. I make this enquiry with special reference to the agreement entered into with you, to the effect that all surplus balances at the Huzur Treasury of Bellary, Cocanadda, Cochin and Calicut shall be transferred to Madras to credit of Government at par, whenever required by you.

I have the honor &c.

(Signed) J. McIver
Secretary and Treasurer

(True Copy)
D. Kilgour Reid
Ag. Chief Assistant

Compd. P.C.

Budget and Resource Departt.

Fort Saint George
Accountt. Genlrs. Office
28th January 1868.

No. 340

From
J. Lushington Esquire
Accountant General

To The Chief Secretary
to Government
Fort Saint George

Sir

I have the honor to forward for the orders of Government Copy of a letter No. 80/46 dated the 21st Instant, from the Secretary and Treasurer to the Bank of Madras requesting to be informed whether the amount of premium of ½ per Cent now levied by this Department on Railway Bills for funds required by the Madras Railway Company on Bellary and other Provincial Treasuries is to be paid to the Bank or to the credit of Government, in cases when the Huzur Treasury of the District drawn upon is under the charge of the Agent of the Bank

2. It is true as stated in para 2 of the above letter that I have made an arrangement with the Bank by which all the

Fin: 1868 Department
Twenty February 1868.
From
the Accountant Genl.
To the Chief Secretary to Government.
Dated 28 } January 1868.
Recd. 5 } Feby.
No. 340
Encls: nil.
to 58.

Submits for orders a copy of a letter from the Secretary & Treasurer Bank of Madras regarding their claim of 1/2 % premium obtained on Railway bills on Talugs, the Huzur Treasuries of which are under the charge of the agents of the Bank of Madras.

64

Financial Department. No 9

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following letter from the Accountant General.

(Here enter 28th January 1868 No. 340)

Order thereon 19 Feby, 1868 No. 91.

The Governor in Council considers that for the reasons stated by the Accountant General in the letter above recorded, the premium charged by Government for Bills drawn payable on Talug Cutcherries of Districts of which the Huzur Treasury is in charge of an Agent of the Madras Bank, should be paid to the credit of Government.

18 Feb 40

To the Accountant General. } 3
— Directors of the Bank of Madras. } 3 desp 22/2

Jail 1868. Department.

No. 91.

PROCEEDINGS OF GOVERNMENT.

Dated 19th February 1868.

64.65.