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MADRAS RECORD OFFICE.

Government of Madras.

Public works DEPARTMENT.

G.O. No. 2408 456-457	Press ~~Mrs.~~
Dated 18-8-1948.	

Not to be folded or roughly handled

*Proceedings of the Madras Government, Public Works Department,
18th August 1865.*

No. 456. Read the following Proceedings of the Madras Government in the
Revenue Department :—

Intimating that the decision of Govern-
ment, fixing one Rupee per 400 cubic
yards as the maximum price to be
charged for water supplied by the
Madras Irrigation and Canal Company
to the Municipality of Kurnool, for
other than irrigation purposes, cannot
now be altered. (Here enter 14th August 1865, No. 1,884.)

No. 457. ORDER THEREON, 18th August 1865, No. 2,408.

CIVIL WORKS, No. 63.

Ordered to be recorded.
(True Extract.)

Colonel, R. E.,
Secretary to Government.

Exd. S. T. Augustin.

*Proceedings of the Madras Government, Revenue Department,
14th August 1865.*

No. 222. Read the following letter from Captain J. MULLINS, R. E., Consulting Engineer, for Irrigation and Canal Company, to Colonel C. A. ORR, R. E., Secretary to Government, Public Works Department, dated Madras, 31st July 1865, No. 62:—

SIR,

1. With reference to the Proceedings of Government in the Revenue Department of the 19th instant, No. 1,662, I have the honor to submit a copy of the letter* addressed by me to the Agent and Manager Madras Irrigation and Canal Company, on the subject of the charge to be made for the supply of water to Kurnool, and to enclose Mr. Henslowe's reply.†

1 Copy of a letter to Agent, No. 131, dated 22nd July 1865.

1 Letter in original from Agent, No. 332.

* No. 131, 22nd instant.

† No. 203, 28th instant.

2. It will be noticed that the Agent does not consider the "Company bound by the figures which Colonel Cotton may, at the out-set, have hazarded in opening a proposal" to supply the town; but it can hardly be doubted, I think, that those figures had an important influence, when the question of the supply was under consideration, and that had the distribution works been constructed at the cost of the Company, the latter would probably have continued those terms, or have made no wide departure from them, because there would have been a great probability that otherwise the supply would have been declined, and the outlay made for affording it thus rendered unremunerative. Colonel Cotton, in fact, proposed to regulate the price of the water for the town supply by the rates realized by irrigation (*vide* end of paragraph 5 of letter No. 1,138, 29th November 1864, Proceedings Madras Government, Revenue Department, 11th January 1865, No. 37), and therefore the Municipal Commission must have deemed themselves safe from any demand greatly in excess of those rates.

‡ 400 cubic yards for 1 Rupee.

3. It will also be seen that Mr. Henslowe considers the maximum rate‡ fixed, and which it is intended to demand for the Kurnool Town supply, to be an extraordinarily low one; and his views are probably based upon much the same grounds as those of the shareholders, who expressed their discontent at the last general Meeting, viz., upon the cost of water supplies in other countries. The

circumstances, however, are so different, that a comparison can be but a matter of curiosity, rather than a foundation for calculation. In the first place, the cost of obtaining the water, including the powers to take and the value of the land, is very different; in the next place Companies, which undertake the supply of towns in the European sense, have to construct a costly system of pipes for carrying and delivering the water; and, on the other hand, turning from the supplies to the people supplied, we find a total dissimilarity both of income and habits. The value of the water to the people supplied can only be determined by what they are disposed to give in a case in which, as at Kurnool, a new source of supply is a luxury rather than a necessity; and but for the action which the Municipal Commission has taken

*Proceedings of the Madras Government, Revenue Department,
14th August 1865.*

upon the supposition that the charge made by the Company would be that named by its Chief Engineer, and at the time in no way objected to by the Agent. I should have considered it quite open to the latter to obtain as high a rate, within the maximum allowed, as the Commission might be willing to agree to.

4. I think the Municipal Commission of Kurnool should at once take steps to obtain from the Company a written statement of the terms on which the supply of the town will be afforded. The President mentions in his letter that the expenditure on distribution works will probably ultimately amount to 50,000 Rupees, and perhaps as yet only a small part has been expended; and it may be possible either to decline to receive any supply from the Company's canal, or to reduce the quantity taken very materially, unless it can be obtained on favorable terms. It may be added, that it can hardly be necessary that the Municipality should concern itself with the water supply of gardens; and it would be better, perhaps, both on account of the distribution channels for the town, which would otherwise become more expensive, to let all gardens, which can be watered by channels unconnected with those of the town supply, be arranged for quite separately, more especially as the rate for them is dependent upon considerations altogether different to those which are connected with water for domestic purposes. If the Commission receive the town supply at the site formerly indicated by Colonel Cotton, viz., near the Flagstaff, the garden channels will, for the most part, lie above that point, and the water carried below will be almost entirely for the town itself. It will be necessary also that the Commission should not incur any very heavy outlay without securing favorable terms, not only for the present, but for a considerable term of years. I notice that the Agent alludes to a supply "of pure water," but I do not think the Company have arranged to supply filtered or even settled water, and, if not, the water will be pure only in the same sense as that in the river is so.

5. So long as the Company have any water to dispose of, it seems clear that they will be willing, in the absence of a better offer, to sell it at a very much lower rate than that which is, it would seem, to be demanded for Kurnool; because there is no chance, at least for as many years as it is now necessary to look forward to, of the great bulk of the water being disposed of at any thing like that rate. For a considerable portion of the year the Company cannot make any other use of the water which Kurnool would take for its supply, if that supply be declined, for only

on account of the town has permission to abstract water from the river after December been given, and therefore thinking, as I do, that the Commission have good reason for objecting to the increased demand, it seems probable that they will be able to bring the Company to terms; but as the latter are free under the Contract to charge what they please, within the maximum allowed by law, for supplies such as that of Kurnool, it would not be advisable that the Government should exercise any pressure with a view to induce the Company to supply Kurnool on terms more favorable than they are disposed to grant. The Commission should make now the best bargain they can, and they should understand that they are an independent body, dealing with a practically independent body so far as these exceptional supplies are concerned, and that there-

*Proceedings of the Madras Government, Revenue Department,
14th August 1865.*

fore they must take care that their rights are placed upon a satisfactory footing, and so recorded as to admit of their being legally established if necessary.

Referred to the Revenue Department.

FORT SAINT GEORGE,
2nd August 1865.

(Signed) CHARLES A. ORR, Colonel, R. E.,
Secretary to Government, P. W. D.

No. 223. ORDER THEREON, 14th August 1865, No. 1,884.

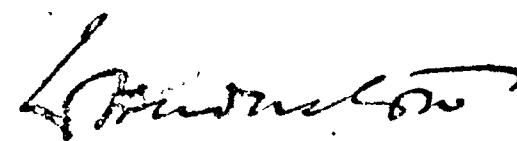
Miscellaneous.

1. In these papers the Municipality of Kurnool request that Government will re-consider their decision, fixing one Rupee per 400 cubic yards as the maximum price to be charged for water supplied by the Irrigation Company for other than irrigation purposes. They urge that the extraordinary difference between this price and the price anticipated by Colonel Cotton, with reference to which their works have been undertaken, upsets their calculations, and will necessitate the raising of their rates to an extent burdensome to the community.

2. The Consulting Engineer has communicated with the Company's Agent on the subject of these representations, but has been unable to obtain his consent to any alteration in the maximum rate which was fixed upon by Government in communication with him.

3. Government having adopted the rate of Rupee 1 per 400 cubic yards after full consideration, cannot now alter it with reference to the peculiar circumstances of the Municipality of Kurnool, but must leave them to make their own bargain with the Company, who will doubtless be aware that their own interests require that they should dispose of their surplus water at an equitable charge.

(True Extract.)


Acting Secretary to Government.

To the Consulting Engineer for Irrigation and Canal Company. *with Enclosures*
,, the Board of Revenue.
,, the Department Public Works. 
,, the President of the Kurnool Municipal Commission.

Exd. S. T. Augustin.

ex 2408

Recorded

Frank St George
18th Aug 1965

1865 Dept
Pro: of Govt for August
N. 304.5

Pro: of Govt in the
Revenue Dept

Of 14 { Aug 1/65
Recd 16 {

1884
2408. 1884 Aug 1/65

Anticipating that
the decision of Govt fix-
ing one Rupee per 400 cubic
yards as the maximum
price to be charged for
water supplied by the Madras
JWC to the Municipality
of Kurnool, for other than
irrigation purposes can-
not now be altered by
Govt Civil Works

N. 456.457

Recorded
1884