

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 37

Press
Mis.

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Dated

11-11-1868

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
11th January 1865.*

No. 85. 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, Department Public Works, dated Madras, 10th December 1864, No. 174:—

SIR,

ENCLOSURES

1 Letter from Agent in original.
1 Copy of do. to do.

Proceedings Madras Government, Revenue Department, dated 3rd December, No. 2,194.

To Agent, No. 330, 17th ultimo.

From do. No. 2,118, 9th instant, with letter from Chief Engineer, No. 1,138, 29th ultimo.

1. In continuation of my letter No. 149 of the 17th ultimo, I have the honor to submit, for the information of Government, the correspondence as per margin.

2. My letter No. 330 was written before the receipt of the letters from the Agent and Chief Engineer, on which orders were passed in the Proceedings of Government above noted.

3. From the letters of the Agent and Chief Engineer it will be seen, that both these Officers wish the Government to be the receiver of the amount due for the water supplied to the town of Kurnool, whether the distribution and collection be carried out under the Municipal Act or by means of any other local arrangement; and these Officers also would wish the Government to deal directly with the Company for all supplies, whether for irrigation or for other purposes, and Mr. Henslowe, in paragraph 2 (marked 1) of his letter, assumes that such was the

* Proceedings Madras Government, No. 1,830 of the 5th October 1864, Revenue Department.

intention when the Rules for the supply of water for irrigation were framed and approved; but this, I think, was not the case. There is a

careful distinction made in the Contract between water supplied for irrigation and that for purposes other than irrigation, and while in each case it is optional with the Government and the Company to agree to any course which may be deemed expedient, it is advisable that the provisions of the Contract should not be lost sight of.

4. In paragraph 10 of their Order of the 11th November, No. 2,070, in the Revenue Department, the Government intimated that in the case of the Kurnool supply, they would not object to an arrangement similar to that which the Agent and Chief Engineer wish to be adopted, and therefore what has been said above is intended to prevent misconception should the Government, as I have supposed, have regarded the question of the arrangement in connection with the Kurnool town supply as a special one, and not as a precedent to which all future cases would be referred.

5. In the case of supplies for exceptional purposes there are no such reasons for the interference of the Government in aid of the collection of the Company's charges, as those which rendered it of so much importance, that the irrigation revenue should be levied by the Officers of Government, and as the Government are not bound to afford this assistance either by the Contract or by any thing that has yet been agreed upon, it seems better that this should be clearly understood.

6. Instructions will be necessary as to the disposal of the receipts from the Kurnool town supply. I gather from the Agent's letter that he does not contemplate their being credited as a separate source of revenue, and perhaps, as it is proposed to construct the feeder as though it

† Paragraph 6, Chief Engineer's No. 999, 3rd November, Proceedings Madras Government, No. 2,194, 3rd December Revenue Department.

were an irrigation channel,† and as the cost of the works, through which it has become practicable to supply the feeder, has been borne by the irrigation capital, it may be con-

sidered proper to credit all such receipts in the irrigation revenue account, rather than to deal with them under clause 30 of the Contract.

† 11th November 1864, No. 2,070 of the Revenue Department.

7. With reference to paragraph 11 of the Order of Government, as per margin,† it will be seen that both the Agent and the Chief

Engineer are of opinion, that 1 Rupee for 500 cubic yards may be taken as the maximum

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rate chargeable by the Company for the supply of water for purposes other than that of irrigation, for entry in the Act required by clause 27 of the Contract.

From Captain J. MULLINS, R. E., Consulting Engineer for Irrigation and Canal Company, to the Agent and Manager, Irrigation and Canal Company, dated Madras, 17th November 1864, No. 330.

Sir,

1. Your letter of the 23rd September last, No. 1,291, with the correspondence which took place in 1862, between the Chief Engineer and the Collector of Kurnool regarding the water supply of Kurnool, having been laid before Government, I have the honor, under instructions from Government, to request that you will be good enough to inform me, with reference to the alternative arrangements for the management of the distribution by the Company, or by a Municipality, whether the Company are willing to deal with a Municipality, and if so, on what specific terms. On your affording the Government this information, it is intended that in the event of the Company being willing to deal with a Municipality, the wishes of the majority of the inhabitants of Kurnool shall be ascertained, as to whether the provisions of the Municipal Act, which would enable a water-rate to be levied, are to be made applicable to Kurnool, or, should it be preferred, a special Act having for its object the supply of the town with water, and the levy of the requisite funds for that purpose, could be introduced.

2. In connection with this subject, it will be necessary under clause 27 of the Contract, that an Act of Parliament of the Indian Legislature should be passed, fixing the maximum rate which the Company shall be allowed to receive for water supplied for purposes other than those of irrigation, and the Government desire that you should state what, in your opinion, this maximum rate should be. In considering this point it has appeared to me, that besides the supply of towns and private houses, the exceptional supplies will probably be confined to the utilization of the water as a mechanical power, and as in that case the water would be returned to the canal for subsequent use in irrigation and navigation, the Company would be able to afford to supply the water for such a purpose at a lower rate than that for the use of towns, and that probably therefore, the maximum rate for Town water supply would be all that need be entered in the Act, leaving the Company free to settle the rates for all supplies of this exceptional description within the limits thus imposed.

Paragraph 9 of No. 755 of 21st October 1863.

3. The Chief Engineer proposed to charge Rupees 3,200 for a continuous supply of 400 cubic yards per hour throughout the year, and this, it was said, was calculated at the same rate as water supplied for irrigation. The supply at 400 cubic yards per hour would be 35,04,000 cubic yards for the year, and as Colonel Cotton allows one cubic yard per hour per acre, and 4 Rupees an acre are allowed for a single crop, it follows that for a three months' crop the supply would cost 1 Rupee for 540 cubic yards, and for a four months' crop 1 Rupee for 720 cubic yards. It is probable, however, that 4,000 cubic yards will be required for a crop, and the cost of irrigation water may be taken at 1 Rupee per 1,000 cubic yards, and this would give Rupees 3,504 as the cost of the year's supply for Kurnool, at the irrigation rate. Upon this supposition it would seem to me, that were the maximum rate to be entered in the Act fixed at double this rate, or 1 Rupee for 500 cubic yards, the Company would have a sufficient margin, and be able to dispose of all applications for supplies of an exceptional description. Should you however think otherwise, I shall be much obliged if you will favor me with the data on which you would propose a different maximum rate.

4. With reference to the subject of Town supply, the Government consider that all that the Contract requires is that the Legislature should fix the maximum rates to be charged, and that the other arrangements are left to the Company to settle with their customers, and I would request your attention to clause 30 of the Contract, which requires, I think, that the cost of works,

such as these for the distribution of water to towns, should be met from separate capital, and this is an important point for consideration, in connection with the Chief Engineer's proposal to undertake that part of the scheme.

P. S.—Since the above letter was written, your letter of the 16th instant, No. 1,831, has been received, and that, with the Chief Engineer's letter which accompanied it disposes of the question raised in paragraph 1 of this letter, but the other points still require settlement on general grounds, I will however forward your letter to Government, in order that steps may be taken to ascertain formally the wishes of the inhabitants of Kurnool, and your views on the question of maximum rates can afterwards be transmitted to Government.

(True Copy.)

(Signed) J. MULLINS, Captain, R. E.,
Cons. Engr. for I. & C. Company.

From F. H. HENSLOWE, Esq., Agent and Manager for Madras Irrigation and Canal Company, to Captain J. MULLINS, R. E., Consulting Engineer, Madras Irrigation and Canal Company, dated Madras, 9th December 1864, No. 2,118.

Sir,

1. I have the honor to acknowledge receipt of your communication of the 17th ultimo, (No. 330), inquiring whether the Company is willing to deal with a Municipality in the proposed supply of water to the town of Kurnool, adverting to the necessity of passing an Act of the Indian Legislature to fix the maximum rate to be charged for the water, and discussing the question what that maximum should be.

2. Without reference to the Board I am not in a position to say whether the Company is willing to deal with a Municipality, but when the Rules for the supply of water from the Company's works were considered, it was assumed that the Government would deal directly with the Company for all the available supply as a matter solely between them and the Company, and although at that time the discussion had reference particularly to the supply of water to the Ryots for purposes of irrigation, yet the principle, I imagine, will govern the whole of the transaction arising out of the supply of water, and therefore I apprehend that the Government in the case of supply to towns and villages will consent, in the first instance, to be the Company's customer.

3. As Colonel Cotton is of opinion that the maximum rate chargeable by the Company may be safely fixed at 500 cubic yards for the Rupee, as suggested by you, I do not feel called upon to go into any calculations on that point.

4. With regard to the 30th clause of the Contract to which you draw my attention, I apprehend that so far as the present case is concerned the difficulty suggested will not arise, if the people of Kurnool are permitted to carry out their views, a Resolution having been passed at the public Meeting held there on the 31st October to the effect that the proposed works should be constructed at the expense of the Municipality. The capital of the Company will therefore not be drawn upon.

No. 1,138 of 29th November 1864.

5. I have the honor to enclose copy of a letter I have received from the Chief Engineer

who, as you will observe, has duly considered and commented upon your letter of the 17th November.

From Colonel H. C. COTTON, Chief Engineer, to F. H. HENSLOWE, Esq., Agent and Manager, Madras Irrigation and Canal Company, dated Kurnool, 29th November 1864, No. 1,138.

Sir,

1. I have read and considered Captain Mullins' letter No. 330, of 17th instant, and beg to offer my opinion on the principal points to which it refers.

2. I think it by no means desirable that the Company should have any dealings with Municipalities, if it can be avoided. It may at some future period be necessary and advisable

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to modify arrangements made now, but I am strongly of opinion that the water from the Company's channels should all be disposed of through the Government. Water power is merely water passing from level to level and is not disposed of. The Company has power to make use of the falls afforded at the locks and other such places, precisely as it will be used for navigation.

3. The Company will either carry on its own traffic or dispose of it to a Carrying Company or in any other way, and the same with respect to such water power. But where water will be lost in falling to a lower level, I consider it to come into the same condition as water for irrigation or municipal uses, or in any other way actually disposed of. I doubt if we could any where dispose of water for motive power alone on favorable terms, as its value would be greater for combined purposes elsewhere.

4. As I before reported I consider it an advantage to the Company to supply water for the Town of Kurnool at a summit level, charging the Government for the water by volume.

5. My calculation of the value of the water was at the rate proposed, of 8 Rupees a year, for a supply of water on an acre of land, not merely for two crops but for any kind of cultivation and any number of crops, allowing as much water as is actually consumed on the land, and I assumed this quantity to be equivalent to 1 cubic yard per hour throughout the year. As I have urged since, the great rise of prices of grain and of labor, and the consequently increased cost of the Company's works, I value the water for Kurnool at 10 Rupees per cubic yard supplied hourly through the year: Rupees 4,000 for 400 cubic yards. These prices may yet increase and the value of water concurrently, and if the Act determines a maximum rate chargeable by the Company it may be safely, I think, fixed at 500 cubic yards per Rupee, as suggested by Captain Mullins. It has been determined that the Company shall be permitted to raise the rates for irrigation, and I should suppose the rate for the Town supply may be regulated by the rates realized by irrigation within such limits.

6. The Consulting Engineer refers to clause 30 of the Contract, as requiring that the cost of the works for a town should be paid for by separate capital. Now the Company has no separate capital at present, and the question, I think, is simply: will the Government consent to pay the demand of the Company for their water, viz., at the present irrigation rate of 4 Rupees, Rupees 3,200, or at my proposed rate of 5 Rupees Rupees 4,000 for a supply of 400 cubic yards per hour—the Government by a house or other tax recovering that sum from the Municipality, constructing and maintaining the works.

(True Copy)

(Signed) F. H. HENSLOWE,
Agent and Manager.

Referred to the Revenue Department.

CHEPAUK,
14th December 1864.

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

No. 86.

ORDER THEREON, 11th January 1865, No. 37.

Miscellaneous.

1. The Governor in Council observes that, on the recommendation of the Magistrate and the application of a large number of the inhabitants of the Town of Kurnool, the preliminary Notification required by Act XXVI of 1850 was published in the "Fort Saint George Gazette" of the 20th ultimo. One of the objects which the applicants have in view in thus applying for the introduction of the Municipal Act is to raise funds, by local taxation, for purchasing a supply of water for the Town from the Irrigation Company, and for constructing the necessary works for distributing the water. If (as there seems reason to expect) the Municipal Act is introduced, the Company will have no difficulty in making the necessary arrangements with the Commissioners appointed under it, who will have full legal power to treat with them to raise the requisite funds and perform all other necessary Acts. The intervention of the Government

will then be quite unnecessary, and as such intervention is not contemplated by the Contract, nor generally expedient, the Company must not expect it. If, however, the Act is *not* introduced, the Government will then consider what course they should adopt.

2. The wording of paragraph 10 of G. O. 11th November 1864, No. 2,070, has somewhat misled Captain Mullins. The arrangement which the Government meant to say was unobjectionable, *with* the consent of the majority of the people, was the levy of a compulsory rate, not their own interposition to collect the Company's dues, which is obviously a mere matter of private arrangement between them and the Company.

3. The Order of Government dated 5th October 1864, Revenue Department, No. 1,830, relates, as Captain Mullins supposes, exclusively to water supplied for irrigation.

4. Under existing circumstances the Government see no other course open to them than to acquiesce in the proposed arrangement of charging the expense of the works to the Irrigation Capital, and carrying the proceeds to the irrigation revenue. The items should be kept distinct in the accounts under the designation of "Kurnool Town Water Supply" or any other distinctive title.

5. The Government will accept the rate of one Rupee for 500 cubic yards of water as the *maximum* to be fixed in the Act prescribed by clause 27 of the Contract. It must, however, be distinctly understood that this decision has no relation whatever to the price of water for irrigation.

6. Measures will be taken in the Legislative Department to introduce a Bill to give effect to clause 27 of the Contract, so far as relates to the supply of water for other than irrigation purposes.

(True Extract.)

(Signed) J. D. SIM,
Secretary to Government.

To the Consulting Engineer for Irrigation and Canal Company.

- „ Public Works Department.
- „ Legislative Department.
- „ Board of Revenue.
- „ Collector of Kurnool.
- „ *Public Office*

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The morning of
Jan 10. 4. P. M.
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No. 2070 has

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J. D. S.

1 Copy Letter Consulting Engr. Irrigation
& Canal Company with one Rule { Sept 14 1897
21 - Copies Mr. Capt. V.
5 - Legislative Dept. V.
1 - Mr. C. P. & Rev. V.
1 - Col. of Revenue V.
5 - Public Dept. V.

Reported to England
11th March 1865 No 14. Mis.

Revenue 1865 Deptt
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Pro No. 36 to 40
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No 37

Pro of the Madras
Government of
11 January 1865

Pro of the Madras Govt in the
Legislative Dep't Madras 1865

Further Cr 1034/65

Passing orders on the
subject of water supply
with reference to the mu-
nicipal act about to be
introduced in Kurnool

No 85-86