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MADRAS RECORD OFFICE.

Government of Madras.

Public Works DEPARTMENT.

G.O. No. 2301 Press / Mis.

151-53

Dated 9-9- 18 71.

Not to be folded or roughly handled

Proceedings of the Madras Government, Public Works Department, 9th September 1871.

Read the following papers —

No. 151. Circular from the Government of India, Public Works Department, (Account—Irrigation,) dated Simla, 21st July 1871, No 40

Capital and Revenue Accounts of Irrigation Works.

Read again —

Public Works Department Resolution No 9—22 A. I, dated 8th February 1869

Public Works Department Resolution No 15—16 A I, dated 18th January 1871

Read also the following —

Report of the Committee appointed by Government to consider the questions that have to be decided in respect to the Accounts of Irrigation Works.

THE Committee nominated to consider the questions that have to be decided in respect to the accounts of irrigation works have come to the following conclusions :—

1. The new forms of accounts of outlay for expenditure chargeable to Capital and Revenue that have been prepared in the Public Works Department appear to be suitable, and may be adopted.

2. The question as to the system under which any portion of the land revenue which may be due to the operation of irrigation works should be exhibited as canal revenue, is one which it is more difficult to dispose of In dealing with it we shall consider first the special or administrative accounts of the Irrigation Department, which are intended to show the practical operation of the works in a financial point of view, and afterwards the general accounts of the country, as exhibited in the financial returns.

3. First, for the administrative accounts we think that it cannot be doubted that so much of the land revenue as can be distinctly shown to be directly due to canal irrigation should be shown as canal income. The facts, so far as they can be ascertained, should be accepted. Where the land revenue is fixed for a term of years, the canal share of that revenue would be the portion which at the commencement of the term was charged on account of the irrigation, and no addition to the canal share would be justified during the term, or until some actual revision of the land revenue had been made, and then only on the same principle.

4. In cases in which the records do not show in a specific form the details of the assessment, it may still be possible to ascertain approximately the sum that would have been shown as the canal share on the basis just explained.

5. It is believed that on the above system all that is necessary can be done in respect to the new class of works; and that in the manner described the portion of the land revenue due to the new irrigation works can be apportioned approximately at least, and that the sum thus obtained added to the whole of the direct income will give a complete statement of the profits of these undertakings, so far as is required for administrative or financial purposes.

6. In cases in which ancient works are improved, and this applies almost exclusively to Madras, the system proposed by Colonel Strachey, and agreed to by

the revenue authorities and the Government of Madras, may be accepted as the only one at present practicable.

7. We further think that it will not be necessary, for the present at least, to show as a charge against the irrigation revenue any portion of the cost of collecting the regular revenue proportionate to the share of revenue regarded as canal revenue. No positive rule, however, should be laid down on this point, and it may be left for consideration whether any change should be made in the future.

8. The last point is the method of showing the canal revenue in the general accounts. On this we consider that what is proposed by Colonel Strachey might be advantageous if it could be accomplished with fair accuracy, that is, if a separation could be made between the land revenue dependent on irrigation for its security and that which is not so protected. Until this can be done, we think that the only practical course will be to exhibit as canal income only that sum which is directly collected under that head, or which can be *precisely* separated in the manner we have explained from the ordinary land revenue. No alteration in the system of collecting the revenue should be allowed merely to meet the objects now under consideration, and all that should be done is to note in the final revenue receipts of each district the portion of it which is properly to be credited to any canal, and to transfer that amount in the books of the Provincial Accountant-General.

9. Further than this, we can only suggest that a special reference should be made to the several Local Governments as to the possibility of exhibiting the irrigated land revenue in a separate shape, and asking them to what extent they could comply with such a system, and what are the precise difficulties which oppose its adoption. Enquiry might also be made as to the manner in which the irrigated land revenue should be defined, and whether it should include the revenue of well-irrigated lands, or only that of land irrigated from the larger class of irrigation works.

CALCUTTA,
31*st March* 1871.

(Signed) R. B. CHAPMAN.
(,,) E. C. BAYLEY.
(,,) R. STRACHEY, Colonel, R.E.

RESOLUTION.—The Governor-General in Council approves of the basis proposed by the Committee for the exhibition, as canal receipts, of the land revenue which may be due to the operation of irrigation works. The needful steps should therefore be taken for ascertaining the share of land revenue in canal irrigated districts which should appear as canal revenue, and including the same in the accounts of the current year 1871-72. The amount having been thus ascertained, district by district will be dealt with as a remittance from the land revenue to the Public Works Revenue (Irrigation) Account by a transfer in the books of the Provincial Accountant-General.

2. It will be the duty of the Irrigation Department to see that the canal interests are duly attended to in the separation of the share of old land revenue to be credited to canal irrigation. The operation will only have to be performed once for all, and the figures once settled will remain unchanged until a revision of the

assessment, when the canal share can be ascertained under the system now laid down without any difficulty or necessity for discussion.

3. Where there is any special rate on land irrigated from canals, as in the Punjab, the Canal Officers will be expected to see, year by year, that the sum credited as canal revenue is correctly stated, and is the amount which is properly due with reference to the true area irrigated and the special irrigation rates.

4. If any special arrangements are thought necessary to introduce the new system, the Local Governments should state, without delay, what is needed. For instance, an officer might, if it be found essential, be specially deputed to see that the new Capital Accounts are properly started Also some special officer may be needed to separate the share of land revenue due to the canals. Whatever is necessary in this way should be done by the Local Governments, the steps taken by them being duly reported to the Government of India. The point to be borne in mind is the necessity for starting the new system before the end of 1871-72 in as complete a form as is practicable.

5. The new forms for the exhibition of the financial results of irrigation, and the explanatory note accompanying them, which have recently been prepared under the orders of the Government of India, should now be issued for adoption. The Budget Estimates of the Irrigation Department for 1871-72 should also be re cast by the Local Governments to suit these new forms.

ORDER.—Ordered that this Resolution, together with a copy of the forms referred to in paragraph 5, be communicated to all Local Governments and Administrations for information and guidance, with a request that the orders of the Government of India may be acted upon in dealing with the accounts of the current year. The special attention of the Governments named is invited to paragraphs 8 and 9 of the Committee's report, and an early expression of opinion on the several points therein raised in connection with the general question of the possibility of separating the land revenue dependent upon irrigation for its security from that which is not so protected should be sent forward.

Ordered also that a copy be forwarded to the Financial, Agricultural, Revenue and Commerce, and Home Departments, and to the Accountant-General, Public Works Department, for information.

(Signed) C. H. DICKENS, Colonel, R. A.,
Secy. to the Govt. of India.

No. 152. Memorandum from the Deputy Secretary to the Government of India, Public Works Department, (Account—Irrigation , to the Secretary to the Government of Madras, Public Works Department, Irrigation branch, dated Simla, 11th August 1871, No. 138-A. I —

THE undersigned is directed to request that action on Public Works Department, Circular No. 40 of 1871, relating to the Capital and Revenue Accounts of irrigation works, may be suspended until further orders.

(Signed) J. J. McLEOD INNES,
Dy. Secy. to Govt. of India.

Proceedings of the Madras Government, Public Works Department, 9th September 1871.

No. 153. ORDER THEREON, 9th September 1871, No. 2,301.

IRRIGATION, No. 9. ORDERED to be recorded.

(True Extract.)

Captain, R E.,

Under-Secretary to Government.

Erd. E C Shunker.

No. 138 A.

GOVERNMENT OF INDIA

PUBLIC WORKS DEPARTMENT.

ACCOUNT.

Irrigation

To

The Secretary to the Govt of Madras

Public Works Department.

Irrigation Br.

Simla, 11 August 1871.

The Undersigned is directed to request that action on P.W. Department Circular No 40 of 1871, relating to the Capital and Revenue accounts of Irrigation Works, may be suspended until further orders.

J. M. Leod Innes

Dy. Secretary to Govt of India

P.W. Dept.

No 2301.

Proceedings of the Madras Government.

Read the following

Circular from the Govt of India. (H.R. No 40 P.W. dy 21st July/71

Memo from Do - Do. (" No 138 A. dy 11th Aug/71

Ordered to be

recorded.

Pub 152

Copies sent to Press.

Nº 2301 - 9 Septr/71

Requesting to
send for public
notice, the return
Public Works Dept
of 1871, relating to
Capital and Ordinary
Irrigation Works.

Read 19-5 Septr/71

Read 11th } 5 Septr/71

No 138 Rev.

Despatch 87, Revenue

Despatch per Steamer 30th

From Govt of Madras

C. No. 39304322

Govt of [1871] Madras.

PUBLIC WORKS.

To

Dated

Rect

Copy of Letter No. 2301.

Nos. 151 & 153

Capital and Revenue Accounts of Irrigation works - Circular

from the Govt. of India requesting to be informed until further orders the action taken on P. W. Circular No. 40 of 1871, relating to the Capital & Revenue Accounts of Irrigation works.