M.R.O. 1—10,006—23-2-50.

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MADRAS RECORD OFFICE

Government of Madras

Public Works DEPARTMENT

G.O. No. 1189-90 Press
B.P.—No. Mis.—
C1795
Dated 29-6- —195—

Not to be folded or roughly handled

No. 685. Read the following Proceedings of the Government of India, Public Works Department (Account—Irrigation), dated Fort William, 16th March 1875, No. 94—5 A.—I.:—

Orders on the Budget Estimate of the Madras Irrigation and Canal Company, 1875-76.

Read—

Letter from Secretary to Government of Madras, No. 451, dated 16th February 1875.

RESOLUTION.—The Budget Estimate of the Madras Irrigation and Canal Company ought to have been received by the Government of India on the 15th December 1874. Its preparation does not depend upon any preliminary announcement of grants, and the Government of India must ask that measures may be taken to arrange for the punctual submission of the estimate on the date prescribed for the future.

2. Under the head Revenue the figures are as follows:—

	Budget Estimate, 1875-76.	Regular Estimate, 1874-75.	Budget Estimate, 1874-75.	Actuals, 1873-74.	Actuals, 1872-73.	Actuals, 1871-72.	Actuals, 1870-71.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Receipts	*95,000	*62,000	80,000	.....	38,150	.....	.....
Expenses	*2,00,000	*1,64,000	1,83,000	.....	1,04,000	.....	.....
Deficit ...	*1,05,000	*1,02,000	1,03,000	1,06,350	65,850	82,050	+ 740
Payment for interest	4,99,830	4,99,830	4,99,830	4,99,830	4,99,830	4,99,830	4,99,830

* In even sums.

3. In the estimate submitted by the Government of Madras the figures under "Expenses" for the year include the deficits of previous years, and owing to this a rather serious error was made in the amounts telegraphed for the year. For the future the surplus or deficits of previous years should not be included in the estimate as a portion of the working expenses of the year.

4. The operations of the Company show no signs of material improvement. Writing on the 16th July 1874, in reply to an inquiry made by the Government of India as to the manner in which the State should be protected from paying deficits as well as charges for guaranteed interest, the Madras Government said as follows:—

"I am desired to bring to notice that the question as to the best mode of extending the benefits of irrigation for the canal, and securing more satisfactory relation between receipts and expenses, has received the anxious consideration of Government, and that a Committee * * * assembled in January last to consider and report upon the present arrangements regarding the supply of water to the cultivators. A set of new rules and regulations providing for a revised scale of water-rates, and for the management of the canal so far as that affects the ryots cultivating under it, were agreed upon by the Committee and submitted shortly afterwards to Government. On these rules it is anticipated that orders will now very shortly be passed, and it is hoped that their introduction will greatly facilitate the obtaining of water by the ryots, induce them to avail themselves of it to a far greater extent than at present, and so materially assist in the development of canal revenue. On the other hand, it is thought that in some not inconsiderable degree the expenditure on at least that part of the establishment included under general management may be reduced."

And the Government of Madras asked that the decision on the course to be followed for making good the deficits should be postponed for another year.

5. This suggestion was accordingly adopted, and the Secretary of State was so informed by the Government of India.

6. The estimate now received provides for a moderate increase of revenue, but that moderate increase has been absorbed by an increase to the working expenses. The provision for working expenses is as follows:—

	1875-76.	1874-75.
	Rs.	Rs.
Establishment—		
Chief Engineer, his Office, and Accountant	52,248	53,040
Travelling and other allowances	2,760	2,760
Contingencies	5,500	1,200
	60,508	57,000
Engineering and other Establishments, Upper Section	43,600	41,400
" " " Lower "	43,600	42,000
	1,47,708	1,42,400
Less to Capital	14,780	16,000
Remainder to Revenue	1,32,928	1,27,400
Repairs—		
Main Canal	40,000	20,000
Distributaries	25,000	2,500
Buildings	2,500	200
Telegraph	150	2,800
Contingencies	....	....
Total Expenses	2,00,578	1,82,900

7. It is explained that the "charge for Repairs is reasonable," and as regards Contingencies, it is said that the estimate made in previous years has proved insufficient. But full details should be submitted of the items making up a provision of Rupees 5,500 under Contingencies, for the Chief Engineer, for next year, the provision for the current year having been only Rupees 1,200.

8. The old scale of establishment still continues. A Chief Engineer and Manager on Rupees 2,500 a-month for a canal yielding as Revenue Rs. 95,000

Having for outlay on Repairs ... " 67,650

And for Capital ... ... " 45,010

Total ... " 2,07,500

And for accounting this total, there is an Accountant on Rupees 800 a-month. On Government Canals the most that would be provided for Direction and Account would be from 5 to 7 per cent., or a maximum of

In the case of the Eastern Jumna Canal the amount is Rupees 21,100. But that canal Rupees 16,000,* and that amount would earns six times as much revenue as the Cor not be given without much hesitation pany's Canal. In the case of this Company, the management costs Rupees 60,508.

9. For supervising construction work and repairs, there is, in addition to the above establishment, four Engineers on salaries aggregating Rupees 31,200 yearly. On a similar work under Government the establishment costs only Rupees 17,400. It is needless to carry the comparison further, this having already been done in a separate despatch.

10. But the Government of India cannot let the estimate pass without remonstrating strongly upon the extravagance of the existing scale of establishment, and the Governor-General in Council looks to the Government of Madras to insist upon reduction as soon as possible.

11. The estimate of receipts provides for the earnings aggregating Rs. 95,000 during 1875-76, the probable receipts of 1874-75 being likely to be only Rupees 62,000.

The smallness of the increase in the income is attributed to the new rules, which, though more favorable to the ryots, require to be appreciated and understood before they take effect.

The Government of Madras suggested that a year should elapse before a further report should be submitted in view to the deficit being made good according to the conditions of the contract. As the new rules come into force on the 1st April, the promised report will be expected on the 1st April 1876. Meanwhile, with the remarks already made, the estimate now submitted is accepted.

12. The estimate of capital outlay provides for an expenditure of Rs. 59,820, which, it is said, will be met from the balances in the hands of the Chief Engineer and Manager and the Directors of the Company. It is added that the amount of these balances is unknown, as no information has been furnished as to the funds from which re-payments on account of the loan have been met.

13. On this point it may be noted that, in addition to the guaranteed capital of £1,000,000, the Secretary of State lent the Company £600,000. This loan of £600,000 has been re-paid to the extent of £228,000 to end of December 1874.

14. For State expenditure, the estimate amounts to Rupees 11,000, and is provided for from the ordinary grant for Irrigation Works.

15. It should be noted that the estimate sent up for establishment is incomplete by reason of no detail having been given of the establishment under Conservancy and Irrigation. Such detail was given in previous estimates—is in fact prescribed—and the Government of Madras is asked to arrange that it be continued.

ORDER.—Ordered that this Resolution be communicated to the Government of Madras for information and guidance, and to the Financial Department for information.

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

No. 686. ORDER THEREON, 29th April 1875, No. 1,189.

IRRIGATION, No. 70.

IN future the Budget Estimates of the Madras Irrigation and Canal Company must be ready for despatch to the Government of India on the 1st December of each year, and in order that this may be feasible

they must be submitted to Government not later than the 15th November. Their compilation depends upon information furnished by the Chief Engineer and Manager, Madras Irrigation and Canal Company, and by the Collectors of Kurnool and Cuddapah, and their returns should reach the Chief Engineer for Irrigation by the 1st October at latest. It appears that the estimates for 1875-76 were received by the latter officer as follows:—

Chief Engineer and Manager, Madras Irrigation and Canal Company, 2nd November 1874.

Collector of Kurnool, 23rd November 1874.

Do. of Cuddapah, 12th January 1875.

Care should be taken that those of 1876-77 are transmitted with punctuality. The Chief Engineer for Irrigation will see that no delay is allowed to occur in compiling and submitting the budget statements.

2. With regard to the remarks in paragraph 3 of the Resolution of the Government of India, it is to be observed that the Revenue account which was embodied in the Budget Estimate for 1875-76 is similar in form to those submitted since 1872-73, and that there is in it no heading "expenses for the year" as stated by the Government of India. Presumably no reference was made to the Budget Estimate for 1874-75 either when the telegram to this Government was despatched or when the reply was received. Such a reference would, it is believed, have enabled the proper interpretation to be placed on the wording of the message forwarded by this Government. The heading in the Revenue account is clearly stated "Working expenses for the year *plus* Balance Dr. brought forward from previous years." There will be no difficulty in carrying out in future the wishes of the Government of India, and the heading will be duly altered to working expenses, the entries being made conformably.

3. The Chief Engineer for Irrigation will submit a statement of particulars of the sum of Rupees 5,500 provided under Contingencies, Establishment. It is observed that although Rupees 4,300 have been added to this item in 1875-76 as compared with 1874-75, on the other hand, under 'Repairs, Contingencies,' there is a reduction in the later year of Rupees 2,800.

4. With regard to the observations of the Government of India on the high cost of establishments, it has to be noticed that a canal in operation and 100 miles long requires to be looked after as much and as closely while irrigating only some 15,000 of 16,000 acres as would be the case were the area increased to 100,000 acres. The Government are most desirous that the establishment charges should be reduced at the earliest possible moment, and they consider that as there is no prospect of any considerable and immediate extension of irrigation, the subject should again be brought under the notice of the Board of Directors with a view to such a modification of the executive establishments on a scale more consistent with the circumstances of the canal. In the Proceedings as per margin it was intimated that on the occurrence of a vacancy the future Chief Engineer and Manager's salary should not exceed Rupees 1,500, and that of the Accountant Rupees 500, and as Mr. Latham, after

G. O., No. 2,663, dated 30th July 1874.

stay in India, subsequent to furlough, of but little more than 2½ years has applied for sick leave to England, it may be considered whether his return to India is desirable. For the executive charge of the canal two officers should suffice on salaries not exceeding Rupees 800 each, and the Board of Directors will be requested to effect the requisite reduction as soon as this can be done in accordance with the agreements of the officers at present in the Company's employ. It is believed that the Chief Accountant's appointment has been vacated, and that the reduction desired in this direction has accordingly already taken effect. In order also that a definite scale of establishment may be suggested to the Board of Directors for adoption, the Chief Engineer for Irrigation will draw up a scheme, making the canal a charge for a Superintending Engineer, 2nd Class, with two Executive ranges and office establishments of a strength approximating to that of similar establishments in the Public Works Department. It will then be seen what total reduction of establishment will be feasible.

5. A statement showing the details of the Conservancy and Irrigation Establishments of the canal is subjoined. No change has taken place in the total since the previous year. In preparing the Budget Estimates of 1876-77, details of all establishments will be shown in full.

6. The new rules connected with irrigation were not passed until July 1874, but they should by this time be well known to the ryots, and their effect will be apparent it is believed by the end of August. On the receipt therefore of the Chief Engineer's report for that month, the results will be communicated to the Government of India.

G. O., Revenue Department, No. 830, dated 3rd July 1874.

7. Ordered that a copy of these Proceedings be forwarded for the information of the Government of India, and that the Chief Engineer and Manager of the Company be requested to bring the subject of reduction of establishments immediately to the notice of his Directors, and to ask for an early report as to the reductions they will be able to effect and as to the date from which these will be introduced.

(True Extract.)

(Signed) G. W. WALKER, Colonel, R.E.,

Secretary to Government.

No. 687. (DOCKET No. 1,190, dated 29th April 1875.)

COPY of the above forwarded to the Government of India.

(True Extract.)

(Signed) G. W. WALKER, Colonel, R.E.,

Secretary to Government.

Exd. W. J. Lewis.

Spare Copies

Public Works Departt.

Proceedings of the Madras Government

Read the following:-

From,

The Secretary of India (N. E. Dis 96 — 5 A.D. 916 March 1875)

G.O. no: 1189 of 29th April 1875.

In future the Budget estimates of the Madras Irrigation and Canal Company must be ready for despatch to the Government of India on the 1st December of each year, and in order that there may be found they must be submitted to Government not later than the 15th November. Their computations depending upon estimates furnished by the Chief Engineer Madras Irrigation and Canal Company and by the Collectors

of Kurnool and Cuddapah
and their returns should
reach the Chief Engineer
for Irrigation by the 1st
October at latest. It appears
that the estimates for 1876-76
were received by the latter
officer as follows.
Chief Engineer and Manager
Madras Irrigation and Canal
Company 2nd November 1875
Collector of Kurnool 23rd November 1875
Do of Cuddapah 12th January 1875.
Care should be taken
that those of 1876-77 are
transmitted with promp-
-titude. The Chief Engineer
for Irrigation will see
that no delay is allowed
to occur in compiling and
submitting the Budget
statements.

2- With regard to the
remarks in the concluding para-
graph of the Resolution of the Govt. of
India it is to be observed
that the Revenue Account
which was embodied in
the Budget estimates for
1875-76 is similar in form
to those submitted since 1873-74
and that there is in it no
heading "Expenses for the
year" as stated by the Govt.
of India. Presumably no
reference was made to the
Budget Estimate for 1874-75
either when the telegram
to the Govt. was despatched
or when the reply was
received. Such a reference
would it is believed have
enabled the proper
interpretation to be placed
on the wording of the

message forwarded by the Govt. The heading in the Revenue Account is clearly stated "Working expenses for the year" plus Balance Dr. brought forward from previous years. There will be no difficulty in carrying out in future the wishes of the Govt. of Sweden and the heading will be duly altered to working expenses. The entries being made as formerly.

3. The Chief Engineer for Irrigation will submit a statement of particulars of the sum of Rs 5,500 provided under Contingencies - Establishment.

It is observed that although Rs 4,300 have been added to this item in 1875-76 as compared with 1874-75, on the other hand under Rebates - Contingencies there is a reduction in the later year of Rs 2,800.

4. With regard to the observations of the Govt. of India on the high cost of establishments it has been noticed that a Canal in operation and 190 miles long requires the looked after as much and as closely while irrigating only some 15 or 16 thousand acres as would be the case were the area increased to 100,000 acres. The Government are most desirous that the

establishment charges should be reduced at the earliest possible moment and they consider that as there is no prospect of any considerable and immediate extension of irrigation the subject should again be brought under the notice of the Board of Directors with a view to such a modification of arrangements being made at the earliest possible date as will place the management and the executive establishments on a scale more consistent with the circumstances of the Canal. In the

No. 2063 of 30th July 1910.

Proceeding as per margin it was intimated that on the occurrence of a vacancy the future Chief Engineer and Manager's salary should not exceed Rs 1500, and that of the Accountant Rs 300, and as Mr. Cattran, after a stay in India, subsequent to furlough, of but a little more than 2½ years has applied for sick leave to England, while his health would seem to be unequal to the climate of the Kadirvel District, it would seem to be a fitting opportunity for terminating after

after due notice hereof engagement with the Company for the executive charge of the Canals 2 officers should suffice on salaries not exceeding Rupees 800 each and the Board of Directors will be requested to effect the requisite reductions as soon as this can be done in accordance with the agreements of the officers at present in the Company's employ. It is believed that the Chief Accountant appointment has

been vacated and that the reduction desired in this direction has accordingly already taken effect. In order also that a definite scale of Establishment may be suggested to the Board of Directors for adoption the Chief Engineer for Irrigation will draw up a scheme making the Canal a charge for a Superintending Engineer 2nd Class with 2 Executive Ranges and office establishments of a strength approximating to that of similar

similar establishments in the Public Works Department. It will then be seen what total reduction of establishment will be feasible.

5. A statement showing the details of the Conservancy and Irrigation establishments of the Canal is subjoined. No change has taken place in the total since the previous year.

In preparing the Budget estimates of 1876-77, details of all establishments will be shown in full.

6. The new rules connected with irrigation were not passed until July 1874 but they should by this time be well known to the ryots and their effect will be apparent. It is believed by the end of August. On the receipt therefore of the Chief Engineer's report for that month, the results will be communicated to the Government of India.

7. Ordered that a copy of these Proceedings be forwarded for the information of the Govt. of India and that the Chief Engineer and Manager of the Company be requested to bring the subject of reduction of Establishments

G. O. P. D. No. 838 dt. 3rd July 1874.

immediately of the notice
of his Directors and to
ask for an early report
as to the reductions they
will be able to effect
and as to the date from
which these will be
introduced.

H. E. Lee No 1190 dated 29th
April 1875

Copy of the above
forwarded to the Cost
of Judia.

Peter
Cunn.

Desp. 12-5-75 with 354 Encl.

Copy
to
Secretary of State for India

Desp. 12-5-75 with Statistical Tables

Detailed Statement of the Conservancy Establishments

No.	Offices	Salary	Allowance	Total
	Upper Section			
2	Engineers	1600	300	1900
8	Chainmen	56	"	56
4	Overseers	260	100	360
4	Amins	80	"	80
141	Bankers	846	"	846
3	Sindals	40	"	40
8	Regulating Sluicemen	48	"	48
1	Surveyor	100	40	140
3	Chainmen to do	21	"	21
3	Accountants and Clerks	90	"	90
2	Cash peons	14	"	14
2	Lignallers	40	"	40
		Total		3635
	Lower Section			
2	Engineers	1100	270	1370
8	Chainmen	56	"	56
4	Overseers	260	100	360
4	Amins	80	"	80
188	Bankers	1128	"	1128
3	Head Sluice Sindals	50	"	50
1	Sail do do			
16	Sluice keepers	96	"	96
1	Surveyor	90	40	130
3	Chainmen to do	21	"	21
3	Accountants and Clerks	90	"	90
2	Cash peons	14	"	14
		Total		3395
		Grand Total		7030

2052

Govt. of (1875) Madras

PUBLIC WORKS.

The Chief Secretary
to Govt.
Secretary to Govt.

Rec'd. Ans'd.

G. O. 25 April No. 1189
1190
No. 685 – 686
687

Forwarding to the Govt. of India, Proceedings on the Budget-Estimate of the Madras Irrigation and Canal Company for 1875-76.

Madras Irrigation and Canal Company. Passing orders on the Budget-Estimate of the same for 1875-76.