

MADRAS RECORD OFFICE.

Government of Madras.

Pension DEPARTMENT.

G.O. No.	1345	Press
		~~Mrs.~~
	457.458	
Dated	27.7.	1864.

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
27th July 1864.*

No. 457. Read the following Proceedings of the Madras Government in the Public Works Department:—

Communicating, for information, the Despatches relative to }
the Contract entered into with the Madras Irrigation and } (Here enter 19th July 1864, No. 2,079.)
Canal Company.

No. 458. ORDER THEREON, 27th July 1864, No. 1,345.

Miscellaneous.

Ordered to be communicated to the Board of Revenue.

(True Extract.)

(Signed) C. G. MASTER,

Deputy Secretary to Government.

To the Board of Revenue.

Exd. S. T. Augustin.

*Proceedings of the Madras Government, Public Works Department,
19th July 1864.*

No. 334. Read the following Proceedings of the Right Honorable the Governor General of India in Council, Public Works Department, (Civil Works—Agricultural), dated Simla, 21st June 1864, No. 378c./2,798.

Contract entered into with the Madras Irrigation and Canal Company.

Read the following papers:—

Despatch from the Government of India, to the Right Honorable Sir C. WOOD, BART., G. C. B., Secretary of State for India, dated (Public Works Department), Fort William, 31st December 1863, No. 86.

SIR,

1. We have received with your Despatch No. 23, dated 24th June 1863, a copy of the Contract lately entered into with the Madras Irrigation Company.

2. The Deed appears obscure in regard to certain important points, though on the whole its effect may probably be to give the Government the powers which it may desire to exercise in connexion with the operations of the Company.

3. The preamble recites the terms of the preliminary arrangement made by the Secretary of State with the Company in 1858, and among the stipulations is the following:—"That it should be left to the Government to decide in what manner the returns from the works constructed should be levied, and the Government should have the option of purchasing the water supplied for irrigation at a price to be agreed on with the Company." In the body of the Contract, however, there is no specific allusion to any of these points, excepting the manner in which the price for the water is to be fixed.

4. Clauses 13, 14, and 15, which refer to the price of the water, speak of the payment for the water as to be made by the Secretary of State to the Company for the water supplied from the Company's works for the irrigation of land. We infer that this must mean *all* the water, in the same way that the words in the preamble plainly mean *all* the water; and that the power of the Government to purchase all the water at its pleasure is intended to be retained.

5. No specific reference is made to any power of the Government to control the system under which the irrigation is actually carried on, nor does it appear to what extent the Government may set off charges of collection against the price, or any other charges incurred by the Government in connexion with the irrigation of land with the Company's water.

6. The words at the end of Clause 11 may suffice to secure to the Government a power of enforcing all necessary attention to the requirements of the cultivators in the matter of irrigation works. The power of authoritative control reserved in Clauses 16 and 17 seems to refer solely to the expenditure of the million under the guarantee.

7. The terms of Clause 22 may be regarded as admitting of the power of the Government to require the Company to discharge all the expenses of the Government in the collection of the water rates, and in any other matters "in about and relating to the supply of water for irrigation."

8. The views explained above are partly based on the correspondence of the words of the Clauses of the Contract with the expressions used in the preamble, but chiefly on a consideration of the mischief likely to result from the Government not having reserved to it the powers as to the disposal of the water for irrigation first stipulated for, and the general knowledge that we have of the opinions of Her Majesty's Government as to the precautions necessary in permitting the execution and management of irrigation works by a private Company.

9. We shall be glad to hear that you acquiesce in the conclusions formed on these points, and would suggest that, so far as you agree, it might be advisable to obtain a formal expression of acquiescence from the Company also.

Despatch from the Right Honorable Sir C. WOOD, Bart., Secretary of State for India (Public Works), to His Excellency the Right Honorable the Governor General of India in Council, dated India Office, London, 9th April 1864, No. 14.

SIR,

No. 86, dated 31st December 1863.

1. On receipt of the Despatch noted in the margin, remarking on certain provisions of the Contract entered into with the Madras Irrigation and Canal Company, I caused it to be communicated to the standing Counsel to this Office, under whose advice the Deed had been prepared. Having now received Mr. Forsyth's opinion, I have the following suggestions to make for your guidance.

*Proceedings of the Madras Government, Public Works Department,
19th July 1864.*

2. The clauses of the Contract taken together, appear to give the Local Government the option of purchasing and the power to purchase, all the water supplied by the Company for purposes of irrigation.

3. In fixing "the price to be paid by the Secretary of State to the Company for the water supplied for irrigation," under clause 13 of the Contract, the Local Government may, in my opinion, take into account charges of collection if incurred by the Government, and other charges which may be incurred by the Government in connection with the irrigation of land.

4. But if the arrangement between the Government and the Company is so made as to throw upon the Company instead of the Government the expense of collection, then clause 22 provides that the Company shall enter that expense to their debit.

5. I agree in the interpretation put by your Despatch, paragraph 6, on clauses 11, 16, and 17.

ORDER.—Ordered that copies of the foregoing papers be forwarded to the Government of Fort Saint George for information.

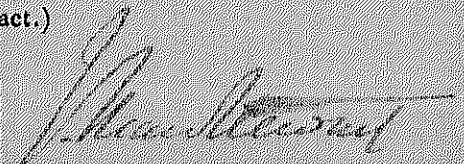
(Signed) R. STRACHEY, Colonel, R. E.,
Secretary to the Government of India.

No. 335.

ORDER THEREON, 19th July 1864, No. 2,079.

Communicated to the Revenue Department and to the Consulting Engineer, Madras Irrigation and Canal Company.

(True Extract.)



Deputy Secretary to Government.

To the Revenue Department.

„ Consulting Engineer, Madras Irrigation and Canal Company.

1890.

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