

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1271

Press
Mis.

214-216

Dated 10 - 6 - 18 65.

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
10th June 1865.*

No. 214. Read the following Proceedings of the Board of Revenue, dated 14th May 1864, No. 2,938:—

Read again Board's Proceedings, dated 24th November 1863, No. 7,426, and 4th January 1864, No. 13.

Government Order on last Proceedings, dated 20th January 1864, No. 120, Revenue Department.
Read also the following letters:—

From the Collector of Nellore, dated 18th January 1864, No. 12.

1. I have the honor to request I may be favored with orders as to the course to be pursued in respect to the lands I have already assessed under the anicut, should the Government agree with the Board in the views expressed in their Proceedings of the 4th, No. 13.

2. Generally speaking the lands at a distance from a tank are lightly assessed, and as it is there that extension of irrigation from the anicut is chiefly to be looked for, it is probable the changes to be made, if any, would be considerable, and it would therefore be desirable they should be made at the Jamabandi to commence in the end of February.

3. The Board have mistaken my views in respect to the Nellore tank. As given in the Order of Government in the Public Works Department, I consider it a part of the anicut scheme chiefly with reference to the precarious nature of the supply from the Pennair, and the necessity of having such a reservoir to fall back upon.

From the same Officer, dated 5th April 1864, No. 82.

1. Under date the 20th January* and 3rd February, the Government desire to be informed, first, on what data my calculations of the value of water are based; second, whether the imposition of a separate water-cess is practicable; third, as regards Insims, on what data a water-cess of Rupees 3 is recommended in their respect for this District; and these several questions, received with the Board's Proceedings of the 23rd January and 6th February, Nos. 472 and 853 respectively, I now do myself the honor to reply to seriatim.

2. In this District, the usual calculation is 2½ Putis* per gora, or in round numbers 13 cwt. per acre. Inquiries made during the Jamabandi just closed have confirmed what I have always understood to be the common opinion on this important point; and taking therefore 2½ Putis as the accepted average yield per gora of 3 and a fraction acres, we have Rupees 32 as the gross value of the produce per acre at present prices, or, in other words, the value of water supplied for irrigation as exhibited by the crop.

3. That the imposition of a separate water-cess is practicable, I think no one will deny. That it is advisable is another matter; and I have hitherto been one of those who feared such a course must be prejudicial to the public interests. Now, however, I am of the opposite opinion. Further experience has shown me that, with water, distinctive rates are a mistake, and I beg to give it as my opinion, in reply to the orders under acknowledgment, that a separate water-cess is practicable, and is also desirable.

4. As regards the data on which Rupees 3 is recommended for this District as a fitting water-cess on the additional area irrigated in Insims I have the honor to state, that, with the average yield stated in paragraph 2, if prices fell 50 per cent., the Insimndars could not in my opinion complain of having to pay either 3 or 4 Rupees for the supply of water, which gave such crop.

1. Mr. Dykes reported in his letters relating to the results obtained from the Pennair Anicut works, that finding land newly brought under the influence of irrigation from these works was eagerly taken up at a consolidated Nunjah assessment of Rupees 6 per acre, he made this rate generally applicable in the case of Durkhasta for such lands, and refused to give for cultivation Dry land newly brought under irrigation at the rate appropriate to it as Nunjah under the ordinary rule when that rate was less than Rupees 4½.

2. The Board on this observed that Mr. Dykes was not authorized to set aside the established rule in this manner, and that his minimum would probably be found too high in the general revision of the assessment, remarking at the same time that in the Godavery Delta under the revised Settlement, there is irrigated land which pays only Rupees 3-4-0 per acre.

Proceedings of the Madras

10

3. The Government agreed with Board's sanction for his proceedings, and data on which his calculations of the value of a separate water-charge is practicable.

4. In his letters now under discussion in respect to the lands he has arrived at his estimate of the value.

5. Mr. Dykes in replying to land supplied with irrigation. The round numbers 1.5 cwt. of paddy per acre in money. The gross value of the value of the water, but the cult all charges of cultivation, as the value.

6. As to the second point, of a uniform water-rate. He thinks "interests," and that "distinctive" has arrived at the latter conclusion.

7. With regard to the fact that a uniform water-rate at 50 per cent. The Board effect that a uniform water-rate on land of an average had shown what proportion inferior lands, and how to meet the cost of cultivating a water-charge, mending a water-charge, alter their opinion assessing dry land of the same.

No. 215.

Read the following

1. I have No. 2,083, on "opinion the Government informing Government."

2. In my letter per acre at present exhibited by the Government.

3. I agree with and would suggest the charges of cultivation.

4. I confined so much a matter desirable to avoid I deemed their interest pay three or even five.

5. In the 6th arrived at the opinion distinctive rates are was only asked what the grounds gone on that the Report with.

6. And first as suffer were a separate assessment scales exhibit right thirty rupees an

Proceedings of the Madras Government, Revenue Department.

10th June 1903.

out of proportion to the rate borne by the remaining class of lands. In such cases the rate to be reduced, that the lands offered by them may be placed on an equal footing with the lands in the District. But still, the question remains, who has to pay a single rate on the land (wet) is a better mode of taxing the land than the old mode of proportioning the rate to the varying quality of the soil?

4. In the case of wet lands under cultivation, the question is, not whether a fixed rate should be adopted, but whether the rate should be a portion of the least productive land in the District. The Board think it inadvisable to tax land belonging to the same area, and the same sources of irrigation, on two totally different principles. Such a course would not they think be fair to those who wish to take up the new land, which, if it be of an inferior quality would, when charged with Mr. Dykes's proposed minimum rate, be taxed at a higher proportional rate than the lands already under cultivation.

5. Mr. Dykes states (paragraph 10) that his remarks had sole reference to the land newly taken, and had nothing to do with the worst land under cultivation. The Board observe that the land newly taken up must doubtless include lands of varying fertility; for Mr. Dykes referred to what might be the average quality of such lands. The Board had in view the general question; but their remark is equally applicable to the lands now referred to if they are not all of one uniform quality.

6. The Board did not propose to fix the assessment with reference to the worst land a Ryot may find it his interest to take up (paragraph 12). They merely pointed out that the incidence of a single uniform rate on the land cannot be fairly determined except by estimating the effect of such a rate on the least productive land.

7. The Board do not perceive the force of Mr. Dykes's illustration in paragraph 13. The tax on irrigated land is not mere profit on an outlay of capital. The Government have a right to a proportional share equally in wet land as in dry. The main object of a settlement under the old system was so to lay the tax on the land that the best and the worst land should each be assessed in equal proportion to its natural value. A single uniform rate on wet land distributes the burden among the tax payers on a different principle; but still, whether this kind of tax be heavy or light, must depend on the proportion which it bears to the produce of the least productive land that the demand for agricultural produce may bring under cultivation.

8. With regard to paragraph 11 of Mr. Dykes's letter, the Board need only point out that in assessing new land on the plan referred to, the assessment ought to be made, in the case of wet lands, in accordance with the rates charged on lands similar in quality and possessing corresponding advantages of irrigation with the land to be assessed. It is not at all in keeping with the plan referred to to take as a guide the rates fixed on lands which, owing to their distance from the tank or other source of irrigation, have in consequence been assessed at comparatively low rates.

No. 216.

Land Revenue.

ORDER THEREON, 10th June 1903, No. 1,371.

1. The questions left for the decision of Government in the above papers are,

I. The mode of charging assessed dry land converted into wet by irrigation from the Pennair Anicut.

II. The rate at which Inam lands not entitled to free irrigation by the terms of their tenure shall be charged for water similarly supplied.

2. On the first point the Government concur with the Board that the corresponding Nunjah rate in the village for the class of land concerned should be charged.

3. In the case of the Inam lands liable to be charged for irrigation newly supplied from the Anicut system of works, the Government consider that the rate should be fixed at Rupees 4 per acre fully irrigated for a single crop, this being the rate fixed for Kurnool, and the amount to which the Godavary and Krishna water rates have lately been raised.

4. A second wet crop will be charged the same as for the first crop.

5. Irrigation to dry crops will be charged at Rupees 2 per acre.

(Signed) W. HUDLESTON,
Acting Secretary to Government.

Pennair anicut should be assessed at a uniform rate while a portion continues charged with the old proportional rates. The Board think it inadvisable to tax land belonging to the same area, and the same sources of irrigation, on two totally different principles. Such a course would not they think be fair to those who wish to take up the new land, which, if it be of an inferior quality would, when charged with Mr. Dykes's proposed minimum rate, be taxed at a higher proportional rate than the lands already under cultivation.

5. Mr. Dykes states (paragraph 10) that his remarks had sole reference to the land newly taken, and had nothing to do with the worst land under cultivation. The Board observe that the land newly taken up must doubtless include lands of varying fertility; for Mr. Dykes referred to what might be the average quality of such lands. The Board had in view the general question; but their remark is equally applicable to the lands now referred to if they are not all of one uniform quality.

6. The Board did not propose to fix the assessment with reference to the worst land a Ryot may find it his interest to take up (paragraph 12). They merely pointed out that the incidence of a single uniform rate on the land cannot be fairly determined except by estimating the effect of such a rate on the least productive land.

7. The Board do not perceive the force of Mr. Dykes's illustration in paragraph 13. The tax on irrigated land is not mere profit on an outlay of capital. The Government have a right to a proportional share equally in wet land as in dry. The main object of a settlement under the old system was so to lay the tax on the land that the best and the worst land should each be assessed in equal proportion to its natural value. A single uniform rate on wet land distributes the burden among the tax payers on a different principle; but still, whether this kind of tax be heavy or light, must depend on the proportion which it bears to the produce of the least productive land that the demand for agricultural produce may bring under cultivation.

8. With regard to paragraph 11 of Mr. Dykes's letter, the Board need only point out that in assessing new land on the plan referred to, the assessment ought to be made, in the case of wet lands, in accordance with the rates charged on lands similar in quality and possessing corresponding advantages of irrigation with the land to be assessed. It is not at all in keeping with the plan referred to to take as a guide the rates fixed on lands which, owing to their distance from the tank or other source of irrigation, have in consequence been assessed at comparatively low rates.

(A true Copy and Extract.)

[Signature]

Secretary.

To J. D. Sim, Esq., Secretary to Government, R. D.

Copy to J. W. B. Dykes, Esq., Collector of Nellore.

"to Mr. E. Master, Esq., Officiating Director of Revenue Settlement.

Exd. R. H. Lee.

*Proceedings of the Madras Government, Revenue Department,
10th June 1865.*

3. The Government agreed with the Board that Mr. Dykes should have first sought the Board's sanction for his proceedings, and they desired that he should be called on to furnish the data on which his calculations of the value of water are based, and to state whether the imposition of a separate water-cess is practicable in the case of this newly irrigated tract.

4. In his letters now under disposal, Mr. Dykes seeks instructions as to the course to be pursued in respect to the lands he has already assessed under the Anicut, and explains how he arrives at his estimate of the value of water for irrigation.

5. Mr. Dykes in replying to the first question has confined himself to the produce value of land supplied with irrigation. The average produce value is said to be Putis 2½ per Gorn, or in round numbers 1½ cwt. of paddy per acre, which at current prices would be equal to 32 Rupees an acre in money. The gross value of the produce is, in Mr. Dykes' opinion, the same thing as the value of the water, but the cultivator would rather consider his net receipts, after deducting all charges of cultivation, as the value to him of the water.

6. As to the second point, Mr. Dykes has changed his former opinion, and is now in favor of a uniform water-rate. He thinks that a uniform rate would not "be prejudicial to the public interests," and that "distinctive rates are a mistake." He has not explained on what grounds he has arrived at the latter conclusion.

7. With regard to the third point, he is satisfied, if the average yield be, as stated above, that a uniform water-rate at Rupees 3 per acre might easily be paid, even though current prices fell 50 per cent. The Board observe that the main point for consideration on this subject is the effect that a uniform water rate of Rupees 3 would have on the worst land under cultivation, and not on land of an average quality. It would therefore have been more satisfactory if Mr. Dykes had shewn what proportion this fixed rate would bear at current prices to the produce of the inferior lands, and how far the remaining produce, after allowing for the water-rate, would serve to meet the cost of cultivation. It is impossible to judge whether he had fair grounds for recommending a water-cess of Rupees 3 without particulars of this kind. The Board see no reason to alter their opinion that pending the introduction of the revised Settlement, the usual plan of assessing dry land converted into wet, with its appropriate Nurjah rate, as charged on Kunjah land of the same quality in the vicinity had better be maintained.

No. 215. Read the following Proceedings of the Board of Revenue, dated 9th June 1864, No. 3,622.

Read the following letter from the Collector of Nellore, dated 28th May 1864, No. 153:—

1. I have the honor to acknowledge the receipt of the Board's Proceedings of the 14th, No. 2,938, on my letters of the 18th January and 5th ultimo, Nos. 12 and 82, respectively.

2. In paragraph 5, the Board observe that the "gross value of the produce is in Mr. Dykes' opinion the same thing as the value of the water." May I request the favor of the Board informing Government that this is not my opinion.

3. In my letter of the 5th April I stated "Rupees 32 to be the gross value of the produce per acre at present prices; or in other words, the value of water supplied for irrigation as exhibited by the crop," i. e., similarly the gross value.

4. I agree with the Board as to the probable views of a Ryot in calculating his receipts, and would suggest were he making out the "net" value he would deduct for the land as well as the charges of cultivation.

5. I confined myself to the "produce" or gross value, because the costs of cultivation are so much a matter of doubt and variation with reference to the labor market, &c., that it seemed desirable to avoid complicating my statement with such details if not absolutely requisite; and I deemed their introduction unnecessary when it was simply a question of, whether a Ryot could pay three or even four Rupees out of a gross produce of 32.

6. In the 6th paragraph the Board observe I have not explained on what grounds I have arrived at the opinion that a uniform rate would not be prejudicial to the public interests, and distinctive rates are a mistake; and, explaining that I did not go into these details because I was only asked whether a separate water-cess would be "practicable," I beg now to give briefly the grounds gone on in arriving at these conclusions in case the Government should also consider that the Report without them is deficient.

7. And first as to the "Public Interests." I beg to state that I used to think they would suffer were a separate water-cess introduced, because I was then blinded by the high rates our assessment was exhibited. I remembered five and twenty, eight and twenty, if I remember right the Rupees an acre on rice lands, and I thought if we drop from these big sums there

*Proceedings of the Madras Government, Revenue Department,
10th June 1865.*

will be loss to the public revenues; but when I came to have more experience and examine more general accounts, I found these large sums had little real bearing on the general revenue, I found from four to six Rupees consolidated assessment made up the bulk of our revenues on the irrigated area; and I came to the conclusion that the exceptionally high rates that some lands bear might be abandoned without any sensible effect on the gross amount of our public revenues, and therefore without prejudice in this respect to the public interests.

8. I further, as I gathered experience, observed how entirely rice is a matter of capital: how high rated lands can be worked out almost before the map is lithographed; how land, if properly treated, can put two tons of paddy on the threshing floor with the aid of water; and with these facts before my eyes, I came gradually to the second conclusion, viz., that distinctive rates as to the land are a mistake. Whilst in arriving at this latter conclusion, I was also influenced by observing that generally those who got the lower rates had most capital, and those who entered the village to make their way were those who had the highest rates imposed on them.

9. When the rates, &c., are on a more satisfactory footing than in this District, distinctions can of course be made with less danger; but anywhere they are temptations that must invariably work to the injury of our accounts, and prove a test to the morality of our public servants; that so far as my experience goes, the safety of the public revenues does not require, and is therefore "mischievous."

10. And having thus arrived at the conclusion, first, that a uniform water-rate would not be prejudicial to the public interests, i. e., would be "practicable;" and secondly, that distinctive rates are not required, are noxious, and therefore a mistake, I beg to bring to the Board's notice; first, that these remarks had solely reference to the land newly taken up, and had nothing to do with "the worst land under cultivation."

• Board's Proceedings, 14th May, No. 2,938, paragraph 7. second, that to take the assessment on the adjacent lands as a guide for the new irrigation would be to diminish the returns on the anicut considerably; because these assessments had been fixed where the old supply was most defective; and third, that with the large areas involved in an extension of anicut irrigation to continue

Letter of 18th January, No. 12, paragraph 2.

the system pursued with propriety in an extension under the same works is to expose our Revenue Establishment to a test I do not think they are equal to.

11. When a tank or a channel has been improved and irrigation extended, previous assessments are the best guides we can have; but when a new source of irrigation is opened, it seems to me the gradations of the old irrigation are no longer applicable. The land to be assessed may be just under the channel with an abundant supply, and yet the land next it, the assessment of which is to be taken as a guide, may be and probably is furthest from the tank or other old work, and therefore irrigated and assessed under wholly different conditions.

12. Again, to fix the assessment with reference to the "worst" land a Ryot may find it to his interest to take up would be to introduce a feature into the calculations of whether an anicut will pay that, has not been recognized as yet as far as I am aware.

13. If the public capital were to be expended in importing guano it would not, I presume, be sold with reference to the nature of the land to be applied to; but at so much a ton all round.

14. And believing myself, for the reason aforesaid, that the same system of no distinctive rates can with safety be applied to our Indian anicuts, I would beg the Board to remember that if 32 Rupees has with propriety been imposed on some lands in the Godavery as a consolidated assessment; on the other hand Rupees 3 is imposed as a water-rate on Inams; and 4 Rupees has been fixed in Kurnool as the water-rate all round in addition to the land assessment; and this rate it is, I presume, possible may be continued down the Company's irrigation into this District.

1. Ordered that the letter above recorded be submitted to Government in continuation of Board's Proceedings, dated 14th May 1864, No. 2,938.

2. As to paragraph 2, the Board do not see that they put any wrong construction on Mr. Dykes' previous letter. His further explanation still shews that his calculations as to the value of water were based on the gross productive value of irrigated land.

Vide paragraph 11 of his letter to Government, dated 7th December 1863, No. 31A.

3. With regard to paragraphs 6 to 9, the Board observe that various degrees of fertility are to be found in irrigated land; and that in assessing either wet lands or dry the rule has been to regulate the assessment by the natural quality of the soil. If wet land should be improved by an outlay of capital, the Government do not assess the land at a higher proportional rate; for that would be equivalent to imposing a tax on the capital so employed. The exceptionally high rates to which Mr. Dykes refers belong to lands that have been erroneously assessed at rates

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No. 1524-
 PROCEEDINGS OF THE BOARD OF REVENUE

Date 9th June 1864
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No. 3682
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Submitting with remarks letter from the
 Collector of Nellore replying to Board's re-
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that the rate should be
fixed at Rs. 4. per
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the rate fixed for Kurnool
& the amt. Rs. 3. the Government
this two better rate have
been ^{been} raised.

A second crop will
be charged the same as for
the first crop.

Irrig? & dry crops will

be charged at Rs. 2. per
acre. ⁵
L.R.

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14 F. O. O. D. (100 acres) Dec. 12, 1902
13 H. O. O. D. (100 acres) Dec. 12, 1902

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