M.R.O. 14—13,000—27-9-24

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 1884	Press Mis.
222.223	
Dated	14 — 8. 1865.

Not to be folded or roughly handled

No. 222. 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, Public Works Department, dated Madras, 31st July 1865, No. 62 :—

SIR,

1. With reference to the Proceedings of Government in the Revenue Department of the 19th instant, No. 1,662, I have the honor to submit a copy of the letter* addressed by me to the Agent and Manager Madras Irrigation and Canal Company, on the subject of the charge to be made for the supply of water to Kurnool, and to enclose Mr. Henslowe's reply.†

1 Copy of a letter to Agent, No. 131, dated 22nd July 1865.
1 Letter in original from Agent, No. 332.

* No. 131, 22nd instant.

† No. 203, 28th instant.

2. It will be noticed that the Agent does not consider the "Company bound "by the figures which Colonel Cotton may, at the out-set, have hazarded in opening "a proposal" to supply the town ; but it can hardly be doubted, I think, that those figures had an important influence, when the question of the supply was under consideration, and that had the distribution works been constructed at the cost of the Company, the latter would probably have continued those terms, or have made no wide departure from them, because there would have been a great probability that otherwise the supply would have been declined, and the outlay made for affording it thus rendered unremunerative. Colonel Cotton, in fact, proposed to regulate the price of the water for the town supply by the rates realized by irrigation (*vide* end of paragraph 5 of letter No. 1,138, 29th November 1864, Proceedings Madras Government, Revenue Department, 11th January 1865, No. 37), and therefore the Municipal Commission must have deemed themselves safe from any demand greatly in excess of those rates.

3. It will also be seen that Mr. Henslowe considers the maximum rate‡ fixed, and which it is intended to demand for the Kurnool Town supply, to be an extraordinarily low one ; and his views are probably based upon much the same grounds as those of the shareholders, who expressed their discontent at the last general Meeting, viz., upon the cost of water supplies in other countries. The circumstances, however, are so different, that a comparison can be but a matter of curiosity, rather than a foundation for calculation. In the first place, the cost of obtaining the water, including the powers to take and the value of the land, is very different ; in the next place Companies, which undertake the supply of towns in the European sense, have to construct a costly system of pipes for carrying and delivering the water ; and, on the other hand, turning from the supplies to the people supplied, we find a total dissimilarity both of income and habits. The value of the water to the people supplied can only be determined by what they are disposed to give in a case in which, as at Kurnool, a new source of supply is a luxury rather than a necessity ; and but for the action which the Municipal Commission has taken

‡ 400 cubic yards for 1 Rupee.

Vide paragraph 3.

upon the supposition that the charge made by the Company would be that named by its Chief Engineer, and at the time in no way objected to by the Agent. I should have considered it quite open to the latter to obtain as high a rate, within the maximum allowed, as the Commission might be willing to agree to.

4. I think the Municipal Commission of Kurnool should at once take steps to obtain from the Company a written statement of the terms on which the supply of the town will be afforded. The President mentions in his letter that the expenditure on distribution works will probably ultimately amount to 50,000 Rupees, and perhaps as yet only a small part has been expended; and it may be possible either to decline to receive any supply from the Company's canal, or to reduce the quantity taken very materially, unless it can be obtained on favorable terms. It may be added, that it can hardly be necessary that the Municipality should concern itself with the water supply of gardens; and it would be better, perhaps, both on account of the distribution channels for the town, which would otherwise become more expensive, to let all gardens, which can be watered by channels unconnected with those of the town supply, be arranged for quite separately, more especially as the rate for them is dependent upon considerations altogether different to those which are connected with water for domestic purposes. If the Commission receive the town supply at the site formerly indicated by Colonel Cotton, viz., near the Flagstaff, the garden channels will, for the most part, lie above that point, and the water carried below will be almost entirely for the town itself. It will be necessary also that the Commission should not incur any very heavy outlay without securing favorable terms, not only for the present, but for a considerable term of years. I notice that the Agent alludes to a supply "of pure water," but I do not think the Company have arranged to supply filtered or even settled water, and, if not, the water will be pure only in the same sense as that in the river is so.

5. So long as the Company have any water to dispose of, it seems clear that they will be willing, in the absence of a better offer, to sell it at a very much lower rate than that which is, it would seem, to be demanded for Kurnool; because there is no chance, at least for as many years as it is now necessary to look forward to, of the great bulk of the water being disposed of at any thing like that rate. For a considerable portion of the year the Company cannot make any other use of the water which Kurnool would take for its supply, if that supply be declined, for only

Proceedings Madras Government, No. 704, dated 7th April 1862.

on account of the town has permission to abstract water from the river after December been given, and therefore thinking, as I do, that the Commission have good reason for objecting to the increased demand, it seems probable that they will be able to bring the Company to terms; but as the latter are free under the Contract to charge what they please, within the maximum allowed by law, for supplies such as that of Kurnool, it would not be advisable that the Government should exercise any pressure with a view to induce the Company to supply Kurnool on terms more favorable than they are disposed to grant. The Commission should make now the best bargain they can, and they should understand that they are an independent body, dealing with a practically independent body so far as these exceptional supplies are concerned, and that therefore they must take care that their rights are placed upon a satisfactory footing, and so recorded as to admit of their being legally established if necessary.

Referred to the Revenue Department.

FORT SAINT GEORGE,
2nd August 1865.

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

No. 223.

ORDER THEREON, 14th August 1865, No. 1,884.

Miscellaneous.

1. In these papers the Municipality of Kurnool request that Government will re-consider their decision, fixing one Rupee per 400 cubic yards as the maximum price to be charged for water supplied by the Irrigation Company for other than irrigation purposes. They urge that the extraordinary difference between this price and the price anticipated by Colonel Cotton, with reference to which their works have been undertaken, upsets their calculations, and will necessitate the raising of their rates to an extent burdensome to the community.

2. The Consulting Engineer has communicated with the Company's Agent on the subject of these representations, but has been unable to obtain his consent to any alteration in the maximum rate which was fixed upon by Government in communication with him.

3. Government having adopted the rate of Rupee 1 per 400 cubic yards after full consideration, cannot now alter it with reference to the peculiar circumstances of the Municipality of Kurnool, but must leave them to make their own bargain with the Company, who will doubtless be aware that their own interests require that they should dispose of their surplus water at an equitable charge.

(True Extract.)

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

To the Consulting Engineer for Irrigation and Canal Company.
,, the Board of Revenue.
,, the Department Public Works.
,, the President of the Kurnool Municipal Commission.

Exd. S. T. Augustin.

as the latter are free under the Contract to charge what they please, within the maximum allowed by law, for supplies such as that of Kurnool, it would not be advisable that the Government should exercise any pressure with a view to induce the Company to supply Kurnool on terms more favorable than they are disposed to grant. The Commission should make now the best bargain they can, and they should understand that they are an independent body, dealing with a practically independent body so far as these exceptional supplies are concerned, and that therefore they must take care that their rights are placed upon a satisfactory footing, and so recorded as to admit of their being legally established if necessary.

I have the honor to be
Sir)
Your Most Obed.t Servant
[illegible] Captain R.E.
Cons. Engr. for Irrig.n &c.

Received 2nd September 1865

Proceedings of the Municipal Government under date the 14th August 1865.

Read the following letter from the Municipal Commissioners of Irrigation and Council Commissioners.

Submitted with reference to the Pro: of Govt No 1662 of the 19th Inst. copy of his letter to the Agent and of his reply thereto on the subject of the charge made for the supply of water to Kurnool.

(Where entered 3rd Sept 1865)

Sir Thos Fraser

The Municipality of Kurnool request that Govt will reconsider their decision fixing one rupee per 100 maximum quantity per day, and the proposed charge for water stopped by Mr Collins company

Referred to the Chief Engineer for Irrigation

Dated 31st July 1865

Rec'd 2 Aug

Ans. 7 Aug

Enc: 2 Pets

Submits with reference to the Pro: of Govt No 1662 of the 19th Inst. copy of his letter to the Agent and of his reply thereto on the subject of the charge made for the supply of water to Kurnool.

Let the answer

Rec'd 19th July 1865 Pro. 323-324

Referred to the Revenue Department

Secretary to Govt

Fort St George
2nd August 1865

Rec'd 2 Aug 1865 Pro. 2136

From The Chief Engineer for Irrigation

To The Secretary to Govt of Madras

Dated 31st July 1865

Rec'd 2 Aug

Ans. 7 Aug

Enc: 2 Pets

Submits with reference to the Pro: of Govt No 1662 of the 19th Inst. copy of his letter to the Agent and of his reply thereto on the subject of the charge made for the supply of water to Kurnool.

Let the answer

Rec'd Pro

No 722

Copy to Pro Rev

Revenue

Sir Thos Fraser's letter to the Municipality of Kurnool

Sir Thos Fraser's letter to the Municipality of Kurnool

If the Company's Agent cannot be induced to abandon the position he has now taken, the Govt have not power to remove the obstacle it has induced him to take it. If the cockney referred to only knew how easily the right of using the water had been secured to the Company, he would not stand aghast at the right of person many gallons for a shilling. But many what Mr Kindersley has urged, Govt have not power to act, and that the best course will be to let the Municipality make with the Agent the best bargain they can for the present. The proposed legislation cannot be stopped for a time, as the Company cannot be bound under the intended law, but possibly under the magnum rate fixed does not suit them. The directors are working to create a belief in their prospects so as to get new capital subscribed. It will therefore be politic wise to lay before them copies of the papers which the Kurnool people have sent to a task may by Colonel Collins memorial. I mention this that they should be informed of what has passed & that their consent should be obtained before any demand is made.

3 Sept

anticipated by Colonel Colton with reference to which their works have been undertaken upsets their calculations, and will necessitate the raising of the ~~water~~ rates to an extent burdensome to the community.

2. The Consulting Engr has communicated with the Company's Agent on the subject of these representations, but has been unable to obtain his consent to any alteration in the maximum rate which was fixed upon by Govt in communication with him.

3. Govt having adopted the rate of Rupee 1 per 400 cubic yards after full consideration cannot now alter it with reference to the peculiar circumstances of

of the Municipality of Kurnool, but must leave them to make their own bargain with the Company who will doubtless be aware that their own interests require that they should dispose of their surplus water at an equitable charge.

J.T.

7 To the Consulting Engineer and Co with Copy of Company's letter dated 15 Aug.
14 " the Board of Rev S
21 " the Sec to Govt S
1 " the President of the Kurnool Municipal Commissioners

Received by Engd 23d
September 1865 No 58 Mun:

Revenue 1865 Departt.
Proc:t for August

No 1884

Pro of the Madras Govt
D/ 14th August 1865

Directing that the
Municipal Commissioners should
make their own bargain
with the Irrigation
Company for the price
of water -

No 222 & 773