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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue.....DEPARTMENT

G.O. No.	<i>60</i>	Press
B.P. No.		Mis.
Dated	<i>8-9-1874</i>	<i>196-</i>

Not to be folded or roughly handled

No. 53. Read the following letter from Colonel J. CROFTON, R.E., Deputy Secretary to the Government of India, Public Works Department, (Irrigation,) to Colonel G. W. WALKER, R.E., Secretary to the Government of Madras, Public Works Department; dated Fort William, 18th May 1874, No. 296-I:—

I AM directed to acknowledge the receipt of your letter, No. 760, dated the 19th March last, forwarding, for consideration, a Note by the Chief Engineer for Irrigation, in which the several points raised in a memorandum by the Officiating Accountant-General, Public Works Department, dated the 30th September 1873, regarding the financial prospects of the Sungum Project are discussed, and, in reply, to transmit copy of a Note by the Accountant-General replying to Colonel Mullins' remarks, and to request that the Government of India may be informed how far the Local Government is satisfied of the correctness of Colonel Innes' views.

2. With reference to paragraph 9 of Colonel Mullins' Note, I am to inquire whether there is any ground for expecting that further advantages will be eventually obtained from the project, in the shape of savings on remissions of land revenue and the like, and to inquire also the circumstances under which Inamdars are exempt from paying a water-rate.

No. 51. ORDER THEREON, 3rd September 1874, No. 2,492.

IRRIGATION, No. 9.

His Excellency the Governor in Council observes that the difference between the views of the Accountant-General, Public Works Department, and those of the Chief Engineer for Irrigation is mainly due to the circumstance that the latter officer considers that the direct charges only on account of any project should be taken into consideration in determining whether it is financially desirable to carry it out, while the Accountant-General would add indirect charges, of which the principal are a share of the general Public Works Establishment, in addition to the special establishment provided for in the estimates already submitted to the Government of India, and a share of the cost of land revenue collections, as an addition to maintenance expenses, against the revenue derived from the project.

* Rupees 25,83,800.

2. After careful consideration, and of the arguments which have been adduced, His Excellency is of opinion that both these charges, the one enhancing the cost of the project, and the other diminishing the net receipts, should be taken into account, on the ground that it is right to distribute the whole cost of Public Works Establishments chargeable to irrigation against the entire number of works with which they have to deal, and that similarly the cost of Revenue Establishments is fairly debitable to the whole irrigation revenue.

3. The result of this decision on the financial aspect of the Sungum Project will now be considered. First, the addition to be made to the estimates on account of establishments will be, not the sum of Rupees 6,38,406 given in the first

*Proceedings of the Madras Government, Public Works Department,
3rd September 1874.*

paragraph of the Accountant-General's Note, printed in Proceedings, Madras Government of the 19th March 1874, but 25 per cent. on the following amount:—

	Rs.
Estimates submitted by Mr. R. Smith	28,72,825
Deduct special establishment included in the above estimates	3,19,200
Deduct on account of work struck out of the estimates	70,000
	<u>3,89,200</u>
	24,83,625
25 per cent. on this amount	6,20,906
Amount included in estimates submitted to Government of India...	<u>2,73,000</u>
	3,47,906
Difference to be added...	3,47,900
Say...	3,47,900

4. It is necessary to notice here that the value of the land in the beds of certain tanks which will be abandoned must be treated as an asset in some form or another, and the simplest way appears to be to credit it against capital expenditure. It may be necessary to reconsider the question of the amount of revenue which will be lost by taking up land for the project, and possibly to make some addition to the estimates on this account; the District Engineer, Nellore, will accordingly be instructed to report on the area of lands required to be taken up, and their assessment, distinguishing between that which is derived from lands in the occupation of ryots, and assessed waste from which no revenue has been derived. With regard also to the sum of Rupees 70,000 deducted from the estimates by the Chief Engineer for Irrigation, but objected to by the Accountant-General, it is quite clear that, as the work represented by this sum is not to be carried out, the deduction is perfectly correct.

5. The Government observe that the Accountant-General and the Chief Engineer for Irrigation are really of one opinion as to the inclusion of the preliminary expenses in the total cost of the work.

6. The proper total of the estimates, therefore, exclusive of any sum which may have to be added on account of the estimated value of assessment on land taken up, will be—

	Rs.
Amount as submitted	25,83,800
Additional for establishments	3,47,900
Preliminary expenses	48,897
Share of direction and account	2,233
	<u>51,130</u>
	29,82,830

7. Turning to the estimate of Revenue, the Accountant-General assumes the gross revenue to amount to Rupees 2,51,516, being at the rate of 4 Rupees an acre on the difference between the supposed future and present area of irrigation, but this, as will be seen from Proceedings, Madras Government of the 18th March 1871, No. 818, is not the correct sum. It is there shown that the Revenue Settlement Department estimated the revenue at Rupees 2,51,516, including

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Rupees 68,929 anticipated cessation of remissions heretofore necessary, while the amount adopted by Government, on the recommendation of the Board of Revenue, was Rupees 2,38,000. The water-rate adopted by the Accountant-General is not applicable to the tract of country to be irrigated, in which the assessment is consolidated. The net revenue will, therefore, be as follows:—

	Rs.
Gross Revenue	2,38,000
Deduct—	
Maintenance expenses	34,200
Share of Revenue collection at 9½ per cent. on 2,38,000 — 69,000*	16,055
*68,929	<u>50,255</u>
Net Revenue...	1,87,745

or 6.3 per cent. on Rupees 29,82,830

8. With regard to the question of lands hitherto either not so cultivated, or only in exceptionally good years, His Excellency the Governor has referred this subject to the Revenue Department for consideration. It is not altogether reasonable that advantages should be obtained if this project be not carried out, and all charge in the event of its being sanctioned. Inam lands which may be newly irrigated, will be included in the estimate.

9. It is noticed in paragraph 18 of the Report of the 1874, that the estimates contain provision for pension and leave allowances. The amount which until recently it was not allowed for the District Engineer, Nellore, for Godavery works, a provision was made in this Note of the Accountant-General's instructions on the subject have been given.

(Here enter No. ...)

am lands classed as wet, but being irrigated only in exceptional years. In Council resolves to remit the assessment, as it appears to be reasonable that Inamdars will certainly not be conferred upon them free of assessment. It is observed that the area of lands fully supplied, is 8,854 acres. The Accountant-General's Note of the 23rd April 1874, in relation to the pension and plant or for pension account of the former omission, estimates, will be reported by the District Engineer, Nellore, and that, in the case of the work estimates has been made for the first time, been mentioned in the Accountant-General's Note. His Excellency observes that no objection is made by the Government of India. (September 1874.)

W. H. Miller

Lieut.-Colonel, R.E.,

Joint Secretary to Government.

To the District Engineer, Nellore.
" Chief Engineer for Irrigation.
" Officiating Controller of Public Works.
" Revenue Department.

Exd. S. T. Austin.

20 Spare Copies

No 3056

Revenue Department
Govt. of India
PUBLIC WORKS.

THE DISTRICT ENGINEER, BELLARY.

cc. cc. cc.

dated September 3rd.

and

Encl.

G. O., 3rd September 1914, No. 2492.

RECEIVED

NOV 3 1914

To B P Office 8-11-14-74

Sungar Project, Bellary District —
ring orders on the points raised by the
Department of India and the G. and
C. of the project.

Referred to the Board
encl. for report with
me to para 8 of the G. O.
11/11/14

Vide entry 4435/74
3057/75-