M.R.O. 1—20,002—12-8-65.

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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No. / ~~B.P. No.~~	1024	~~Press~~ / Mis.
Dated	17.5.1875	196 .

Not to be folded or roughly handled

D.A

DETAILED STATEMENT OF THE CONSERVANCY ESTABLISHMENT.

No.	Office.	Salary.	Allowance.	Total.
	Upper Section.	RS.	RS.	RS.
2	Engineers	1,600	300	1,900
8	Chainmen	56	...	56
4	Overseers	260	100	360
4	Amins	80	...	80
141	Bankers	846	...	846
3	Tindals	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	Signallers	40	...	40
	Total ...	...	...	3,635
	Lower Section.			
2	Engineers	1,100	270	1,370
8	Chainmen	56	...	56
4	Overseers	260	100	360
4	Amins	80	...	80
188	Bankers	1,128	...	1,128
3	Head Sluice Tindals	50	...	50
1	Tail 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 ...	...	...	3,395
	Grand Total ...	...	...	7,030

(Signed) G. W. WALKER, Colonel, R.E.,
Secretary to Government.

Rev 1798/75

10241/2

Proceedings of the Madras Government, Public Works Department,
29th April 1875.

No. 685. Read the following Proceed[illegible]gs of the Government of India, Public Works Department (Account—I[illegible]ration), dated Fort William, 16th March 1875, No. 94—5 A.—I. :—

Orders on the Budget Estimate of the Madr[illegible] 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	,83,000	.....	1,04,000	.....	.....
Deficit ...	*1,05,000	*1,02,000	,03,000	1,06,350	65,850	82,050	+ 740
Payment for interest	4,99,830	4,99,830	,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 ...ed that the decision on the course to be followed for making good the deficits sh... be postponed for another year.

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

6. The estimate now received pro... es 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.
Establishment—		
	RS.	RS.
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	44,400
" " " Lower " ..	43,600	42,000
	1,47,708	1,43,400
Less to Capital	14,780	16,000
Remainder to Revenue	1,32,928	1,27,400
Repairs—		
Main Canal	40,000	30,000
Distributaries	25,000	20,000
Buildings	2,500	2,500
Telegraph	150	200
Contingencies	....	2,800
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 ... ... „ 45,040
Total ... „ 2,07,690

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 Rupees 16,000,* and that amount would not be given without much hesitation. In the case of this Company, the management costs Rupees 60,508.

* In the case of the Eastern Jumna Canal the amount is Rupees 21,100. But that canal earns six times as much revenue as the Company's Canal.

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

10. But the Government of India ...nnot let the estimate pass without remonstrating strongly upon the extravagance ... 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 pr... des for an expenditure of Rs. 59,820, which, it is said, will be met from the balance 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 Governm not later than the 15th November. Their compilation depends upon informatio nished by the Chief Engineer and Manager, Madras Irrigation and Canal Compan by the Collectors of Kurnool and Cuddapah, and their returns should reach the C. gineer for Irrigation by the 1st October at latest. It appears that the estimates 875-76 were received by the latter officer as follows :—

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

Collector of Kurnool, 23rd Nove r 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 18 5-76 is similar in form to those submitted since 1872-73, and that there is in it no hea ng "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 t s Government was despatched or when the reply was received. Such a reference uld, it is believed, have enabled the proper interpretation to be placed on the rding 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 observation of the Government of India on the high cost of establishments, it has to be noticed that a canal in operation and 190 miles long requires to be looked after as much and as closely while irrigating only some 15,000 or 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 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 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 300, and as Mr. Latham, after a

G. O., No. 2,063, dated 30th July 1874.

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

5. A statement showing the deta of the Conservancy and Irrigation Establishments of the canal is subjoined. N change has taken place in the total since the previous year. In preparing the Bud et Estimates of 1876-77, details of all establishments will be shown in full.

6. The new rules connected with ir ion were not passed until July 1874, but

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

y should by this time be well known to ryots, and their effect will be apparent s believed by the end of August. On the receipt therefore of the Chief Engineer' 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 Government of India, and that the Chief Engineer and Manager of the Company be requested to bring the subject of reduction e stablish ents immediately to the notice of his Directors, and to ask for an early repo as to the reductions they will be able to effect and as to the date from which these w be introduced.

(True Ex ct.)

C. Walker Colonel, R.E.,
Secretary to Government.

To the Chief Engineer for Irrigation.
" " and Manager of the Madra Irrigation and Canal Company.
" Examiner of Irrigation and Canal Accour .
" Controller of Public Works Accounts.
" Revenue Department. Write 2/Copies of Statement

Exd. W. J. Lewis.

Spare Copies 20

No. 1770

Govt. of {1875} Madras.

PUBLIC WORKS.

To

THE CHIEF ENGINEER FOR IRRIGATION,

&c., &c., &c.

Dated April 29th.

Issued

Recd May 15th. E-1

Encl.

G. O., 29th April 1875, No. 1,189.

Des Mess

APRIL.

Nos. 685 686

To the Board of Revenue 24 May

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

No. 1024

Commd to the Board of Revenue

17 May/75.