

EAST INDIA (DECCAN RIOTS COMMISSION).

COPY

OF THE

REPORT OF THE COMMISSION APPOINTED
IN INDIA

TO INQUIRE INTO

The Causes of the Riots which took place in the Year 1875,
in the Poona and Ahmednagar Districts of the
Bombay Presidency.

Presented to both Houses of Parliament by Command of Her Majesty.



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To the ACTING CHIEF SECRETARY TO GOVERNMENT, Bombay.

Sir,

We have the honour to submit our Report on the subject of the Riots in the Poona and Ahmednagar Districts and the causes underlying the outbreak.

2. The Commission as at first constituted, consisted of Messrs. Richey and Lyon, Bombay C. S.; Mr. A. Colvin, Bengal C. S.; and Rao Bahadur Shumbooprasad Luxmeelal. In the month of November, Mr. Carpenter, Bengal C. S., was deputed by the Government of India in the place of Mr. A. Colvin, whose services were required in the North-west Provinces.

3. We have personally held inquiry in the disturbed districts, and recorded the statements of ryots and sowkars, and compiled the evidence obtained on the spot, showing the nature of the relations of the money-lending and agricultural classes. We have also examined the records of the Revenue, Judicial, Registration, and Police Departments throwing light on the economic condition of the agricultural class and their relation to the money-lending classes, and the consequences of that relation. We have collected and read—

1st.—Previously recorded reports, minutes, letters, &c. by authorities and officials who have discussed the subject of the indebtedness of the agricultural and land-holding classes in India, and suggested remedies for the alleged mischief arising from this indebtedness :

2nd.—The legal and judicial record showing how the relations of the agricultural debtor and his creditor have been affected by the law, the procedure, and the practice of the Courts of Justice, discussions and debates on the enactments and provisions of the law dealing with those relations.

We have consulted officers of local experience on the points which came before us in our inquiry, and have been favoured by Judicial Officers with opinions on questions referred to them.

4. We desire to record our strong sense of the value of Mr. A. Colvin's services in the work of the Commission during the two months in which he sat as a member. We have received his permission to submit to Government a memorandum written by him before his departure, many of the conclusions in which coincide with those submitted in our Report.

5. We desire also to record our acknowledgments of the valuable assistance received from the many officers from whom we have sought information and help.

6. On the question to which our attention was called by the Government of India, viz., the connexion of the revision of assessment with the riots, the concurrent opinion of the Commission is shown in the report. Two members are of opinion that the enhanced settlement was more directly connected with the outbreak than is indicated in the conclusions recorded in the Report. On this subject, therefore, separate notes and accompaniments are submitted.

7. Mr. Shumbooprasad Luxmeelal also desires to submit a separate note on some points regarding which the conclusions in the Report do not go so far as he would wish.

We have the honour to be,

Sir,

Your obedient Servants,

J. B. RICHEY,

A. LYON,

SHUMBOOPRASAD LUXMEELAL.

P.S.—The undersigned is able to record the full concurrence in the report of Mr. Carpenter, whose sudden and lamented death has prevented his name from appearing among the signatures of the Commission.

J. B. RICHEY.

CONTENTS.

REPORT OF THE COMMISSION.

	Page
CHAPTER I.—THE RIOTS.	
Premonitory disturbances	1
The outbreak	2
The extent of the riots	2
Instances of similar disturbances	4
CHAPTER II.—THE DISTRICT IN WHICH THE RIOTS TOOK PLACE.	
Physical character	5
Climate	6
Population	7
Cattle	7
Comparison with Guzerat	8
Produce	8
Former condition of the country	9
Condition in early period of British rule	10
Condition in recent period of British rule	11
CHAPTER III.—THE RELATIONS OF SOWKAR AND RYOT AND THE CAUSES OF DEBT.	
The debtor and creditor classes. The Kunbi Ryot. The Marwari money-lender	11
Historical review of indebtedness	13
Relations of Sowkar and Ryot	14
First period of British rule	14
Second period under regulation	14
Extracts from Record of 1843	14
Evidence of the Records from 1850 to 1859	15
Repeal of limitation of interest, 1855	17
Acquisition of land by Sowkars	17
Procedure before 1859 more favourable to debtors	17
Increase of suits for debt following on the survey	18
The Ryots prosperous in and about 1860	18
The Procedure and Limitation Acts of 1859	19
Causes of debt:	19
Poverty. Small average value of holdings. Rainfall uncertain. Value of produce variable	19
Improvvidence	19
Inherited debt	20
Stimulus to borrowing given by survey settlement contemporary with stimulus to lending given by increased facilities for recovery	20
Increase of population	20
Produce of land not alone sufficient for the Kunbi's needs	21
Industry and enterprise being discouraged by pressure of debt, production is not increased	21
Productiveness said to be diminishing	21
Emigration as a result of increased population	22
Conclusions as to the increase of population	22
Increase of money lenders and money lending business	22
Increase in inferior kind of money lending business	23
The limitation law	23
The revenue system	24
Effect of the American war	24
Summary of causes of debt	25
The period preceding the riots	25
Relations of sowkar and ryot in the years 1867-75	25
Contraction of credit, illustrated by registration returns	26
The civil courts' returns	26
The revenue returns	29
Decrease in cultivation	29
CHAPTER IV.—THE EXTENT AND NATURE OF THE INDEBTEDNESS OF THE RYOTS.	
Extent of indebtedness	29
Analyses of embarrassments in 12 villages	29
The real value of a ryot's occupancy	30
The nature of the dealings	30
Sowkars' accounts	31
Mortgages of land	31
Joint security	31
Other mortgages	31
Transfer of occupancy	31
Mortgage tenants	31
Instalment bonds	32
Labour bonds	32
Stipulation regarding receipts in bonds	32
All dealings reduced to bonds	32

	Page
CHAPTER V.—THE CAUSES OF HOSTILITY BETWEEN THE RYOT AND THE SOWKAR.	
I.—Usury	33
(a.) Are the rates of interest usurious?	33
(b.) Is it possible to regulate the rate of interest by law?	35
(c.) Other means of reducing the rates of interest	35
II.—Ex parte decrees	36
(a.) Are such decrees unusually numerous?	36
(b.) Fraud as a cause of ex parte decrees	38
(c.) Other causes of ex parte decrees	38
III.—Excessive powers of realising debts	39
(a.) What powers are given to the creditor by the law?	39
Imprisonment	41
Liability of property	41
(b.) Are the powers excessive?	41
1. Imprisonment	41
2. Sale of existing property	42
3. Sales of future property	45
(c.) Are the powers abused?	45
IV.—Loss of land by private sales	47
V.—The limitation law	47
VI.—Frauds	50
(a.) Alleged practices	50
(b.) Is prevention possible?	51
VII.—Action of the civil courts	52
CHAPTER VI.—THE IMMEDIATE OCCASION OF THE RIOTS.	
Refusal of the sowkars to pay the revenues	53
Enhancement of Government demand	54
Influence of persons of position	54
Encouragement from a band of outlaws	54
Popular belief in Government sympathy with the Ryots' grievances	54
CHAPTER VII.—REMEDIES RECOMMENDED BY THE COMMISSION.	
Poverty	55
Ignorance	55
Increase of population	55
Rigid revenue system	55
Enhancement of assessment	56
Defects of the present law. Proposed remedial measures	56
Alterations in conduct of judicial business	56
Village courts	57
Special pleader for illiterate defendants	57
Draft bill for amending execution of decrees	57
Bonds in adjustment of decrees	58
Objections to proposed measures	59
Measures for dealing with present debt	60
BILL FOR THE PREVENTION OF FRAUDS.	
Statement of objects and reasons	60
Draft bill (Public Notaries. Receipts and Accounts. Penalties. Operation of the Act.)	61
BILL FOR AMENDING THE LAW RELATING TO THE EXECUTION OF DECREES.	
Statement of objects and reasons	62
Draft bill—I. Of abolition of imprisonment for debt. II. Liability of judgment debtor to furnish a list of his property and exemption of certain property from sale in execution. III. Mode of selling immovable property. IV. Agreement extorted by process of execution or threats thereof. V. Limitation of decrees	63

SUPPLEMENTARY MINUTES.

ON THE CONNEXION OF THE REVISION OF ASSESSMENT WITH THE RIOTS, BY MR. RICHEY	66
ON THE CONNEXION OF THE RECENT ENHANCEMENT OF LAND REVENUE WITH THE RIOTS, BY MR. CARPENTER	69
ON THE REVISION OF ASSESSMENT BY MR. LYON	70
ON THE REVISION OF ASSESSMENT, BY MR. SHAMBHUPRASAD LAKSHMILAL	75
ON THE ENHANCEMENT OF ASSESSMENT IN POONA AND SHOLAPUR, BY MR. CARPENTER	7

THE CONNEXION OF THE ENHANCED ASSESSMENTS OF LAND REVENUE WITH THE EMBARRASMENTS OF THE RYOTS.

I.—Opinions of Officers and others.

Extract from the Replies of the Collector of Poona to the Commission queries, October 1875	88
Extract from Letter of Sub-Judge of Ahmednagar, dated 20th of October 1875	88
Extract from Letter of the Sub-Judge of Patus (Poona), dated 28th September 1875	88
Extract from a Memorandum by Mr. Shambhuprasad Lakshmilal, December 1875	88
Extract from Report by Mr. Macpherson, Assistant Collector of Poona, 1874-75	89
Extract from Report by Mr. Davidson, Assistant Collector of Sholapur, 1874-75	89
Extract from the Remarks of Government on the Sholapur Reports, 1874-75	89

SUPPLEMENTARY MINUTES—continued.

	Page
Extract from Report by the Collector of Ahmednagar, 1874-75	89
Extract from the Remarks of Government on the Ahmednagar Report, 1874-75	91
Extract from Mr. Pedder's "Leading Points regarding Revision Settlements"	91
Extract from the Report of the Revenue Commissioner, S.D., paras. 9 and 10, on the Revised Assessment of Taluka Karmala, Zilla Sholapur, dated 14th January 1874	91
Extract from Memorandum of the Revenue Commissioner, S.D., on the Division of Taluka Pandharpur, Zilla Sholapur, dated 21st October 1872	91
Extract from a Petition presented to the Collector of Sholapur by the Ryots of Karmala Taluka, September 1875	92
Extract from the Report of the Sub-Committee of the Poona Sarvajanic Sabha, 1873	92
Statement of Cultivated Area and Assessment in the Revised Talukas of the Poona and Sholapur Collectorates	98
Table of Rates and Percentages of Assessment in Poona and Sholapur	98
Statement showing the Area of Waste at various periods during the Settlement	98
Table illustrating the Enhancement of Assessment imposed on Villages in Taluka Bhimthari (every fifth entry from the list of villages)	99
Table illustrating the Enhancement of Assessment imposed on Villages in Talukas Indapur, Siror, and Haveli (every tenth entry)	99
Table exhibiting Extreme Cases of Enhancement of Assessment on Villages in the Poona Collectorate	100

II.—The System of Revision of Assessment.

Extract from the Joint Report on the System of Revenue Survey and Assessment, 1847	100
Section 30 of the Bombay Survey and Settlement Act, No. 1, of 1865	103
Extract from the Report on the Revision of Assessment in Taluka Indapur, Poona Collectorate, January 1867	108
Extract from Sir G. Wingate's Note on the Revision of Assessment in the Indapur Taluka, 1867	109
Extract from Letter of the Revenue Commissioner, S.D., submitting the Revision Report to Government, dated May 1867	112
Extract from Resolution of Government on the Revision of Indapur, No. 1,211, dated 27th March 1868	112
Extract from the Report on the Revision of Assessment of the Bhimthari Taluka, dated 12th July 1871	112
Extract from the Letter of the Survey and Settlement Commissioner submitting the Revision Report of Bhimthari, dated 28th November 1871	113
Statement showing the Average Prices of Jowari and Bajri in Poona (City) and Yewat from 1841-42 to 1870-71	113
Extract from Memorandum of Revenue Commissioner, S.D., on the Revision Report of Bhimthari, dated 3rd January 1872	116
Extract from Resolution of Government, No. 385, dated 26th January 1872	119

III.—The Pressure of the Revised Assessment.

Extracts from Letter of the Revenue Commissioner, S.D., No. 149, dated 14th January 1874, on the revision of Karmala Taluka	119
Extract from Resolution of Government, No. 707, dated 7th February 1874, on the Revision of Karmala Taluka	120
Extract from Letter, No. 444, dated 20th March 1874, from the Survey and Settlement Commissioner, N.D., to the Revenue Commissioner, S.D.	121
Extract from Letter No. 1,466, dated 20th April 1874, from the Revenue Commissioner, S.D., to Government	122
Old Classification Rates of the Village of Alipar, in Taluka Barsi, Zilla Sholapur, in contrast with those of the Revised Settlement	126
Old Classification Rates of the Village of Dahitneh, Taluka Sholapur, in Sholapur Collectorate, in contrast with those of the Revised Settlement	127
Old Classification Rates of the Village of Miri, in Taluka Sholapur of the Sholapur Collectorate, in contrast with those of the Revised Settlement	128
Old Classification Rates of the Villages of Ishwar-watar, Taluka Pandharpur of the Sholapur Collectorate, in contrast with those of the Revised Settlement	129
Extract from a Note, "Leading Points regarding Revision Statements," by Mr. W. G. Pedder, C.S., 1874	130
Statement showing the Annual Amount realised from Defaulting Ryots on account of Notice Fees, Interest, and Fines in the Poona Collectorate from 1865-66 to 1874-75	136
Return showing the Result of Revenue Processes issued for the Recovery of Government Revenue from Defaulting Ryots in the last three years (Poona Collectorate)	137
Statements showing the Lands and other Movable Property Attached and Sold for recovering the Arrears of Land Revenue in the disturbed villages of Taluka Bhimthari, Poona District, in 1873-74	137

IV.—Reduction of Enhanced Assessment by the Government.

Resolution of Government, No. 5,739, dated 29th October 1874	138
Resolution of Government, No. 4,515, dated 11th August 1875, directing a Reduction of Assessment in Taluka Maitha	140
Resolution of Government, No. 4,980, dated 30th August 1875, directing a Reduction of Assessment in Taluka Bhimthari	142
Resolution of Government, No. 5,200, dated 11th September 1875, directing a Reduction of Assessment in Taluka Indapur	144

Miscellaneous Papers.

Extracts from a Note by Mr. W. G. Pedder on the Experiments made to ascertain the Average Value of Produce of different sorts of land	145
Extract from the Report of the Committee of the Poona Sarvajanic Sabha, Chapter III	149

	Page
Note on the Revision of the Survey Settlement in the Deccan, by Mr. A. W. Keyser, Assistant Collector of Sholapur	150
Return showing Prices (number of seers per rupee) of Jowari and Bajri in Indapur from 1866-67 to 1874-75	152
Tabular Statement of the Original and Revised Rates of Assessment in the Village of Kheirgaum	152

MEMORANDUM BY MR. AUCKLAND COLVIN.

Object of the Memorandum	159
Causes of present crisis, general and special	159
(1.) Former indebtedness	159
(2.) Effect of survey and settlement on credit	159
(3.) Effect of high prices on credit	160
(4.) Fall of prices	160
(5.) Effect of fall of prices on credit illustrated by registration and litigation	160
Three remaining causes	162
Causes special to the disturbed districts	162
Original poverty, Poona	162
Further considerations of soil, &c.	163
Indapur taluka (Poona). Rainfall; soil	163
Haveli taluka. Crops; rainfall	163
Pabal. Rainfall; cultivation	163
Supa. Crops; rainfall	163
Newam taluka (Ahmednagar). Cultivation	163
Kharda. Poverty of soil	163
Population	164
Enhancement of revenue at the revised assessment	164
Enhancement of revenue at the revised survey assessment	164
Enhancement not to be calculated as in Upper India	165
Illustrations of extreme cases of enhancement	165
Comparison of enhancement between the initial years of the two surveys	166
Survey figures of enhancement in five Poona talukas	166
Effect of survey enhancements	166
Great prevalence of Marwaris in the Deccan	167
Action on the cultivating classes of the above causes	167
Sketch of the present condition of the Kumbi	167
Statements of Subordinate Judges	168
Illustration of indebtedness in Khandesh and Ahmednagar	169
Progressive increase of Marwari proprietorship	169
Further information needed	170
Above extracts support the sketch of the Kumbis' position given in paragraph 18	170
Grouping of the above causes under their respective heads	170
Further remarks on pressure of population	170
Difficulties from increasing numbers of population	171
Proportionate increase of population, ploughs, &c.	171
Disproportion of plough-cattle and houses to population	171
Pressure of population proportionate to quality of soil	171
Decrease of available waste during settlement	172
Similar result of figures for the Southern Division	172
Enhancement of assessment equivalent to increase of population	173
Action of the courts	173
Judicial opinions on the point	173
Points chiefly insisted on	173
Powerlessness of the courts against fraud	174
Decrees and warrants of arrest used as instruments of extortion	175
Illustrations	176
No finality to decrees	176
Judgment debtor's property liable to sale without reserve	177
Inadequate prices obtained at public sales	177
Working of three years' limitation rule	177
Distinction between the problem in Upper and Western India	178
The ryots' ignorance. The desirability of bringing the Sowkar within the village system	179
Proposals of Mr. Fraser Tyler and Mr. Shambu Prasad	179
Education powerless	180
Previous proposals to this effect	180
Scheme of village accountants	180
Consideration of objections urged to it	180
Expediency of utilising the Sowkar	181
Scheme to be experimental	181
Preventive measures a <i>sine qua non</i>	181
Scheme for compounding present debt in the disturbed tracts	182
Proposals as to collectorates similarly circumstanced	182
Other economic disadvantages incurable at present	182
Fiscal sources of difficulties. Gradual introduction of large enhancements of revenue expedient	183
Essential reasons for such a course in the case of the recent rise	183
Assessment applied on arithmetical data with too little regard to the opinions of district officers	183
Adaptation of revenue system to special local peculiarities	185
Third class of difficulties	185
Two stages of relief	185
Law of limitation	185

MEMORANDUM BY MR. AUCKLAND COLVIN—continued.	Page
Imprisonment for debt - - - - -	186
Imprisonment for debt used as a means of compulsion - - - - -	186
An insolvency law not likely to be much used unless made compulsory - - - - -	186
Term of currency of decrees - - - - -	187
Inadequate prices at sales of land - - - - -	187
Sale of necessaries and implements of trade - - - - -	187
Summary. Land, unless hypothecated for a debt, to be exempt from sale - - - - -	187
Suits for sale of land in satisfaction of debt to be heard by selected courts only - - - - -	188
Précis of objections to certain other schemes - - - - -	188

ERRATA.

Page 5, line 22, for 1873 to 1874 read 1870 to 1874.

" 25, para. 67. for 5, 5, 6, 7, 8, 9, " 5, 6, 7, 8, 9, 10.

NOTE.—The Appendices, which are frequently referred to and quoted throughout the following report, and in the separate Minutes of the Members of the Commission, have been omitted on account of their voluminous nature.

REPORT.

CHAPTER I.—THE RIOTS.

Premonitory Disturbances.

1. The first open indication of the spirit of hostility against the Marwari money-lender which led to the riots was shown by the inhabitants of the village of Kardeh, in the Sirur Taluka of the Poona Collectorate, at the end of 1874. A Deshmukh (district hereditary officer) of good family and some influence, who had accumulated a fortune in the service of His Highness Scindia, to whom he is related, had settled in the village, and having spent his fortune had fallen deeply in debt. Two of his creditors, Kalooram and Bhugwadas, Marwaris, got decrees against him, and Kalooram took out a warrant of arrest. The Deshmukh gave Kalooram personal ornaments, and the warrant was not executed. About four months afterwards some ornaments and property belonging to the temple of Vittoba at the Deshmukh's house were attached, but, at the instance of the villagers, Kalooram allowed the attached property to remain in deposit with a third party for two months. At the end of that term, as the Deshmukh had not paid the value of the property, it was taken possession of by Kalooram. A third execution was issued on Kalooram's decree, and the Deshmukh's houses and lands were attached and sold for a song, there being no bidders against the Marwari decree-holder. The following extract from a vernacular paper published at Poona relates the consequences of the Marwari's proceedings:—

SUBSTANCE OF A LETTER published in the "Dyan Chaksu" newspaper, dated the 27th January 1875.

"To the Editor of the 'Dyan Chaksu' Newspaper.

"SIR,—While journeying in the districts I happened to arrive at the village of Kardeh. I put up in the village chauri where I heard a pitiful story which will appear from the following:—

"The village of Kardeh, in Taluka Sirur, originally belonged to Raste. One Baba-Sahab Deshmukh lives in this village. One of his sowkars, by a name Kalooram Marwari, obtained decrees against him from the Court at Talegaon, and in satisfaction thereof put the Deshmukh's house for sale by a public auction and purchased it himself for Rs. 150. In December 1874 the plaintiff commenced to pull down the house, when the defendant requested him not to do so, and promised to pay the debts at his convenience. Defendant also agreed to pay rent for the house during its occupancy, but the plaintiff did not listen to his proposal and refused to put a stop to the pulling down of the house. Defendant took to heart these proceedings of the sowkar, and he collected together the village ryots and resolved that as the Marwaris have commenced to ruin them, it would be better neither to borrow from them nor to serve them or purchase anything from them in future. This unanimous resolution of the villagers put the Marwaris Sachiram, Pratap, Shivram, and one or two others to the greatest inconvenience for want of servants, &c. They therefore proposed to remove themselves to Sirur with the aid of the police by the 5th January 1875. When the Marwaris had loaded their carts with their goods and things, the villagers submitted a petition to the 'Sirkar' (Government) that as they had given grain to the Marwaris, they should not be allowed to leave the village until the Government assessment has been paid by them. How this application has been disposed of is not known to me. One of the villagers has opened a grocer's shop at which all purchases are made. Mr. Editor, if the example of these villagers be followed everywhere, and the unanimity of the people secured, the pauperised state of our country will, I think, certainly disappear very soon. I beg you will kindly excuse me for the length of this letter, and trust that you will not fail to publish it in your journal.—A TRAVELLER."

The villagers who combined against these Marwaris did not confine themselves to a ve hostility. Besides refusing service as water-carriers, barbers, household servants,

&c., they subjected the Marwaris to annoyance by throwing the carcasses of dogs and other filth into their premises, and generally showed such a spirit of personal hatred that the money-lenders, on retreating to Sirur for the protection of the police at the taluka head-quarters, petitioned the magistrate, representing that they were in bodily fear of the villagers. The magistrate considered the spirit shown by the people to be of a dangerous nature, and reported it to the Police Commissioner accordingly.

App. C.,
p. 208.

3. The example set by the people of Kardeh and the neighbourhood was followed by other villages, and before any actual outbreak occurred the Marwari money-lenders had in several places been subjected to similar social outlawry and petty annoyance.

The Outbreak.

App. C., p. 1.

4. The first actual outbreak occurred at Supa, a large village of the Bhimthari Taluka of Poona, on the 12th May 1875. The victims of the rioters were the Guzerathi sowkars, of whom there are a large number in Supa. Their houses and shops were attacked by a large mob principally recruited from the hamlets round Supa, who had assembled ostensibly to attend the market on bazar day. The houses and shops were gutted of everything that the rioters could find, and one house was burnt down, but no violence to persons was committed. The rapidity with which the example was followed through the whole area affected shows that everywhere the same influences had brought the villagers to the same readiness for resort to force. Subsequent inquiries leave no doubt that the rioters at Supa had the sympathy and countenance of some influential persons of their village, and the presence of these persons may perhaps account for the first occurrence of open violence at Supa; but the condition of the villagers through the whole affected area was such that even had Supa not taken the initiative, some other place would doubtless have done so. The combustible elements were everywhere ready; design or mistake or accident would have surely supplied the spark to ignite them.

5. Within twenty-four hours of the riot at Supa, the leading Marwari sowkar of Kheirgaon, a village above 14 miles distant, had his fodder stacks burnt down and his house attacked with fire, and during the following days riots occurred in four other villages of Bhimthari and were threatened in seventeen more. The contagion spread to the neighbouring districts of Indapur and Purandhar, in the former of which a disturbance, which would have been serious from the number assembling, was averted, as were the riots threatened in the seventeen villages above noted, by the promptitude of the police. A detachment of native infantry having arrived at Supa, the police were relieved and available for other duty, and order was quickly restored.

6. In the meantime riots commenced in the Sirur Taluka. The first violence was committed at Navra, where a Marwari, who had left the village for safety, was mobbed and prevented from moving his property to the place whither he had himself retreated. An uncle of this Marwari had some two years previously been murdered by his debtors. Other villages of Sirur followed the example, Kardeh being one; at Damareh a Marwari had his leg broken and was saved from death by some of the rioters dragging him out of his burning house. Altogether fifteen villages of Sirur Taluka and three of Haveli Taluka were the scene of riot or threatened disturbance. The Regiment of Poona Horse, which has its head-quarters at Sirur, supplied parties to assist the Assistant Magistrate and the police in restoring and maintaining order.

7. While these disturbances were going on in the Poona District, similar outbreaks were occurring in the neighbouring talukas of Ahmednagar, and during the fortnight following the riot at Supa on 12th May, riots took place in the talukas of Shrigonda, Parner, Nagar, and Karjat, and besides actual rioting there were numerous gatherings which were prevented from proceeding to violence by the timely arrival of police or military. A detachment of native infantry was moved to Shrigonda, and parties of the Poona Horse were active in patrolling the villages in the west within reach of their head-quarters at Sirur.

The Extent of the Riots.

8. In Poona disturbances more or less serious took place in five villages of Bhimthari Taluka, and six villages of Sirur Taluka.

Disturbances were threatened but averted by the arrival of the police in—

17	villages of Bhimthari.
10	do. of Sirur.
1	do. of Indapur.
3	do. of Haveli.

9. In Ahmednagar disturbances took place in—

	6	villages of Párner Taluka.
	11	do. of Shrigonda.
	4	do. of Nagar Taluka.
	1	do. of Karjat.

Disturbances were threatened in many other villages.

10. The following shows the number of persons arrested in connexion with the disturbances and the results of the trials held:—

In Poona.—Persons arrested 559, of whom 301 were convicted and 258 discharged.

In Ahmednagar.—Persons arrested 392, of whom 200 were convicted and 192 discharged.

11. Punitive police posts, mustering a total of 98 men, were established at the expense of the inhabitants among the disturbed villages. As was to be expected the greatest difficulty was experienced by the Magistrates in obtaining trustworthy evidence against the rioters.

12. The riot at Supa was singular in the wholesale plunder of property, and that at Damarch in the murderous assault upon the money-lenders. In a few other instances personal violence was used, and in several places stacks of produce belonging to money-lenders were burnt; but as a rule the disturbances were marked by the absence of serious crime. The object of the rioters was in every case to obtain and destroy the bonds, decrees, &c. in the possession of their creditors; when these were peaceably given up to the assembled mob there was usually nothing further done. When the money-lender refused or shut himself up, violence was used to frighten him into a surrender or to get possession of the papers. In most places the police interfered during the first stage of assembling and threatening, and so prevented violence. From many villages the Marwari sowkars fled on the first news of the outbreak. In other villages they opened negotiations with their debtors for a general reduction of their claims, and in some cases propitiated their debtors by easy settlements. In almost every case inquired into, the riot is stated to have commenced on news arriving of bonds having been extorted in some neighbouring village, with the usual story which will be noticed hereafter—that the Government approved of the proceeding. The Marwari and Gujur sowkars were almost exclusively the victims of the riots, and in villages where sowkars of the Brahmin and other castes shared the money lending business with Marwaris it was usual to find that the latter only were molested. There were, however, exceptions, where the leading or only sowkars were of the Brahmin caste, as in the case of the village of Ghospuri.

13. The last of the connected series of outbreaks occurred at Mundhali in Bhimthari Taluka on the 15th of June, but there were subsequently two isolated cases in Poona, which showed that the warning conveyed by the long catalogue of convictions and punishments, and the imposition of punitive police posts, had not extinguished, but only repressed, the violent temper of the cultivators.

14. On 22nd July seven men of the village of Nimbut, Taluka Bhimthari, besides committing a robbery of documents, cut off the nose of a man who was enforcing a decree of the Civil Court which put him in possession of land belonging to one of the perpetrators of the outrage. On 28th July the villagers of Karhati, Taluka Bhimthari, broke into the house of a Marwari sowkar and took away grain which was stored there. He had refused them advances of grain, except on terms as to the renewal of his bonds and settlement of his debts to which they were unable or unwilling to agree.

15. Beside these two cases in the Poona District, sequelæ as it were of the general movement, the following case must be noticed. On the 10th September in the village of Kukrur, in the south-west of the Collectorate of Satara, a riotous outrage was committed in all respects similar to the serious crimes committed by the rioters of Poona and Ahmednagar. About 100 or more of the villagers attacked, plundered, and burnt the house of a Marwari Gujur sowkar, collected all papers and accounts which they found in the house, and destroyed them, and then dispersed. The cause of the riot was declared by the rioters to be the harsh proceedings of the sowkar against his debtors; the Magistrate in charge of the taluka reports that "news of the doings in the Poona and Ahmednagar districts had no doubt reached all parts of the country some time ago, and probably suggested the idea to the people of Kukrur." Kukrur is more than 100 miles from the nearest part of the disturbed district in Poona.

On reviewing the character of the disturbances generally, the most remarkable feature presented is the small amount of serious crime. A movement which was a direct result of the use of physical force was, over a large area, usually restrained within the limits of a moderate demonstration; the few cases which show the vindictive spirit usually displayed in

agrarian disturbances are probably to be accounted for by the presence of other elements besides the ordinary Kunbi peasantry. This moderation is in some measure to be attributed to the nature of the movement itself. It was not so much a rebellion against the oppressor, as an attempt to accomplish a very definite and practical object, namely, the disarming of the enemy by taking his weapons (bonds and accounts), and for this purpose mere demonstration of force was usually sufficient. Another circumstance which contributed to the moderation used by the peasantry was that in many cases the movement was led or participated in by the heads of the community, the patels and others; it was doubtless an aggravation of the breach of law that those who should have maintained order in any case contributed to disturb it; but an assembly of villagers, acting with their natural leaders for a definite object, was a less dangerous body than a mob of rioters with no responsible head would have been. But the chief cause of the moderation shown is doubtless the naturally law-abiding spirit of the Kunbi peasantry. It is so far from their natural tendency to resort to physical force that the fact of their having done so is advanced generally by the officers of the disturbed districts as a proof of the reality of their grievances.

Instances of similar Disturbances.

App. A.,
p. 309.

17. The Santhal rebellion of 1855 is, so far as we are aware, the only other instance in the history of British India of a widespread disturbance arising out of the relations of the agricultural and money-lending classes; but the police records supply numerous instances of crime as the result of those relations, which it may be convenient to notice here.

In 1845 the Bheel Chief Raghoo Bhangria headed a large body of plundering Bheels, whose practice it was to cut off the ears and noses of Marwari sowkars wherever they could find them.

The Kolis of the hill ranges between the Poona and Tanna districts have from time to time organized gangs which have employed themselves chiefly in the plunder, often in the murder and mutilation, of money-lenders. The recent doings of such a gang of outlaws will be noticed hereafter in our remarks on the causes of the riots.

In a remarkable letter of Sir G. Wingate to the Bombay Government in 1852 the following passage occurs:—

App. A.,
p. 85.

“But though the indebtedness of the ryot is universally admitted, I am not satisfied that all its sad consequences and accompaniments are equally well understood. The Sudder Court, however, in their criminal capacity have had two recent and striking examples of the frightful pass to which the relations between debtor and creditor in agricultural villages have in some districts been brought, and the mere recalling of them to recollection will, I apprehend, convey a more vivid conception of the evil in all its reality and hideousness than the most elaborate description. I refer to two instances of murders of village money-lenders committed in widely separate parts of our presidency. One of these occurred in the Sholapur Collectorate, where a creditor was murdered by some of his debtors, whom his oppressions had exasperated beyond the limits of endurance, in the midst of his village in broad day among a crowd of his neighbours, who apparently viewed the deed with approbation, and at all events did nothing to prevent it. The other was in Guzerat, where a creditor was murdered on the high road in open day by hired assassins, at the instance of his debtors, whose sufferings at his hands will be better understood from the following remarks made by the Sadar Fouzdari Adalat, in passing sentence:—‘These prisoners then, of whom two are heads of adjoining villages, have been convicted of concerting and executing a plan for the destruction of a person who was their common creditor and an object of general jealousy and hatred, as one for whose forbearance in pecuniary claims no smaller price was acceptable than the dishonour at his hands of the wives and sisters of the poor peasants who were indebted to him.’

“These two cases of village money-lenders, murdered by their debtors almost at opposite extremities of our presidency, must, I apprehend, be viewed not as the results of isolated instances of oppression on the part of creditors, but as examples in an aggravated form of the general relations subsisting between the class of money-lenders and our agricultural population. And if so, what an amount of dire oppression on the one hand, and of suffering on the other, do they reveal to us? What must be the state of things which can compel cultivators proverbially patient and suffering, accustomed to more or less of ill-usage and injustice, all times, to avenge their wrongs by murder and in defiance of an ignominious death to their oppressors? How must their sense of justice have been violated? How must they

bereft of all hopes of redress from law or Government before their patient and peaceful natures could be roused to the point of desperation required for such a deed?

18. That Sir G. Wingate was right in regarding the two murder cases of 1852 not as isolated crimes, but as examples of the relations between sowkar and ryot generally, is shown by the police record of the last few years which disclose a marked increase in this class of crime—a powerful warning of the necessity for remedial measures. The information under this head given below includes the district of Kaira in Guzerat, where the Kolis are among the least civilized of the agricultural populations of Bombay, and are as regards their relations to the money-lender in a position similar to that of the Kunbis of Ahmednagar and Poona.

In Kaira.—From April 1871 to July 1875 money-lenders were the victims in the following offences:—murders 9, grievous hurt and wounding 10, arson 7, assaults 24, assault with a view to rescue property attached or taken for debts 12, theft 3, trespass by re-entry into property taken under detachment 4. There were besides 3 suicides of debtors on account of debt, and 2 cases of Traga (self-inflicted) hurt for the same reason. Total 79 offences in four years and three months. App. C.,
p. 19.

In Ahmednagar.—From April 1871 to October 1874 money-lenders were the sufferers in the following cases:—murders 2, dacoities (including one case of mutilation) 5, house-breaking with theft of property and bonds, &c. 7, riots 3, arson 1. Total, 18 offences in three years and six months.

In Poona.—In the years 1870 to 1874 money-lenders were the sufferers in the following cases:—murder 1, robbery 7, mischief 8, theft 24, hurt 29, criminal force 8. Total, 77 offences in five years.

The police reports of the Presidency for 1874 show two murders and four dacoities, of which money-lenders were the victims, in the districts of Ratnágiri, Satara, Sholapur, and Ahmedabad.

CHAPTER II.—THE DISTRICT IN WHICH THE RIOTS TOOK PLACE.

Physical Character.

19. A map is appended showing the area of the Ahmednagar and Poona districts affected by the disturbances.* The villages mentioned in this report are marked with red.

The valley east of Poona, traversed by the Railway and watered by the Mula and Bhima rivers, is the only extensive tract of plain country in the area; the rest is distributed into level uplands, slopes and valleys, and is intersected by ranges of hills, which towards the north attain considerable elevation. The following extracts from the report of the Superintendent of the Ahmednagar Survey, Colonel G. S. Anderson, give the leading features of the western portion of the disturbed district north of the Bhima River, the greater portion of which was formerly comprised in the Kardeh Taluka of Ahmednagar:—

“There are no extensive plains of rich soil, the river valleys being generally skirted by much hilly, undulating, and broken ground. In the south, towards the Bhima, the country opens out and becomes more level, but there also sterile stony tracts are to be met with. This diversity, however, is pleasing to the eye, and though much of the hilly and broken ground has a naked and bleak aspect, there are on many localities rich table-lands, fertile and well-watered valleys, and level tracts of good soil, though the latter are limited in extent. The soil is of various kinds. A large proportion of it is poor and shallow, suitable only for the growth of bajri, jowari, and other similar crops. * * * Towards the Bhima the black soils are very deep and require much labour in their cultivation. They yield very large crops in years of plentiful rain; but unfortunately the climate in that direction is very uncertain, and crops frequently fail in consequence of a deficiency of moisture. * * * The fall of rain from Púrner northward is generally good and certain. Towards the Ghor River and Kolgaon it is not so much to be depended upon, and further south the climate is very uncertain until, on the Bhima, years of failure of rain appear to form the rule, and a good year now and then the exception.”

The following extract from the same report refers to the eastern portion north of Bhima River, viz., the Karjat Taluka and the eastern portion of Shrigonda:—

“In its aspect Korti is decidedly inferior to any district hitherto assessed. There are few trees anywhere, in some parts none, and owing to the large proportion of rocky and unprofitable ground almost destitute of vegetation, the country generally

* A general map of India has been substituted for the large scale map of the disturbed districts which accompanied the original report.

presents a most dismal appearance. * * * Lighter soils of a better description prevail about Karjat and other places, but on the whole the soil of the taluka is inferior. The climate of Korti is decidedly inferior to that of any other district of the Ahmednagar Collectorate. Towards the Bhima the fall of rain is most uncertain, and the deep soils to be found in that direction also require more rain than the poor soils towards the north."

21. Of the portion of the disturbed area lying south of the Bhima River the westernmost is the eastern part of Haveli Taluka, which is thus described by the present Superintendent of Survey, Colonel Waddington:—

"The tract lying between the Mutha-mula and the Bhima, and which comprises some of the poorest villages—is chiefly stony, sterile, high-lying land better fitted for sheep grazing than agriculture. The district to the south between the Mula and the hills is much more level and contains a large proportion of rich soil. * * * The climate varies much, the rainfall increasing as you go westward, until in the border villages rice and nagli take the place of jowari and bajri."

To the east of Haveli Taluka lies Bhimthari, the region first disturbed by riot. It is divided into two portions, the level and rich plain near the River Bhima, and the hilly and rugged portion to the south and south-east. In climate it presents the same variety as Haveli at a less favourable standard, the western or best rainfall of Bhimthari being just below the eastern or best of Haveli.

22. To the east of Bhimthari lies Indapur Taluka, which corresponds very nearly in its physical character to the district lying across the Bhima north of it, described above as bare of vegetation and suffering from chronic droughts.

23. Throughout the whole area the soil presents the same general varieties with local modifications. It ranges from black alluvial of varying depth and purity in the levels and valleys, through the lighter red soils of the slopes, to the thin gravelly covering of hill sides and water-worn declivities. The black soil of the Bhima valley possesses considerable fertility, but requires much labour in its cultivation, and more rain than the lighter and shallower soils. The red soil is productive under irrigation, but, except in parts of the Ahmednagar District, irrigated crops form but a small fraction of the agricultural produce.

Climate.

24. The entire region is dependent therefore upon the rainfall for its productiveness. The following table gives the rainfall for the last five years:—

STATEMENT showing the RAINFALL in the following TALUKAS of the AHMEDNAGAR COLLECTORATE FROM 1870 to 1875.

Name of Taluka.	Total rainfall during											
	1870.		1871.		1872.		1873.		1874.		1875.	
	In.	Cents.	In.	Cents.	In.	Cents.	In.	Cents.	In.	Cents.	In.	Cents.
Nagar - -	46	74	10	1	29	15	33	21	31	64	18	54
Parner - -	31	89	18	16	23	56	17	55	29	30	20	77
Shrigonda -	25	62	9	12	22	10	17	59	33	44	19	35
Karjat - -	32	26	11	30	31	53	14	60	24	80	14	64

STATEMENT showing the RAINFALL registered at certain STATIONS in the POONA DISTRICT during the Seasons of 1870-71 to 1875-76.

Stations.	Rainfall registered during the season of												REMARKS
	1870-71.		1871-72.		1872-73.		1873-74.		1874, from 1st January to 30th November.		1875, from 1st January to 31st October.		
	In.	Cents.	In.	Cents.	In.	Cents.	In.	Cents.	In.	Cents.	In.	Cents.	
Haveli { Poona Season Hospital }	40	60	19	69	20	20	26	80	37	75	37	43	
Sirur - -	25	95	9	91	22	26	18	16	15	17	15	97	
Bhim- { Patas thari. { Baramati-	26	3	12	6	19	1	14	18	25	84	12	26	
Ladapur - -	23	80	12	3	20	77	10	17	26	31	9	61	
	23	89	9	90	26	47	14	14	26	46	20	49	

More striking are the figures showing the rainfall of the eight years, 1863-70, at the chief towns of the disturbed district in the Poona Collectorate in contrast with the rainfall of Poona City:—

	Poona.		Sirur.		Pábal.		Pátas.		Indapur.	
	In.	Cents.	In.	Cents.	In.	Cents.	In.	Cents.	In.	Cents.
1863	22	55	7	86	11	38	9	52	3	01
1864	16	55	5	33	17	68	7	83	9	78
1865	31	28	14	61	16	91	11	69	6	95
1866	18	9	7	93	13	67	6	57	4	06
1867	27	29	—	—	—	—	10	88	10	74
1868	30	91	13	88	—	—	10	32	8	43
1869	28	16	17	60	No return.		22	76	24	47
1870	40	60	25	95	—	—	26	31	25	77
Average -	—	—	—	—	—	—	—	—	—	—

The rainfall being intercepted by the high country between Poona and the sea, its progressive decrease eastward is readily accounted for.

Population.

25. The rural population (deducting the cities of Poona and Ahmednagar) amounts to 712,157. The population per square mile is in each taluka as follows:—

Nagar	-	-	133·25	Haveli	-	-	202·46
Párner	-	-	112·75	Bhimthari	-	-	115·07
Shrigonda	-	-	106·45	Indápur	-	-	110·03
Karjat	-	-	86·01	Sirur	-	-	137·96

The number of houses per square mile is in Bhimthari Taluka only 13·35, but there are nearly 9 persons per house. In the other rural talukas there are about 19 houses to the square mile, and from 5 to 7 persons per house. Probably the infrequency of good sources of water-supply in parts of Bhimthari has discouraged the colonization of hamlets. The average population of the whole of the Deccan is 147 per square mile, and the average of houses 27·07. It will be seen that with the exception of the Nagar and Haveli Talukas, the rural portions of which are favourably affected by the neighbouring cities of Ahmednagar and Poona, the area under report is far below the average even of the Deccan.

26. The area of cultivated land per head of the agricultural population is estimated to range from a little more than three acres in Haveli to nearly nine acres in Karjat Taluka. The small area in Haveli Taluka is to be attributed to the density of its population, and to the fact that the western portion of this taluka contains rice and garden cultivation. This portion was not affected by the disturbances. In the eastern portion, with which we are concerned, the conditions of agriculture are almost identical with those of the contiguous villages of Sirur and Bhimthari, and the average area per head of the cultivating population may be safely estimated at about six acres.

27. The proportion of the rural population concerned in agriculture cannot be ascertained from any existing data with numerical accuracy. The Census enumeration shows those of the rural population who are employed in trades and professions under the classes belonging to their occupation; but such classes almost invariably have an interest in land, which it would be wrong to overlook in estimating the proportion of land to agricultural population. The village carpenter does not draw more in direct wages for his skilled labour than the ordinary cultivator does by the labour of himself and his little in non-agricultural employments, and both are maintained chiefly by their land. We believe that a proportion of 75 per cent. of the rural population may be safely assumed to be agricultural in the above sense.

Cattle.

28. The number of draught cattle per acre ranges from 0·6 in Bhimthari to 1 in Haveli and Párner. In other words, there are 33 acres per yoke of cattle in Bhimthari, 25 in Indápur, 25 in Karjat, 22 in Sirur, Shrigonda, and Nagar, and 20 in Párner and Haveli. The number of draught cattle per head of the agricultural population ranges

highest in the Ahmednagar districts.* This is simply accounted for by the large proportion of unculturable land in the Nagar, Párner, and Shrigonda Talukas, and the greater sparsity of population, particularly in the Karjat Taluka, which allows a larger proportion of land to be devoted to grazing purposes. It should be also noted that the rearing of stock has always been more largely pursued in the Ahmednagar than the Poona District, and that there is more well irrigation in Ahmednagar than Poona. The average of draught cattle per head is lowest in the Haveli Taluka of Poona, being .40; but in this respect, as in the average of land per head, the statistics of the Haveli Taluka are seriously modified by the conditions of agriculture in its western portion, with which we have nothing to do; and for the purposes of the present inquiry the standard averages of Bhimthari and Sirur are a safer guide. The draught cattle per head of agricultural population in Sirur and Bhimthari average .47 and .43 respectively. It will be seen that the ratio is about three head of cattle to every five persons in Ahmednagar, and but little more than two per head to every five persons in Poona.

29. The land revenue per culturable acre is shown in the following table:—

From 4 annas to 5 Karjat.	From 9 annas to 10 Nagar.
Do. 7 do. to 8 Párner.	Do. 9 do. to 10 Sirur.
Do. 7 do. to 8 Shrigonda.	Do. 9 do. to 10 Haveli (disturbed portion).
Do. 7 do. to 8 Bhimthari.	
Do. 7 do. to 8 Indápur.	

The incidence of land revenue per head of the agricultural population is highest in Nagar and Sirur, being as nearly as possible Rs. 3-4-0 in each taluka. These talukas show a remarkable similarity in all other conditions illustrated by these statistics. In Bhimthari, Indápur, and Shrigonda the land revenue averages about Rs. 3 per head of the agricultural population. In Párner it averages about Rs. 2-11-0, and in Karjat Rs. 2-3-0.

Comparison with Guzerat.

30. It has been shown above that the area affected by the disturbances is below the average even of the Deccan in population and houses, but a more accurate appreciation of the statistics summarized may be obtained by a comparison between the Deccan and Guzerat in respect of some of the points noticed.

The area of Guzerat is considerably *less* than one-seventh of that of the Deccan, while the population is *more* than one-third. The average to the square mile in Guzerat is 308 against 147 in the Deccan.

The ordinary house of the ryot of Guzerat costs at least twice as much as that of the Deccan Kunbi, and Central Guzerat abounds with large and crowded towns; nevertheless the average number of dwellers in one house is in Guzerat 3.59, in Bhimthari 8.62.

The culturable area per head of agricultural population is in Guzerat less than 2, in the disturbed district 6.

Land revenue per acre is in Guzerat Rs. 2-13-4, in the Deccan Rs. 0-10-1.

The foregoing comparison shows that in the area of our inquiry we have a region of very poor quality as regards agricultural resources. The comparison is made with a province, the average of which will give a fair standard of a district enjoying good resources, but not exceptionally rich as compared with other parts of India.

Produce.

31. The chief products of the disturbed region are jowari (sorghum) and bajri (millet). The appendices show the proportion of these and other crops in the several talukas. For the purposes of inquiry it is unnecessary to consider the statistics of any other crops besides these. Bajri is an early crop requiring a better rainfall than jowar and suited to the lighter and shallower soils. Jowari is a late crop, cultivated more largely in proportion as the rainfall is scanty, and requires a deeper soil. One feature of both these crops is the value of the straw for fodder, which in a year of comparative drought, when the grain is not formed, nevertheless gives some slight return for the seed and labour expended. The data on record or available for ascertaining the average yield per acre of these two staple products are meagre, but the following estimate of the out-turn in a year of *average* rainfall, (the *average* being considerably below the maximum and above the minimum), is probably not far from the mark:—

	Good Soil.	Middling.	Poor.
	MAUNDS.		
Jowari	7	3	1
Bajri	5	3	1½

At the average price ruling for the last four years the produce as above would be valued as follows:—

	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.
Jowari - - -	9	13	6	4	3	6	1	6	6
Bajri - - -	9	6	0	5	10	0	3	4	6

To these values may be added the value of the straw, which in the case of jowari appears from the evidence available to bear a proportion of about 6 annas' worth to the rupee's worth of grain, and in the case of bajri of $2\frac{1}{2}$ annas to the rupee of grain in the good and middling soils. In the poor soils the proportional value of the straw will be much higher, being about *equal* to that of the grain in the case of jowari and about one-third of the value of the grain in the case of bajri. The results in money of the above estimates are therefore as follows:—

	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.
Jowari - - -	13	8	6	5	13	0	2	13	0
Bajri - - -	10	13	5	6	8	0	4	6	0

Former Condition of the Country.

32. The region under report came into British possession in A.D. 1819-20, 21. In the beginning of the century it had, in common with the rest of the Deccan, suffered mightfully in the disorders which preceded the downfall of the Mahratta power. In 1808 Lieutenant Nash of the Survey Department reports that the people of Bhimthari still remember the plundering march of Yeshwuntrao Holkar through the country in 1802, and the famine that was its consequence. Following the calamities of war in the early years of our rule came cholera, the ravages of which may be estimated from the fact noted by Lieutenant Nash of the deaths in the three first years of the plague, of 460 people in a village of about 1,000 inhabitants. The country was without made roads, and the hill ranges rendered the transport of commodities by pack animals difficult and costly. The community suffered in years of drought by the famine prices of articles of consumption, and in years of plenty by the low prices of their produce in the overstocked local market. Of the Southern Division of the Bhimthari District, so late as 1843, Lieutenant Nash writes:—"Carts can reach Bhore, but unfortunately there are but very few in the district, except some with solid stone wheels ill suited for purposes of traffic." To the natural obstacles in the way of traffic were added the obstructions of transit dues.

During the years immediately preceding the British rule, the practice of farming the land revenue had been largely adopted by the Peshwah Bajee Rao, and where it prevailed regularity in assessment and collection was impossible. To quote the words of Colonel S. Anderson of the Ahmednagar Survey:—"The farmer being only desirous of securing a profit left all the interior arrangements to the village officers; and so long as a good round sum was forthcoming from each village no inquiries were made as to the amount of land under cultivation, or the assessment payable, by each cultivator; the actual crops where stacked and stored formed the best criterion of the paying capabilities of the village * * *. The old rates were sometimes retained in the case of Mirás or other holdings that had been long cultivated in the vicinity of the village, but the remaining lands were given out * * * without reference to old established boundaries, rates, or land measures." When the revenue was collected by the Government officials, the assessment was usually settled in the lump with the Patel of the village, who furnished security for the amount, and was left to collect it without detailed settlements. The payments of land revenue were usually made by drafts of the sowkar who had the chief banking business of the village, and but little was collected in cash. The sowkar usually stood security, and was then allowed to collect the revenue and his own debts together. Beside the land revenue the people had to pay numerous other taxes. Twenty-four cesses are enumerated as payable by the Ryots of Poona, and twenty-six as levied in Ahmednagar District. In spite of these unfavourable circumstances the agricultural classes during the period immediately preceding British rule were recovering from the heavy calamities of the wars in the beginning of the century. Their proximity to Poona, in which the wealth of subject and tributary provinces was collected and spent, gave them great advantages. The population was healthy and land proportionally abundant, and much of their wealth consisted of flocks and herds, the produce of which was less exposed to the rapacity of the tax gatherer than the proceeds of cultivated land.

Condition in early period of British Rule.

33. The officers concerned in the settlement of the land revenue of these districts in the first years of British administration formed an exaggerated estimate of their capabilities, and during a period of steadily falling prices based these settlements on a standard exceedingly high even if prices had been maintained. It would not be difficult to account for this over-estimate, but whatever its causes, the consequences were ruinous. A rough survey was made about 10 years after the acquisition of the country, and the assessment was in some cases modified at the same time; but it was not, generally speaking, until nearly 20 years of over-assessment had reduced the agriculture of the country to the lowest point that the remedy was vigorously applied. The following extracts from reports of the officers engaged in the survey and settlement of Poona about 25 years ago show the condition of the people at that time:—

Sir G. Wingate writes:—“There can be little doubt that the over-estimate of the capabilities of the Deccan formed and acted upon by our early Collectors drained the country of its agricultural capital, and accounts in great measure for the poverty and distress in which the cultivating population has ever since been plunged.”

Lieutenant Robertson writes:—“The condition of the people * * * is by no means so impoverished as of those who fell under my notice further eastward in the Sholapur Collectorate, and the existing assessment, though unquestionably too heavy, it is not so intolerable as elsewhere. Wretched though the peasants be, yet they are some shades better circumstanced in their houses, clothing and personal necessaries, and also in their stock and agricultural essentials. The villages are in many places very dilapidated, and their walls crumbling to ground. There are 33 chauries, of which 9 are inhabitable and the remainder in a miserable plight. Manufactures cannot be said to flourish, though they pay wages to the amount of Rs. 593-15-11; of schools there are 11 and of shops 188.”

Lieutenant Nash writes:—“The preceding paragraph contains facts that will justify me in asserting that this District, like those I have already been employed in, is suffering from the evils that a high nominal assessment with constant variations and balances, is certain to produce.”

Sir George Wingate again writes:—“Under our management it appears to have recovered little, if at all, from the effect of these calamities; and even now little more than a third of the arable land is cultivated, while the net receipts of Government have not in any of the two last years, as appears from Lieut. Nash's 16th paragraph, exceeded Rs. 16,000; all this betokens a state of abject poverty; and, with the view of fostering and developing the resources of a country so situated, the demands of Government cannot be too much reduced.”

And in another place, writing of the assessments introduced, together with the first rough survey about the 10th year of British Administration, he writes:—

“To adopt as a basis of assessment an average of past collections was to admit that the previous settlement was not heavy as a whole, but merely required being properly apportioned, which the yearly increasing poverty and wretchedness of the people, a declining cultivation and a progressive fall in the price of grain notwithstanding a diminished supply, all tended to disprove.”

All the above extracts refer to tracts within the disturbed area of the Poona Collectorate. Similarly it is reported by the Superintendent of the Ahmednagar Survey, Colonel Anderson:—

“The rates adopted in 1818-19 proved, as has already been mentioned, much too high, and although they were considerably modified in practice, it was necessary to resort to other remedial expedients to save the ryots from ruin.” And again, comparing the District of Kurdeh with another taluka, Colonel Anderson answers:—“The more unfavourable character of the results exhibited must be mainly attributed to a greater degree of over-taxation.” The hardship of over-taxation was further aggravated by laxity that permitted the Revenue officials both to collect and appropriate remissions granted and to levy assessment for their own pockets in excess of the authorised demand. The Revenue Commissioner, writing of the district of Indapur in 1834, says:—“I find I believe that not one half the remission has reached the ryots, and probably the portion of the actual collections that has been paid into the treasury has not been much greater.” The economic condition of the agricultural class during the first 20 years of our administration may be concluded from the facts that while population was increasing, the area under the cultivation steadily diminished, and while production was decreasing prices steadily fell.

Condition in recent period of British rule.

34. The re-action in agricultural prosperity under light assessment, and a system at once simple and rigid, was as rapid as the decline of the district had been under the opposite conditions. The introduction of the Revenue Survey and Assessment in 1836 marks a new era for the Deccan ryot. The principles of assessment and land revenue administration worked out by the able and distinguished officers at the head of the Survey approved themselves by their results. During the period which followed, the district under report reached a very high standard of prosperity before the year 1860. The condition of the region was in many respects entirely changed. Instead of large tracts of land lying waste, all the culturable land was brought under the plough. Population and agricultural capital of all kinds increased steadily. The country was supplied with carts, and good roads abounded, in place of the tedious and wasteful carriage on pack bullocks along a jungle track. The railway, the construction of which poured money into the villages in the wages of labour and carriage, traversed the richest part of the region. Prices of produce and wages increased, with a much larger revenue to pay on the larger area of cultivation, remissions became unknown, and more capital was yearly invested in wells and more and more in reclamation. App. A.,
p. 1.

35. In 1862 began the period of extraordinary prosperity caused by the rise in the price of cotton which followed the American blockade. In those years the ryots would under ordinary circumstances have suffered severely from the constant deficiency in rain during five successive seasons. But the abnormal value of produce made the scanty crop of a year of drought equal to the full crop of a good season. The competition for cotton made it possible for the ryot and his family to earn the assessment of an ordinary year by a fortnight's work, and the enhancement of his credit enabled him to borrow sums far beyond the ordinary value of his capital.

36. Such circumstances in the ryot's condition during the periods above briefly reviewed as affect him in his relation to the sowkar or money-lender are reserved for consideration in subsequent chapters of this report, as also are the features of the last period preceding the riots.

CHAPTER III.—THE RELATIONS OF SOWKAR AND RYOT, AND THE CAUSES OF DEBT.

The Debtor and Creditor Classes.

37. Before reviewing historically the relations of the sowkar and ryot, it may be well to describe briefly the characteristics of the two classes as presented in the types which figured most prominently in the recent disturbances:—

The great mass of the agricultural population belongs to the Kunbi caste which constitutes the bulk of the Mahratta race. The ordinary Kunbi of the Deccan is a simple well-disposed peasant, contented with the scantiest clothing and hardest fare. Utterly uneducated, and with a narrow range of intelligence, he is not without masculine qualities, and meets with a stubborn endurance the unkindly caprices of his climate and the hereditary burden of his debts, which would drive a more imaginative race to despair or stimulate one more intelligent to new resources. The apparent recklessness with which he will incur obligations that carry the seeds of future ruin has earned him a character of extravagance and improvidence; but the apparent recklessness is often sheer necessity, his extravagance is limited to an occasional marriage festival, and his imprudence is greater than that of all races low in the scale of intelligence and civilization who exist only in the present. Supposing, what we know to be unfortunately not the truth, that his surplus is in any year at his disposal, then to assume that in a good year he will be able to meet the deficit of a bad season is to credit him with a foresight and self-reliance which it is notorious that the peasantry of even civilized countries rarely display; any of our laws which affect him proceed on this assumption they will inevitably prove suffering; if it be held that painful experience will teach him prudence, it must also be shown that the suffering is produced by causes which it would not be possible or right to remove, or that it is justified by the results of its teachings upon the sufferer. The Kunbi.

38. As the Kunbi represents the agricultural, so the Marwari represents the money-lending class. It is remarkable how much of the money-lending business of the district under report is conducted by foreign immigrants. Beside the Marwaris there are numerous Guzerathi and Lingaet Bunniah engaged in this profession; and although there is a considerable number of Brahmin and Kunbi money-lenders, and individuals of other castes, Telis (oil-pressers), Chambar (leather-workers), Sonars (goldsmiths), and The Marwari.

others, who lend money to the ryots, the amount of their business altogether will not equal that of the Marwaris and other Bunniahs. Except a few Brahmins, most of the indigenous money-lenders have other occupations or sources of income, and the Brahmin sowkars of the villages are usually members of the Kulkarni (village accountant) family, and not hereditary money-lenders.

App. C,
p. 260.

Marwari sowkars were already settled in the Deccan in considerable numbers before British rule. They were naturally looked upon with disfavour by the Mahratta Governments as aliens who came to make money out of the people of the soil which they often took away in hoards to their own country; they belong as a rule to the Jain sect in religion, and found little tolerance for their worship before the British rule began; instances are recorded in which temples erected by them were forcibly converted to the purposes of Hindu worship. Most of the Marwari sowkars are now colonists of the Deccan. Recent arrivals from Marwar are rarely met. Many, however, have immigrated within the last 30 years. They usually begin business as clerks and servants of one of the established sowkars, and after making a trifling capital set up on their own account; thus new shops are continually being opened. The head-quarters of the Marwar immigrants into the Deccan is the town of Bāmburi, a few miles north of Ahmednagar; they have a large community there, and it is the centre of their exchange and banking business. The proportion of Marwaris to other sowkars is much larger in Ahmednagar than in Poona. In some places they enjoy almost a monopoly of the money-lending business, and it is probable that they made more way in Ahmednagar under former government being less under the observation of the Mahratta rulers and their Brahmin ministers in Poona near the centre of Government.

There can be little doubt that the position of the Marwaris among the Mahratta aliens looked upon with disfavour, has had the effect of making them indifferent to public opinion, and left them more free to use those practices of the money-lender which in all ages and countries have brought a stigma upon the usurer class. The average Marwari money-lender is not a pleasant character to analyse; his most prominent characteristics are love of gain, and indifference to the opinions or feelings of his neighbour. He has considerable self-reliance and immense industry, but the nature of his business and the method by which it is pursued would tend to degrade and harden even a humane nature, which his is not. As a landlord he follows the instincts of the usurer, making the hardest terms possible with his tenant, who is also his debtor and often little better than his slave. The Marwari sowkar has usually sufficient education to draw up his own plaint, and to understand the law and procedure as well as his vakil; he is an excellent accountant and generally quick-witted in all that concerns his business, but outside of these limits he has no interests and no capacity.

39. The following description of the money-lending classes in Ahmednagar is taken from notes on the subject by Mr. Sinclair, Assistant Collector, and applies with fair accuracy to the same classes in Poona District; but it must be remembered that the proportion of Marwaris to other sowkars is much larger in Ahmednagar than in Poona, and that in Ahmednagar the sowkars show a desire to hold the lands of which they acquire possession, as Government tenants, by having the occupancy transferred to their names, which is not often the case in Poona.

Mr. Sinclair writes as follows:—

“The capitalist classes are, first and most numerous, the small traders and money-lenders of the villages, chiefly Marwaris and Guzers, with a few Lingaits and Vairwanis and others. These advance grain for seed and subsistence, and money upon pledge, mortgage, or good security. The 2nd class are the rich bankers or traders of large towns, among whom, besides the races mentioned, are found a good number of Brahmins chiefly of the Yajur-vedi Deshast caste. Those kulkarnis who are money-lenders are generally closely affiliated to these Brahmin bankers as in the unfortunate village of Ghospuri, the kulkarni family of which chiefly live at Nagar, where their principal shop is. They are also much connected with the vakils and to some extent with the official class. They deal much less in advances of grain than the traders of lower caste and have a much greater taste for getting land into their hands and names than the immigrant traders. As the kulkarnis are connected with these, so are the small Bunniahs of the villages mentioned in the first class of mere jackals to their richer caste fellows in towns. The third class consists of cultivators who have kept out of debt and are able to make small advances of money and grain to their neighbours.

“The first class are particularly odious to the people, and on them fell the weight of the late troubles. The second class are less unpopular. In the instance they deal less directly with the poor ryots, who are accordingly

App. A,
p. 294.

ended of them by daily dunning. Secondly, those who are Brahmins derive some advantage from their caste and community of country and religion; and thirdly, as these sometimes aim more at the land than at money, there is an end of the business when they have got that, and the former possessor lives on as tenant, screwed and rack-rented indeed, but a good deal better off than the bond slave of the village usurers. These circumstances and the invariable presence of the police in large towns prevented this class from feeling the weight of popular indignation last May and June to anything like the same extent as the first. They are, however, a body of fat lazy rogues, bad landlords, and the most intriguing and scheming lot in the country.

"The third class of money-lenders, those sprung from the ranks of the people themselves, are often grasping and dishonest enough, but their debtors deal with them much more on an equality, and community of race and residence not only has a tendency to make them easy in their dealings, but brings any unusual villany under the ban of the public opinion of the caste and village. These are for the most part skilful cultivators and good ryots to Government. They were sometimes threatened during the riots, but I am not personally aware of their having been in any case really injured in any way, and it is not necessary to refer further to them in this report.

Historical review of indebtedness.

40. The earliest record shows that indebtedness was common among the Deccan ryots when their country came into our hands. Mr. Commissioner Chaplin, reporting on the newly acquired Deccan districts in 1822, writes:—

"The ryots in many villages, though usually frugal and provident, are much in debt to sowkars and merchants owing to the oppression of the revenue contractors; many of these debts are of long standing, and are often made up of compound interest and fresh occasional aids which go on accumulating so as to make the accounts exceedingly complicated; a ryot thus embarrassed can seldom extricate himself. His exertion may be compared to the hellish torments of Sisyphus, who had no sooner rolled his burthen to the summit of the hill than it fell back upon him with redoubled violence. * * * The Mirás* fields of ryots are sometimes mortgaged for these debts." App. C., p. 260.

Again he writes: "The collector of Ahmednagar, notwithstanding some embarrassments, is of opinion that there is an universal tone of satisfaction among the ryots resulting from the improvement of their condition, and he thinks that they are gradually extricating themselves from their difficulties. The general feature of the picture is correct; but it is perhaps charged with colours a little too brilliant. He thinks that complaints against them from the sowkars are decreasing, but this circumstance is partly to be ascribed to many of these debts having been declared inadmissible."

These debts were of two kinds, public and private. The public debt of the village community arose usually from advances or loans made to the Mahratta Government to be recovered with interest from the revenues of villages assigned to the State creditor: the private debts were the result of the system before mentioned by which the collection of the State dues was made through sowkars, who usually recovered in kind what had been paid in cash and drafts. It has been shown that the great mass of the agricultural population had no such interest or title in their land as to afford security for large debt. Mr. Chaplin indeed mentions that "Mirás holdings are sometimes mortgaged," but in no place he estimates the selling value of Mirás land at not more than two or three times purchase, and states that land yielding Rs. 200 of gross produce can seldom be mortgaged for more than Rs. 100. The usual and recognized method for recovery of debt was for the sowkar to send a Mohosul, that is, a servant whose maintenance had to be paid daily by the debtor, or to place a servant in "Dharna" at his door (which is the process called "Tuquaza" by Mr. Chaplin), or to confine the debtor in his house or otherwise subject him to restraint and even severer measures. It is plain that such methods could not be put in force against any but the humbler class of debtors, and doubtless the ordinary dealings of the sowkar and ryot were based rather on the unobtainable result of experience teaching each his own interest than on any power of compulsion in the hands of the creditor. The ryot's constantly recurring necessity could not be relieved unless he maintained his credit by good faith, and on the other

* Mirás tenure comprised a right of occupancy at the customary rate and other privileges distinguishing it from the ordinary tenancy-at-will.

hand the sowkar had no support from without to look for in exacting more than a profit, which, considering his risks, would be also a large profit. Honesty was the best policy, and caution was a necessity to the money-lender.

41. The condition of the ryot as regards his relation to the money-lender since British rule commenced may be summed up as follows:—

- 1st.—There was a considerable burden of debt, and many of the ryots were in dependence upon the sowkar, delivering to him their produce and drawing from him for necessaries.
- 2nd.—The ryot's property did not offer security for large amounts; his cattle and the yearly produce of his land being the lender's security, the mortgage of land was rather a means by which the sowkar got a firmer hold upon the ryot than upon the land itself, for immovable property was not sold for debt, and a mirás title would have no value for a non-agriculture landlord.
- ✓ 3rd.—Rates of interest were very high, and much of the debt consisted in accumulations of interest.
- 4th.—The causes of indebtedness were chiefly the revenue system, and sometimes expenditure on marriages or such occasions.
- 5th.—The amount of individual debt was usually moderate.
- 6th.—The sowkars were usually men of substance, maintaining establishments and employed in dunning and looking after debtors.
- 7th.—The creditor received little or no assistance from the State in recovering his debt but had great license in private methods of compulsion.

Relations of Sowkar and Ryot.

42. Under British administration this license was curtailed, and courts presided over by the collectors were open to suitors, but the sowkars did not at first have recourse to them; this and other causes referred to by Mr. Chaplin in his report caused a contraction in the sowkars' dealings. In a district such as this, however, with a rackrent assessment, the ryot's necessities compelled him to keep on terms with his sowkar, and the ordinary Kunbi debtor even of the present time does not often repudiate debt; it does not appear, therefore, that the contraction of credit which followed the introduction of British rule was more than temporary, while the fall in prices, with the high rate of assessment maintained, must have made the ryot's need of the sowkar even greater than before. We have not been able to find any record bearing on subject for the years immediately following Mr. Chaplin's report, but it is certain from subsequent information that the burden of debt grew rather than declined before the introduction of regular courts and procedure.

43. In 1827 the first regular procedure for the administration of civil justice was introduced into Bombay Presidency by Regulations II., III., IV., and V. Regulation IV. provided the procedure, and Regulation V. limitations for civil suits. They contained clauses which will be referred to and may be noticed here. In Regulation IV. the cattle and implements necessary for the support of the agricultural debtor were declared exempt from seizure on account of debt. Regulation V. limited the rate of interest recoverable in a Civil Court to 12 per cent. per annum. When the new *cutfa* came into operation the ryot had no title in his land except in the case of mirás tenure, and the revenue demand was still crushing. These circumstances left but little security to the sowkar for debt not speedily realised, and the courts afforded the means for speedy realization; we find accordingly that they soon began to be resorted to.

44. The first full record bearing on the subject is the result of an inquiry made in 1843 by the Revenue Commissioner of the Northern Division. The substance of the Collector's reports are given in the Appendix. The Collector of Poona, after premising that it is well known that all enactments to fix a lower than the market rate of interest have the effect of enhancing it, proceeds to state that money in this country is frequently borrowed on mere personal security at from 35 to 60 per cent.; and when it is considered that the borrowers seldom possess any property, it appears to him rather surprising that they should be able to procure credit at all than that the rate of interest should be so high. Messrs. Frere and Rose, the Collector's assistants, also submitted reports. Frere states there are few villages in the two *parganas* under his charge in which there is one ryot unburthened with debt, and scarcely a single village in which three persons could be found not involved for sums above Rs. 100. These debts, he says, are contracted on occasions of marriages and other rites, the interest charged varying from 25 to 60 per cent. Mr. Rose observes that the usurious character of the village *Bania* is notorious.

First period
of British
rule.

Second
period under
regulation.

App. A., p. 2.
Extracts
from Record
of 1843.

and he attributes the poverty of the Deccan ryots in a great measure to his rapacity; he is afraid, however, that it will be difficult to remedy the evil effectually, as the ryots consider the Bania almost necessary to their subsistence, and their thoughtlessness and ignorance would render it easy to frustrate any attempt to check or put a stop to his exorbitant gains. The interest agreed upon in cases where the ryots are concerned is generally enormous, and the agreements are often fraudulently procured.

The Collector of Ahmednagar wrote that the measures which Government had from time to time adopted for the relief of the agricultural ryots had only made the money-lenders more rapacious and unrelenting. Bonds were renewed at exorbitant rates, the interest and principal being entered in the fresh bond, and he instances a case in which a loan of Rs. 61 was made to run up in 14 months to Rs. 189, and a decree was given against the debtor.

The Collector of Kaira stated that money was advanced at 12 per cent. interest, besides a premium deducted from the loan, of from 1 to 6 per cent. :

“The money-lenders favour the ryots with loans at 12 per cent. interest as allowed by our Civil Regulations, besides which they generally receive a premium (which is deducted from the loan) and varies from 1 to 6 Rs. per cent. according to the credit of the borrowers.

“There are in this zillah about 50,000 cultivators of Government land, one-fourth of whom, or 12,500, are in a condition to dispense with sowkar aid by being possessed of sufficient funds of their own; but the remaining three-fourths, or 37,500, cannot, I imagine, carry on their affairs without the assistance of money-lenders. Of this latter number about two-thirds, or 25,000, are regular in the payment of the sums borrowed from the *sarafs*, and consequently no suits are filed against them, nor are they obliged to pay higher interest than from 6 to 9 per cent.; whilst the rest of the ryots, about 12,500, are so strained in their circumstances as not to be able to discharge their debts punctually, and are therefore required to pay 12 per cent. interest on sums borrowed, besides a premium of from 1 to 6 Rs. per cent., which is always added to the loan, and the bond passed is for the total amount inclusive of the premium, which, however, is not mentioned therein. Again, when the time for payment arrives, and they are not prepared to answer the demand, the sowkars insist on a fresh bond being passed for the amount of the debt with interest thereon, besides whatever other sum the ryots will consent to be added for the credit and forbearance, the whole again running on at 12 per cent. interest till liquidated. * * * The average number of attachments in this zillah is about 1,000 annually.

15. It will be observed that in this correspondence the attention of the officers reporting was usually fixed upon the question of usury. The Collector of Kaira indicates that the debtor class were beginning to feel the pressure of legal processes; he states that 1,000 attachments* had issued during the year, and that the debtors renewed bonds with a premium “for forbearance.” The Collector of Ahmednagar also mentions the conversion of a usurious loan into a decree, and the Collector of Surat notes that the law regarding enforcement of decrees was worked, by combination of the sowkar class, to the prejudice of the judgment debtor; but the Collector of Khandesh does not suppose that the money-lenders resort much to our courts.

On the whole it is evident that the burden of debt was not as yet aggravated to any degree of severity by the operation of the law. This was to be expected, for the ryot generally had no title in his land except that conveyed by the *miras* tenure, and his agricultural stock and implements were protected from legal seizure. Other points that notice in this correspondence are:—*1st.* That the money-lenders are spoken of as “the village Bania,” “the village sowkar,” and in similar terms, indicating that as yet no established money-lender of the community was the only sowkar with whom the ryot had to deal. *2nd.* That expenditure on marriages, caste rites, and similar occasions was generally assigned as the cause of indebtedness. *3rd.* That those districts which at present time are most debt-ridden furnish the most unfavourable reports.

We have seen that about the time when this inquiry was made the period of prosperity which followed the introduction of the survey and settlement, and of a sounder and more liberal system of revenue into the Deccan, had already commenced. The favourable features of that period have been noticed above. Strong inducements existed to the ryot to increase his agricultural operations, and the sowkar found enhanced security and a ready machinery for recovery to encourage him in loans. We find

The evidence of the records from 1850 to 1858.

* In 1873, 4,926 attachments issued from the subordinate courts in Kaira.

accordingly in the record relating to this subject from 1850 to 1858, two features which had already become marked characteristics of the relations of sowkar and ryot under the altered conditions of our revenue and judicial systems. These are the growth of small capitalists engaged in money-lending, and the unequal operation of our laws to the disadvantage of the ryot. The appendices deal fully with the relations of the sowkar and ryot from 1848 to 1858, but in illustration of the above remarks the following passages are extracted. The Superintendent of the Ahmednagar Revenue Survey, Captain G. S. Anderson, writes:—

App. A., p. 8.

“The country has not hitherto derived that benefit from the Marwaris which it would do from respectable and permanently resident capitalists. * * * * The people are much preyed upon by needy adventurers, and there is a great deal of reckless and fraudulent trading carried on, which appears to me not only to entail much injury and oppression on the ryots, but also subjects the traders themselves (at least the honest portion of them) to loss. No one could object to the legitimate employment of capital, but at present the doings of the Marwaris far exceed the limits of fair trading, and in many localities it does not appear to be so much their object to trade with the ryots as to get them, by fair means or foul, into their hands, so that they may use them as mere tools in the acquisition of fortunes. For instance, a ryot may borrow two maunds of grain, the price of which is, say, Rs. 2 or Rs. 3. This, by tricky proceedings on the part of the Marwaris, is converted into a money debt of Rs. 12, and subsequently, by the writing out of new agreements, it gradually increases to Rs. 50 or upwards. In this manner a ryot becomes so entirely involved that it is not in his power to extricate himself by any honest exertion of his own, and he either remains in a slavish state of poverty and indebtedness, or should he show signs of resistance to the Marwari's continued exactions he is dragged into court and ruined, to deter others from proving disobedient.”

App. A.,
p. 89.

Again, Captain (now Sir G.) Wingate wrote in 1852:—

“The facilities which the law affords for the realization of debt have expanded credit to a most hurtful extent. In addition to the ordinary village bankers, a set of low usurers is fast springing up, by whom small sums are lent for short periods at enormous rates of interest to the very lowest of the populations who have not credit enough to obtain advances from the more respectable of the village bankers. All grades of the people are thus falling under the curse of debt, and should the present course of affairs continue, it must arrive that the greater part of the realized property of the community will be transferred to a small monied class, which will become disproportionately wealthy by the impoverishment of the rest of the people. No greater misfortune could befall any nation than this, by which the many are made miserable in order that the few may be pampered. And yet this is the inevitable tendency of the existing relations between debtor and creditor in our presidency.”

App. A.,
p. 16.

In 1858 the Revenue Commissioner, Mr. Inverarity, submitted to Government a report from the Collector of Ahmednagar in which the following passage occurs:—

“The aid given by our courts is all on the side of the Marwari, who alone knows how to turn that aid to his own advantage. The position of the litigants is not, therefore, simply of debtor and creditor, it is the fraudulent Marwari, backed by civil courts, *versus* the helpless ryot, signing any bond without even a true knowledge of its contents, and powerless to oppose any decree that may be passed. This matter keeps up a constant irritating sore throughout the society, and the whole *onus* is thrown by the people on the civil courts, whereas it is the law which is at fault in assuming that debtor and creditor in this country to be equal, who are rather in the position of master and slave. The question is one of importance both to Government and the people. Even the passive society of the East cannot bear so great a burden without making from time to time some efforts to shake it off. These efforts must increase in frequency and strength unless the Legislature seriously take up the evil and applies the knife to it.”

On the Revenue Commissioner's letter the Governor in Council recorded the following resolution:—

“His Lordship in Council entertains no doubt of the fact that the labouring classes of the native community suffer enormous injustice from the want of protection by law from the extortionate practices of money-lenders. He believes that our civil courts have become hateful to the masses of our Indian subjects from being made the instruments of the almost incredible rapacity of usurious capitalists. Nothing can be more calculated to give rise to widespread discontent and disaffection to the British Government than the practical working of the present law. T

attention of the Legislative Council on the subject should be requested, and copy of the Revenue Commissioner's letter forwarded for their consideration."

The subject was then again for a time dropped.

47. It had become well known that the regulation restricting the rate of interest recoverable to 12 per cent. was evaded by the money-lenders by the deduction of discount, or more properly of interest taken in advance, from the consideration given to the debtor. The usury law had the natural effect of placing the debtor in a worse position by the introduction of a practice which has survived its cause, by which the debtor is compelled to co-operate in a fiction to evade the law; for the bond acknowledges receipt of a consideration which has not actually passed. In 1855 accordingly an Act was passed repealing the restriction on interest. ✓ Repeal of limitation of interest, 1855.

48. As another natural result of the enhanced value of agricultural investments caused by the survey settlement, we find the practice of raising money on mortgage of land gradually making way and private transfer to sowkars occasionally resorted to. Such transfers were doubtless made in liquidation of debt, and not for the purpose of raising money, as no cultivator would part with his land altogether for such a purpose. It must be presumed, therefore, that the money-lender in such cases compelled the transfer by threat of imprisonment or other alternative having terrors for the debtor. The following figures show the growth of money-lenders' property in land in the district of Poona as exhibited in the accounts of 24 villages, and illustrate the above remarks, as do also the results of the Commission's inquiries given in the Appendix. Acquisition of land by sowkars.

In the 24 villages mentioned the number of occupancies held by sowkars in the years 1854, 1864, and 1874, with their area and the assessment payable at each period were as follows:— App. C., p. 200.

	1854.	1864.	1874.
Number of Khatas -	164	203	272
Area in acres -	4,001	5,292	10,075
Assessment -	1,924	3,721	7,134

In noting these figures it must be remembered that during the latter part of the period embraced there was but little unoccupied waste, and the increase in sowkar holdings implies a corresponding decrease in those of the cultivating class. It will be observed that the increase in the assessment is greater than that in area, showing that the better class of lands was passing into the sowkars' hands, and further that the increase in the number of *khatas* indicates an increase in the number of sowkars, the particular feature of our subject which was dwelt upon above. The rate of increase in the area of land held by sowkars was much greater in the district of Ahmednagar than in Poona.

49. Although the property of the money-lending class in land was thus increasing, the sale of occupancies under decree was rare; this was probably due to several causes. In the first place the people had not acquired full confidence in the title given by the survey settlement, probably hardly had confidence as yet in the stability of our rule; the only land sold was miras, which was held by a recognized title familiar and reputed to be safe. It is not often the interest of a creditor to sell his debtor out of his holding; as a ryot's agricultural stock and implements were protected from sale, he could not be pauperised, and was likely to be more productive if left in possession of his land, the creditor securing the fruits of his labour, than he would be as a mere tenant. The sale of immovable property for debt was opposed to usage and public opinion, and unless the land was directly made security, the courts would be reluctant to have it sold whenever the claim might be satisfied by other means more consonant with native usage. Procedure before 1859 more favourable to debtors.

The returns of the judicial work of Poona and Ahmednagar clearly show how far the method of disposing of business in the courts before 1859 was favourable to defendants, by comparison with the more strict procedure introduced in 1859. The suits in subordinate courts adjusted without judicial action averaged a proportion of 1 to 4 to those actually heard. Thus in the Munsif's courts of Ahmednagar in 1850, 2,395 suits were adjusted or withdrawn against 9,048 decided. In 1859 as many as 4,538 suits were adjusted or withdrawn against 15,622 decided. In the Poona Munsif's courts 2,055 suits were settled in 1850 against 6,838 decided, and in 1859, 1,869 were settled against 8,191 decided. The rate at which the growing work was disposed of in this district is well indicated by the proportion of suits left undisposed of at the end of the year. In Ahmednagar District in 1850 suits to the number of 16,560 were filed, and at the end of the year 3,473 remained on the file; 1858, 25,357 suits were instituted, but 10,400 remained on the file at the end of the year. In Poona District 13,008 suits were filed in 1850, and

2,400 were left on the file at the end of the year. In 1858 there were 13,742 suits filed and 5,395 undisposed of at the end of the year.

Increase of suits for debt following on the survey.

50. It is to be regretted that returns cannot be obtained for the years previous to 1850, showing how the period of returning prosperity in the Poona District was illustrated by the work of the civil courts; but the figures for Ahmednagar which embrace the years of the introduction of the survey settlements into that district, show very clearly the connexion between the improvement of agricultural securities following the settlement, and the expansion of litigation on accounts of debts. The first three years of the period in our return (1850-1-2) saw the survey settlements introduced into Ahmednagar (the district at that time included a portion of the present Nasik Collectorate), and it will be remarked that an immediate and considerable impetus was given to litigation. There was a temporary re-action in the expansion of agriculture in 1854, the people having taken up more land than they could cultivate, and accordingly we find the work of the courts is reduced during that year and the next, only however to increase again until the number of suits in 1859 had reached 25,136 as compared with 15,633 in 1850.

The returns show that the imprisonment of the debtor was a favourite method of procuring settlement of debt. It has been stated that the sale of land was rarely resorted to, and the realization by the sale of the debtor's house was noticed as an innovation; imprisonment would therefore be more often used. During the three years from 1850 to 1853 there was an average of 530 civil prisoners in Poona Jail as compared with an average of 204 in the years from 1860 to 1863, and in Ahmednagar an average for the same periods of 49 as compared with 29.

The ryots prosperous in 1860.

51. Notwithstanding the pressure of debt, and the hardships inflicted by the laws upon the ryots as shown in the extracts alone, there can be little doubt that about 1860 the agricultural classes of the Poona and Ahmednagar Districts were on the whole in a far better position than they had been for years. The conditions of agriculture had been favourable; in the former district for nearly 20 and in the latter for nearly 10 years they had enjoyed a fixed assessment at moderate rates, large tracts of waste lands had been available for extended industry; not only were ordinary communications and means of transport improved, but the railway had been brought within easy reach, the construction of this had poured into the district a sum of not less than 20 lacs in wages of transport and labour; and above all a series of good seasons had brought ample return to the ryots for their industry. Although the sowkar might have recourse to the Civil Court there was a possibility of the ryots being able to borrow from another in order to pay him, and the court would give time; if a decree passed against the ryot, his stock and implements were safe and his land not in real danger; he might be imprisoned until he signed a new bond, but was not likely to be pauperised.

App. A., p. 18.

The degree to which the general prosperity affected the relations of ryot and sowkar it is not easy now to estimate. The Collector of Ahmednagar, writing in 1862, states that some of the people admit having freed themselves from debt, and it is probable that the more provident ryots and those with the least previous debt had reduced their liabilities to such a point that they felt no concern and were subject to no annoyance on account of them. This is still the condition of a large number of the ryots in the district with which we are concerned, and it seems probable that the period of prosperity did little more than bring into prominent distinction the class of well-to-do solvent agriculturists, whose circumstances allowed them to emerge quickly from the general lethargy of poverty to which all had sunk. More information is required as to the class of borrowers to which the bulk of the agricultural population should be assigned before any safe conclusion can be drawn as to how they would be affected by the reduction in the rate of interest which the Collector states had taken place before 1862.

Viewed in the light of the same officer's report of four years previously (1858), and of the recorded opinions of other officials relating to the same period, the conclusions drawn by the Collector of Ahmednagar in 1862 must be regarded as reflecting somewhat too strongly the general tone of prosperity and well-being which his district exhibited as contrasted with its condition when he had first known it 16 years before. Such apparent prosperity and actual material increase of wealth is not inconsistent with the existence of a vast amount of debt; debt might act as a stimulus to increased effort so long as extended cultivation and fair prices made production profitable; additions to the material wealth of a country are not the less real because the capital employed in their production is borrowed, and because a sudden check in his rate of profit may ruin the producer. As bearing on the question of the ryot's condition 15 years ago, we have to remark that in a statement appended to the memorandum of Mr. Shambhu Persad (see Appendix) a number of ryots are returned as owing *nothing* at that time; in the face of the evidence collected by the Commission and drawn from the contemporary record, we cannot place

reliance on this part of the statement. A ryot who did not owe more than one or two years' surplus would call himself out of debt.

52. The relations of the ryot and sowkar in 1858 being such as we have shown from the contemporary record, in 1859 two enactments passed through the Legislature which have aggravated the mischiefs there complained of. These are the Civil Procedure Code and the Statute of Limitations. The consideration of the effect of these measures upon the indebted classes belongs to another branch of our subject, viz., the causes and consequences of the ryot's indebtedness; and we have now brought our review of his relations to the money-lender to the point where it requires to be treated with direct reference to the present state of those relations as illustrated by the riots. To avoid repetition of the same topics we propose to pass at once to this subject, the consideration of which will lead us to the period immediately preceding the recent outbreak.

The Procedure and Limitation Acts of 1859.

Causes of Debt.

53. Enough has been said in a previous chapter of this report to show that we are dealing with a region of a very low standard of productiveness and with a poor population. The estate of an ordinary Kunbi ryot, exclusive of his land and its produce, has been estimated by competent authority to be of little more than Rs. 200 in selling value; it will be somewhat as follows:

	RS.
Live stock - - - -	125
Implements and utensils - - -	20
House - - - -	50
Miscellaneous - - - -	20
Total - - - -	215

The recorded results of personal inquiry by the Commission, as shown in the Appendix, prove how many of the population are possessed of less than the above average. With the exception of the land all the items of the estate are subject to depreciation, and imply yearly charges for maintenance and renewal. The people being thus possessed of very little besides their land, what kind of income does that yield them? It has been shown that the two crops, bajri and jowari, form the great bulk of the agricultural produce; in a large portion of the area under report they constitute eight-tenths of the whole. Supposing that the rainfall was sufficiently constant to ensure a moderate return every year, it would still be inevitable that the Kunbi should draw the whole of his year's income from land in the lump during the two months of harvest. As, however, there is the year of drought in every three over much of the region, and a good crop also only once in three years, it follows that the income yielded to the Kunbi from his land is received *in full* triennially instead of annually. It is everywhere a serious aggravation of their ill fortune to the cultivators of indifferent soils that, their land yielding only one kind of produce, they receive the whole return in a lump, while better soils that admit of a variety of crop enable the cultivator to spread his receipts over six months of the year. This evil, as we have seen, is intensified for the ryots of the disturbed district by their capricious climate. It is hardly possible to conceive any conditions more certain to produce indebtedness among the poorer classes than these. When to these conditions is added the variation of the value of the ryot's produce, which leaves him in absolute uncertainty at seed time what his crop will be worth if he get one, it is apparent that no great degree of improvidence is needed to account for his indebtedness, but rather that considerable industry supplementing the income of agriculture, and considerable frugality in living, must be presumed in order to account for the large number of Kunbis who are not burdened with debt.

54. It would be idle to say that improvidence does not exist as a cause of indebtedness. It consists, however, rather in the short-sighted imprudence of an ignorant class ready to relieve present necessity by discounting future income on any terms, and unable to realise the consequences of obligations foolishly contracted than in an extravagant expenditure or misapplication of income. The results of the Commission's inquiries show that undue prominence has been given to the expenditure on marriage and other festivals as a cause of the ryot's indebtedness. The expenditure on such occasions may undoubtedly be called extravagant when compared with the ryot's means; but the occasions occur seldom, and probably in a course of years the total sum spent in this way by any ryot is not larger than a man in his position is justified in spending on social and domestic pleasures. The expenditure forms an item of some importance in the debit

Improvidence.

side of his account, but by itself it rarely appears as the nucleus of his indebtedness. The sums usually spent on these occasions have probably been over-estimated, or the operation of other causes in producing debt have been overlooked by the officers who have attributed the ryot's burdens so largely to this cause. This oversight would indeed be a natural consequence of the fact that it is only on marriages or similar occasions that expenditure by a Kunbi comes under observation. The amount spent by a Kunbi of average circumstances on the marriage of his son is from Rs. 50 to Rs. 75, a sum which by itself, even at 24 per cent. interest, could be repaid without much difficulty if his average margin of profit was not forestalled by other debt, and he were treated with fairness and moderation by his sowkar. The constantly recurring small items of debt for food and other necessaries, for seed, for 'bullocks, for the Government assessment, do more to swell the indebtedness of a ryot than an occasional marriage.

Inherited debt.

55. As a matter of fact the ryot's surplus is in the majority of cases already forestalled. Even those who are in fair circumstances and solvent have usually to maintain their credit by handing over all that can be spared of their crop "on account" to their sowkar, and the poorer must do so under pain of civil process. As we have seen in our review of the ryot's past condition there has never been a time when a large proportion of them were not under the burden of debt, and their present indebtedness is in great part a legacy from their forefathers. The inquiries of the Commission enable us to state with some measure of certainty that the chief cause of the present indebtedness of the ryot is *ancestral debt*.

Stimulus to borrowing given by survey settlement contemporary with stimulus to lending given by increased facilities for recovery.

56. It was hoped that the permanent title and the light assessment guaranteed by the survey settlement would so far increase the ryot's profits and stimulate his industry that by degrees he would free himself from the debt which hung round him. The increased production and the stimulus to agricultural enterprise did indeed follow as anticipated, but debt instead of diminishing increased. We have seen that the facilities for recovery of debt offered by our civil courts had called into existence an inferior class of money-lenders dealing at exorbitant rates of interest with the lower strata of the agricultural poor. As the value of the ryot's title under the survey settlements came to be recognised, and his eagerness to extend his cultivation grew accordingly, a fresh start was given to the money-lender in his competition with the ryots for the fruits of the soil. The bulk of the people were very poor and the capital necessary for extended cultivation could only be obtained on the credit of the land and its produce; existing debt left but little margin of profit to the ryot even under the reduced rate of assessment; this margin would go but little way to cover his increased needs for the stock, seed, and assessment of new cultivation. While his return in produce for the first year or two would be nominal, even the most cautious could not be expected to wait for accumulation of profits to take up fresh land for fear that the more wealthy or reckless should be before hand with him. This too sudden extension of cultivation following the survey assessment was prominently noticed by Mr. Hart in 1841, and we have seen how in the Ahmednagar district it was so excessive as to cause a re-action in the third and fourth years after these settlements.

Increase of population.

57. The increase of the population taken as a sign of prosperity has been a subject of congratulation with the officers who have recently had to deal with the revision of assessment in the Poona District. It is doubtless a feature in the history of this region which as much as any other marks its changed condition during the last 30 years. The returns show an increase in population of about 45 per cent. in that period, and it is possible that the ratio of increase is progressive rather than uniform, as the spread of vaccination, sanitary precautions, and facilities for medical treatment have reduced the virulence of epidemics, and improved communications have made dearths impossible and facilitated access to markets for labour. We have seen that cultivation has reached its limit. The area, six cultivated acres per head of agricultural population must, considering the precariousness of the climate, be taken to mean that the produce of a good season of but three acres is available to each person of the cultivating class, half of the area of six acres being deducted on account of bad seasons, and the average yield being thus reduced to about half a *good* crop per annum. Comparing this with Guzerat, where the rainfall is rarely deficient, we find that each member of the ryot's family here has yearly the produce of three acres of 8 annas assessment, while in Guzerat each person has the produce of two acres of Rs. 2-13-4 assessment; the former paying Rs. 3, the latter Rs. 5-11, to Government, the net produce being in the case of the latter both of much higher value and having the additional advantage of not being received all at once. It has been estimated that the yearly cost of food and necessaries to each member of a Kunbi family is about Rs. 25. Admitting that the food consumed by his family does not cost the ryot the market value, it is nevertheless plain from the figures of estimated yield of

Paragraph 31 that in a year of average rainfall his receipts from six acres, of soil, will leave a very narrow margin for Government assessment and at which the interest on the sowkar's loans in bad years must count as a voidable charge.

which frequently exists is made up by the produce of stock and of the labour of the Kunbi and that of his family and of his cattle. In it may be noticed that the Collector of Ahmednagar reported that, at and failure of crops in 1871, the agricultural population had to a great extent engage in search of labour for their maintenance. This exported labour is not used for the export of produce. As stated by the superintendent of the ryots of Bhimthari district, the practice is to save the surplus of a year to meet the deficiencies of bad years. A little produce is sent to Poona for local consumption, but the food grain of the region is consumed by the

Produce of land not alone sufficient for the Kunbi's needs.

Industry and enterprise being discouraged by pressure of debt, production is not increased.

App. A., p. 228.

Productiveness said to be diminishing.

The natural effect of a pressure of population upon land is that so soon as extended cultivation has reached the limit of profitableness, the cultivating class endeavours by more culture and increased industry to obtain more from the soil. This result is not present conditions not to be looked for here; on the contrary, there is a feeling that land is not so productive as it used to be. That their present state of debt prevents the ryots from making efforts to improve the out-turn of their crops can be no doubt. Writing of the Ahmednagar ryot more than 20 years ago, the Chief Burgess of the Survey says, "As long as the ryot is in the hands of the money-lender, how can he prosper being so involved? Should he do so, his prosperity would make the usurer the richer without materially, if at all, increasing his own resources." This lesson the ryots have apparently now learnt; they find that the lands broken up and the wells dug with borrowed capital yield a profit only to the sowkar. To use Sir G. Wingate's words, "the ryot toils that another may rest, and sows that another may reap." The result has been well shown in a report from the Irrigation Department dated 16th June 1875. It was found that the ryots did not use the water of the Lakh Canal, an important irrigation work in the Ahmednagar District. The Chief Engineer for Irrigation reported to Colonel Merriman, the head of his department, on this subject as follows:—"While on the canal I questioned the ryots closely, and they stated that without exception they were all deeply indebted to the money-lenders, who get as much as possible in the shape of interest on money lent out to each landholder at harvest time. They stated that a very large portion of the value of each crop goes towards paying interest on their debts, and that they are discouraged from taking more trouble than necessary with the cultivation of their land; I consider it very probable that this is the reason why so little is done towards extending irrigation on this canal." The Assistant Collector in charge of the District, Mr. Blathwayt, writes on the same subject to the Collector of Ahmednagar:—"I believe the fact is that the holders of land under the Lakh Canal are generally poor. Their lands have been mortgaged to the sowkars who take away the products of the fields for interest of the money lent, and the poor landholders have to trouble themselves for nothing; they have to pay for the water, but could not get the profits to themselves, and consequently do not care to use the water." On the above Colonel Merriman, the Chief Engineer for Irrigation, remarks:—"The reason given by Mr. Blathwayt is a very sufficient one. The district is very thinly populated, and the indebtedness of the cultivators no doubt explains why the progress of irrigation is so slow."

Whether the land itself now yields less than formerly it is impossible to determine with certainty. Possibly the belief generally held on this point is in some measure due to the fact that, as cultivation extended until it embraced the poorest and most unprofitable soils, the general average of returns per acre diminished. The estimate of the cultivator was formerly based on the return of the better lands; he has now to include much inferior soil, but has not proportionately reduced his expectations.

The following causes, however, may have operated to decrease the actual out-turn of land in cultivation. A consequence of the payment of assessment by registered holdings instead of by actual cultivation is the discouragement of fallows. The ryot having nothing to pay for his wastes could well afford to let his land rest and cultivate portions in rotation. During the early period of our administration, the lands of this region were, as has already been noticed, largely devoted to grazing purposes, and there was no direct Government demand upon the wastes so used. The encouragement given to cultivation at the survey was accompanied by a discouragement to grazing, through the right of pasture being made subject to purchase from Government. The supply of manure from

flocks and herds, the demand for which should have increased with the variation, diminished, and doubtless with it must have diminished the fertility. The following table shows the decrease in non-agricultural stock as shown of the census of 1843 with that of 1873 for 219 villages of Ahmednagar (

Cows.			She-Bufferoes.			She	
Census of 1843.	Census of 1873.	Decrease.	Census of 1843.	Census of 1873.	Decrease.	Census of 1843.	
25,829	23,820	2,009	4,848	4,411	437	68,700	52

Thus it will be seen that, while increasing population demands more from it yielded 40 years ago, the conditions of agriculture have not tended to fertility, and indebtedness has taken away the natural motive to industrial gain—and thereby prevented relief from the increasing pressure being sought by cultivation. We are dealing now with the causes of indebtedness, and dwell upon one of its consequences; the case is only an illustration of the fact that the consequences of an evil often tend to reproduce it.

Emigration
as a result of
increased
population.

60. Another method in which relief from the pressure of increased population naturally be sought is emigration. The habits and instincts of the Kumbhar are most averse to leave his village except for a short absence; but we have a remarkable case in which 19 cultivators with their families, in all 66 persons, inhabitants of Poona District, and many from villages in the area immediately adjacent, went into Khandesh hoping to find work at Jalgaon, where there is a railway station with large traffic; failing in this they were already on their march to Indore to apply for land under H. H. Holkar, when they were met by Mr. Pollen, the Assistant Collector in charge of the district, through whose means they were settled on waste lands in Khandesh. The cause of their leaving their homes, they informed Mr. Pollen, was that "lands had gone and their creditors were merciless." In this case it is true the emigration was directly caused by the consequences of debt, and in so far as the credit these men had taken from them their yearly produce of their property unfairly, so far as the pressure which forced them to emigrate due to other causes than the increase of population; but at the same time the operation of this cause is indicated. We find the natural course of events which follow that cause in their story; their yearly income failing, they lived on their capital until that was gone, their labour was not wanted for the cultivation of the land they had lost, and there was no other opening for them at home.

Conclusions
as to the
increase of
population.

61. The conclusion which we would adopt on the subject of the increase of population as a cause of indebtedness is that had the agriculture of the district to support only its own producers, including a fair interest on capital actually expended on account of the land, it would be sufficient, with the assistance of the wages of exported labour during the idle season and bad years, to maintain them at their present number, and large returns might be obtained from the land by improved cultivation to meet a still further increase. But agriculture pays a heavy tax to the sowkar, much of which neither represents expenditure on account of the land nor ever returns to the land; such holdings which pass into the hands of the sowkar will not under hired labour support so many persons as lands cultivated by proprietors, and these holdings are yearly increasing. Revenue assessments have already in a portion of this region reduced the margin of the ryot's profits and thrust the creditor's demands further upon his capital; the revision of the remaining districts will make this encroachment more general than it is at present. It is not to be expected that increasing population will produce improved out-turn; the demands of the creditor are sufficient to absorb any increased return, and the profit of labour invested will go to the sowkar to the discouragement of such investment by the ryot in the future. Without such improvement in agriculture the return from the land must be expected to diminish rather than increase.

Increase of
money-
lenders and
money-lend-
ing business.

62. Another cause of the increase of indebtedness is the facility with which the money-lending class can command the assistance of the law in the recovery of debt, and consequent upon that facility an expansion of the ryot's credit, inducing numbers of capitalists to compete for investments in loans to the Kumbhar. We have already quoted Sir G. Wingate's remarks on this point; although at the present time other causes combined to impair the ryot's credit, still one material cause of his present condition must undoubtedly be sought in the state of things described in 1852, and since that

Other causes have operated to aggravate immensely the evil which was then discerned. What facilities were afforded by the law to the creditor in 1852 have been greatly enhanced by the introduction of the present procedure in 1859, and by the punctual conduct of judicial duties now exacted from the subordinate courts, while the ryot's credit has been enhanced by the addition of his land and agricultural stock and implements to the security liable for his debts.

The introduction of compulsory registration of deeds dealing with immovable property in 1865 protected the creditor from attempts to repudiate or dispute a registered bond. In the meantime the ryot's estate had risen in value, and new cultivation offered securities for new loans; his personal solvency was assured by the large demand for labour on the railway and other public works, and his title in his land was in 1865 recognized and secured by an Act, which confirmed the rights vested in him by the survey settlement. The American war from 1862 to 1865, while on the one hand it poured money into the country to seek investment, on the other hand raised to an extravagant pitch the value of agricultural securities. To the above causes tending to attract capital to the business of agricultural money-lending, we may add that in the dearth of other industries in this country, with a population whose wants embrace little but the merest necessities, capital, which under other conditions would find employment in trade or manufactures, here naturally turns to agricultural investments, and almost the only course open to the clerk or servant who has saved a little money in a village sowkar's employment, and desires to earn an independent living, is to set up in the same business himself, preferably in the place where he is already known.

63. The inquiries of the Commission have made it clear that the smaller class of sowkars, who are also the most unscrupulous, have increased very considerably during the last 10 years, and that it has been a common practice for the ryot to borrow from the sowkar to pay another, or to sow from two or three at a time. A result of this is that in the competition with inferior members of their class even respectable sowkars are obliged more and more to resort to the methods of swelling the debt and coercing the debtor practised by them. We here quote again the letter of Sir G. Wingate describing the change in the relations of the parties:—

Increase in inferior kind of money-lending business.

"The prosperity of the ryot is no longer necessary to the prosperity of the village money-lender. The latter has no longer occasion to trust to the good faith or honesty of the former. Mutual confidence and goodwill have been succeeded by mutual distrust and dislike. The money-lender has the ever-ready expedient of a suit at law to obtain complete command over the person and property of his debtor. It becomes the interest of the former to reduce the latter to a state of hopeless indebtedness in order that he may be able to appropriate the whole fruits of his industry beyond what is indispensable to a mere existence. This he is enabled without difficulty to do. So long as a ryot is not much involved, the money-lender is ready to afford him the means of indulging in any extravagance without troubling him at all about future payment. The debt may lie over and he may choose his own time for repayment. The simple and thoughtless ryot is easily inveigled into the snare, and only becomes aware of his folly when the toils are fairly around him and escape is impossible. From that day forward he becomes the bondsman of his creditor. The latter takes care that he shall seldom do more than reduce the interest of his debt. Do what he will, the poor ryot can never get rid of the principal. He toils that another may rest, and sows that another may reap. Hope deserts and despair possesses him. The virtues of a freeman are supplanted by the vices of a slave. He feels himself to be the victim of injustice, and tries to revenge himself by cheating his oppressors. He cannot get into a worse position than he already occupies, and becomes reckless. His great endeavour is to despoil his enemies, the money-lenders, by borrowing continually. When he has got all that he can from one, it is a triumph to him if by any amount of lies and false promises he can get something more from another. When he has two creditors there is a chance of their fighting with each other, and that during the fray he may be able to snatch a portion of the spoil from both."

64. In the process of swelling his account the sowkar has received material assistance from the Limitation Act of 1859, to the operation of which is universally attributed much of the present burden of debt. The Judge of Tanna thus writes on the subject, 17th May 1875:—"In bonds founded on old bonds which have nearly run the period of limitation, it is impossible to estimate what proportion of the consideration was actual cash payment. The Limitation Law, a statute of peace, made for the purpose of protecting obligors, is practically an engine of extortion in the hands of obligees. When a bond is approaching the age of three years, it is usual for the creditor to threaten proceedings,

The Limitation Law.

“ and so reduce the debtor to pass a new bond, of which the principal and interest of the old bond and sometimes a premium form the consideration.” Again, the Judge of the Small Cause Court, Ahmedabad, writes, 1st September 1875:—“ Short duration provided for in the Limitation Act, though intended to prevent frauds and difficulty of proving a case when long interval has elapsed between execution of the note and the trial, produces great hardship, and furnishes opportunities to the creditors for cheating their debtors. The debtors belonging to agricultural or rather industrious classes are harassed every two years for a new bond or payment of money. Creditors always leave a margin of one year as a measure of precaution. *If the law make three years, they always make it two, because they may have to go to another place, or the debtor may go elsewhere.* * * * The two years is not a sufficient time within which a cultivator can pay money. Perhaps it was borrowed for his son's marriage, or for planting sugar cane, or making a garden, and will require six or seven years to pay the debt.” The uncertainty of the seasons in the district under report of course make it less suited than the average of districts for a law compelling settlement of accounts at short dates. On the subject of the effect of the Limitation Law as a cause of increasing debt, we invite attention to the illustrations contained in the accounts appended to the memorandum of Mr. Shāmbhu Persad Laxmilal.

The revenue system.

65. It is evident that a revenue system which levies from the cultivators of a district such as that now dealt with, the same amount yearly without regard to the out-turn of the season, must of necessity lead to borrowing. In bad years the ryot *must* borrow. The necessity remains even when the assessment is fixed far below the standard of a full season, for his creditor would not allow him to retain the savings of a good year even if he were prudent enough to desire to do so. How the levy of an assessment representing an average operates in his case was well illustrated to the Commission by a popular fable exposing the fallacy of applying a standard of averages in unsuitable cases. A man, it was said, desired to ford a river, and inquired the depth at various distances across; in some places the stream would be over his head, at another point but ankle deep, and so forth; finding the average to be within his depth, he attempted to cross, and was of course drowned. Thus the first year of drought which finds the ryot under an inflexible revenue demand will surely lead him into debt, and for every rupee paid into the treasury he will probably pay three or four to his sowkar. The Appendix contains the notes of evidence collected by the Commission regarding the village of Ghospuri, in the Ahmednagar District. In this village the kulkarni family have set up business as sowkars within the last seven years, and now have claims amounting to about Rs. 11,000. In their examination by the Commission they state that they had got into the position of supplying the people generally with all their needs, cash for the assessment, &c., and that during the period of high prices and under the former revenue assessment the people had no difficulties; in 1870 the village, which had been under the revenue management of H. H. Scindia, was assessed, and “ the revenue was managed strictly, not as before with balances left outstanding, so the people were pushed and there was a difficulty in meeting their debts.” We do not ascribe the growth of the Ghospuri ryots' debts so much to the rigid revenue system as to other causes; but the system plainly ranked as of importance in the opinion of these sowkars, and it is beyond doubt an element in the causes of embarrassment.

App. C,
p. 69.

Effect of the American war.

66. Although the high prices of produce during the American war from 1862 to 1864 were balanced for the ryots of the disturbed district by a series of bad seasons, still the ryots drew large profits from the competition for labour by migrating for a time to Poona or Bombay, where the labour available was employed at extravagant rates. The monthly wages of a common coolie in Bombay rose from Rs. 7-12-0 in the period of 1860-62 to Rs. 13-8-0 in 1863. During the construction of the railway about 25 lacs of rupees were spent in the area of the disturbed villages in payments such as would remain in the district. Outside the district itself, but only 60 miles distant, the works on the Bhamburda Ghāt gave employment to thousands; one contractor on a line of 14 miles employed nearly 40,000 labourers. Following on this after a short interval came an increase in expenditure on public works, rising in 1868-69 to about 31 lacs on public works and irrigation in Poona district alone. During the years from 1862 to 1867 the cantonment of Poona was the scene of extraordinary activity in private building operations, some of a very large scale, and the sums spent on ordinary labour in these works could not have been much, if at all, less than those spent by Government in the same area. But, besides the advantage of high wages, the agricultural population drew a more questionable advantage from their position as landholders. Through the immense stimulus given to the production of cotton and the cheapness of money, agricultural produce and land attained an extravagant value, and the ryot's powers as a borrower were those

capitalist rather than a labourer. The following paragraph occurs in a letter of 26th July 1864 from the Government of Bombay to the Government of India on the subject of the high prices then ruling in the presidency:—

“There never was a time during the known history of Western India when land suitable for the growth of grain was in greater demand than during the present period of high prices of unskilled labour. It may be said with almost literal truth that not a thousand acres of land which has been cultivated within the memory of man are now to be found uncultivated in the districts of the Deccan and the Konkan, whence the unskilled labour and the grain which feeds it in and about Bombay are mainly drawn.”

The suits connected with land in the Ahmednagar District Civil Court are returned as follows for this period:—

	1861.	1862.	1863.	1864.	1865.
No. of suits - -	318	354	449	497	689

Similar suits in the Poona District were as follows:—

	1861.	1862.	1863.	1864.	1865.
No. of suits - -	282	591	520	580	632

In the year 1851 there had been 98 cases under this head in Ahmednagar, and 75 cases in Poona. The civil prisoners of the district of Ahmednagar who had, as previously stated, averaged 29 in number from 1860-3, numbered 6, 3, and 9 during the years 1864, 1865, and 1866 respectively.

The increase in the value of land is illustrated by the rapid growth of litigation regarding it, and the increase in the ryots' credit is shown by the decrease in the compulsory processes for recovery of debt. Thus though the ryot's land in the disturbed region brought him little actual income during this period of fabulous prices but scanty crops, it nevertheless brought him the fatal gift of almost unlimited credit destined soon again to collapse.

67. We will here enumerate the causes of indebtedness shown in the foregoing paragraphs:—

1. Poverty associated with an unproductive soil, precarious climate, and irregularity in the receipts of income both as to period and as to value.
2. Ignorance and improvidence.
3. Extravagance.
4. Ancestral debt.
5. Expansion of credit associated with the stimulus to agricultural enterprise caused by the survey settlement.
5. Increase of population, while the return from land was not increasing.
6. Facilities for borrowing owing to the number of competing money-lenders attracted to the business by the advantages offered to the money-lender by our law and other circumstances.
7. The Limitation Law as leading to renewals on usurious terms.
8. The revenue system of a fixed demand associated with the variations in the seasons.
9. The temporary inflation of credit during the American war accompanied by an enormous increase of capital seeking investment.

It is not intended to place these causes in the order of their relative importance, and it will be seen that some of them (1, 2, 3, 4) have been from the earliest times marked features of the condition of the peasantry with whom we are dealing; the rest are of more recent growth, and, with the exception of the last, are associated more or less with our laws or administration.

The Period preceding the Riots.

68. The foregoing review of causes contributing to the ryot's indebtedness has brought us down to the period immediately preceding the riots.

With the close of the American War in 1865 the flow of capital into the country ceased. Prices of produce did not fall immediately, however, but the season of 1866-67 was one of severe drought and that of 1867-68 of partial failure, and the effect of contracting credit following the stoppage of the flow of capital began to be felt in 1868. Prices fell quickly after 1870-71. The following figures illustrate the rapidity and extent of their decline:—

Relations of
sowkar and
ryot in the
years 1867-
75. Con-
traction of
credit.

Prices in Poona Market (seers per Rupee).			Prices in Indápur Market (seers per Rupee).		
Years.	Jowari.	Bajri.	Years.	Jowari.	Bajri.
			1865-66 - -	18	15
			1866-67 - -	24	18
			1867-68 - -	37	25
			1868-69 - -	28	21
			1869-70 - -	26	21
1870-71 - -	13	16	1870-71 - -	28	26
1871-72 - -	10	13	1871-72 - -	22	20
1872-73 - -	15	20	1872-73 - -	30	25
1873-74 - -	21	27	1873-74 - -	49	31
1874-75 - -	20	26	1874-75 - -	45	35

Simultaneously with the fall in prices other causes contributed to affect both the ryot's credit and his power of payment. The large expenditure in public works, which from the time of the construction of the railway down to 1871 had subsidized the district with large sums in wages, was suddenly contracted. The expenditure in the Public Works Department and Irrigation Department in Poona District, which, as has been shown, was 31 lacs in 1868-69, in 1873 had fallen to about 11 lacs. Beside the drought of 1866-67, and the partial failure of the season following, there was serious failure of crops in 1871. Just at this crisis for the indebted ryot the work of revision of assessment in the Poona District commenced, and by enhancing the Government demand reduced materially the margin available to the sowkar.

69. Under the ryotwari system of the Bombay Presidency the assessment is paid by the cultivator directly to Government. In 1836-37 the assessment by survey and settlement was commenced. The land was divided into fields which were classified according to their quality, the assessment was then imposed according to the classification, the amount of the demand being determined by the experience of former years. The cultivators were recognised as holding their occupancies by a heritable and transferable right, and the assessment was settled for a term of 30 years.

The first taluka settled was Indápur in 1836-37, and other talukas of Poona and Sholápur followed in 1840 and 1841.

Owing to the expiry of the term of 30 years, the settlements have been revised in the period from 1869 to 1872. The following table shows the effect of the revision in the talukas in question in Poona District :—

Taluka.	Former demand.	Revised demand.	Increase.
	Rs.	Rs.	Rs.
Indápur - - -	81,184	125,845	44,661
Bhimthari - - -	81,475	133,131	51,656
Haveli - - -	80,475	133,174	52,699
Pábal - - -	92,359	139,815	46,956
Supa - - -	59,926	78,789	18,862

Owing to the failure of crops in 1871 large remissions were granted in that year, and owing to other causes the revenue actually levied in the revised districts was not increased to the extent shown in the above figures, but the general result of the new settlement was to make a large retrenchment from the ryot's profits. It may be mentioned that the enhancements above shown were reduced considerably in 1874 owing to the continuous decline in prices.

Contraction
of credit,
illustrated by
Registration
Returns.

70. The effect of the fall in prices, aggravated doubtless by the circumstances just enumerated, was, first, to reduce the ryot's power of payment; secondly, to cause creditors to seek recovery of debt by all means in their power or to enhance their security by the conversion of personal debt into mortgage of land; and lastly, to check further advances to the ryot. The returns of the Registration Department show very clearly how severe has been the pressure upon the ryots in the disturbed districts during the six years preceding the riots. As the returns of the Registration Department for the year 1868 do not admit of the figures for that year being cited for the Poona Districts in totals, we will cite first the figures for the period from 1869 to 1874 in the two talukas in which they are most striking. We find the following return of deeds of sale and mortgage of immovable property in the Indápur and Bhimthari Talukas :—

—	1869.	1870.	1871.	1872.	1873.	1874.
Bhimthari - -	581	712	689	793	888	610
Indápur - -	293	483	519	581	526	216
	874	1,195	1,217	1,374	1,414	826

The deeds of the same character registered in these two districts together in the years 1866 and 1867 numbered 752 and 591.

As subordinate to these totals it should be noticed that the increase in the number of deeds registered for values of less than Rs. 100, the registration of which is not compulsory by law, is still more remarkable. Registration has generally the effect of estopping the executant from contesting a claim brought on the deed registered. The sowkar therefore will, if possible, obtain registration. The deeds so registered show the following figures:—

—	1869.	1870.	1871.	1872.	1873.	1874.
Bhimthari - -	112	189	199	199	224	155
Indápur - -	61	132	151	140	103	49
Total - -	173	321	350	339	327	204

In the Ahmednagar district a similar process is indicated by the Registration returns, a continuous and growing demand upon the land both as security in mortgages, and for satisfaction of debt by sale. The increase in sales is a convincing proof of the pressure brought to bear upon the land-holding class during these years of declining credit. The following figures show the registered deeds relating to immovable property in the disturbed districts of Ahmednagar during the years above noted:—

	From 1865 to 1868.				From 1868 to 1874.			
	Sales.		Mortgages.		Sales.		Mortgages.	
	No.	Value. Rs.	No.	Value. Rs.	No.	Value. Rs.	No.	Value. Rs.
Nagar - -	765	2,79,947	1,979	5,74,577	1,544	5,52,013	2,927	8,62,364
Shrigonda - -	301	52,874	1,596	2,97,397	473	80,390	1,022	2,80,592
Páruer - -	280	64,604	1,297	2,73,912	367	81,538	1,427	3,97,575
Karjat - -	27	3,660	75	14,725	484	70,498	1,304	2,34,513
	1,373	4,01,885	4,947	11,60,611	2,868	7,84,439	6,680	17,75,044

In the dealings between sowkar and ryot the mortgage of land is the last stage but one; its actual transfer is the last of all. The value entered in the Registration returns represents the amount of the debt on paper at these final crises, and is a measure, not of the actual value of the property, as has been assumed by the survey officers, but of the amount of the sowkar's claims against the landholder. The increase in these values during the period under consideration will therefore afford a good criterion of the degree of incumbrance laid upon the ryot's capital or extinguished by its transfer. The following figures show these values in the districts of Bhimthari and Indápur:—

—	Bhimthari.		Indápur.		
	Sales.	Mortgages.	Sales.	Mortgages.	Total.
1869-70 - -	11,939	85,489	1,425	47,147	1,54,000
1870-71 - -	28,830	1,03,494	23,704	70,656	2,26,684
1871-72 - -	26,981	1,10,284	18,044	74,595	2,29,904
1872-73 - -	16,616	1,34,516	25,624	85,562	2,62,318
1873-74 - -	38,319	1,38,752	30,167	73,331	2,82,569
1874-75 - -	32,222	77,970	14,592	27,832	1,52,616
Total - -	154,907	6,50,505	121,556	3,81,123	13,08,091

A return is given in the Appendix of deeds relating to immovable property in the disturbed villages of the Bhimthari Taluka from the first commencement of registration, p. 317.

which illustrate the growing pressure still further by comparison with the transactions of years previous to 1867-68.

The following figures show the number of registered transactions in those villages for the years 1865 to 1875 and the values in totals.

Year.	Mortgages.		Sales.		Total.	
	No.	Value.	No.	Value.	No.	Value.
		Rs.		Rs.		Rs.
1865	14	7,037	4	2,700	18	9,737
1866	18	6,624	9	2,104	27	8,728
1867	28	9,594	6	1,089	34	10,683
1868	37	16,826	7	2,423	44	19,249
1869	66	18,779	24	3,546	90	22,325
1870	86	22,868	21	3,990	107	26,858
1871	73	16,992	22	5,710	95	22,702
1872	63	14,556	36	6,888	99	21,444
1873	97	28,744	44	6,271	141	35,015
1874	64	20,297	18	5,827	82	26,124
1875	13	2,508	7	936	20	3,444
Total	559	1,64,825	198	41,484	757	2,06,309

It must be noted that instances of the redemption of mortgage are almost unknown; a mortgage is equivalent to the transfer of the ryot's title; his interest in the mortgaged land, where as is usual he remains upon it as cultivating for the mortgagee, being that of a tenant at a rackrent.

The above returns show that the pressure increased up to 1873-74 and then suddenly declined. It is apparent that the strain had been relieved by the sacrifices indicated in the figures above, added to the deductions from the ryot's capital made by execution of decrees which will be noticed below.

71. In the returns of the Civil Courts we find the same features presented. As has been already stated, suits for debt in Poona District averaged about 6,000 during the five years from 1862 to 1867. The following are the figures for the years after 1867:—

	1868.	1869.	1870.	1871.	1872.	1873.
No. of suits	6,972	6,684	14,742	6,738	13,788	13,986.

The very marked decrease in 1871 is to be accounted for by the drought of that year. A dearth of agricultural produce is accompanied by decrease in suits for debt, there being no assets to recover; the creditor only sues on expiring bonds of which he cannot get renewal. The Small Cause Court at Poona has jurisdiction in a district which was but slightly affected by the drought of 1871. Its returns are as follows:—

	1868.	1869.	1870.	1871.	1872.	1873.
No. of suits	6,848	7,454	8,771	8,429	9,449	9,774

In the Court of Talegaon in the disturbed district of Poona, the number of suits rose from an average of about 1,400 in the years 1865-67 to an average of 2,500 in the years 1872-3-4. It is an unfortunate circumstance that, owing to a re-distribution of jurisdictions in 1869, the returns of Ahmednagar civil business do not allow us to compare the figures of judicial returns before and after that year. The Ahmednagar Small Cause Court returns, however, show the usual increase of business during the years of reaction, and it is worth while to notice the large increase in the number of applications for execution of decrees in Ahmednagar and in their incidence upon immovable property during the years from 1870 to 1874. The numbers are as follows:—

Year.	No. of Decrees.	For attachment of immovable Property.	For Sale of immovable Property.
1870	17,277	1,282	1,015
1871	16,855	1,208	1,630
1872	14,381	1,166	3,335
1873	25,782	2,915	1,907
1874	19,549	2,608	1,786
Total	145,027	14,134	12,120

In the same manner in the Poona District applications for execution rose from 12,502 in 1868 to 28,894 in 1873, and the sum realized by sale of immovable property from 1,071 to 169,127. It must be noted that the value of such property is in no way represented by the sum realized, which is often, for reasons which will be stated hereafter, only a fraction of the value.

72. During the same period there has been a very marked increase in the difficulty of collecting the land revenue not only in the Talukas of Poona where the enhanced assessments pressed directly upon the monied classes, who were able to organize and sustain assistance to the demands of Government, but in other Talukas, and in Ahmednagar, the period from 1868-69 to 1873-74 was marked by an unusual amount of remissions and arrears. The revenue returns.

73. At the same time the area of cultivation contracted all over the Presidency, wherever the poorest soils had been brought under the plough during the period of official prosperity from 1862 to 1866. In the Appendix will be found the opinions of Revenue officers connecting this decrease in cultivation with the pressure of debt. A decline in prices so serious as that of the last four years must by itself be expected to reduce the area of cultivation, but the ryot is very loath to abandon land in which he has invested his labour, so long as it will yield the smallest return. A return can only be secured from the poorest soils when the entire surplus above wages is left with the cultivator. When heavily indebted the cultivator will not be able to secure this. The Government has lately received a report on the declining prosperity and receding cultivation in the villages recently colonized in the Pal Tapa District of Khandesh, which well illustrates the effect of indebtedness upon agriculture. It is found on reference to the villages paying rental *in kind* to Talukdari estates which form a large portion of Northern Gujarat that cultivation in them is not decreasing; in them the ryot has no proprietary rights, and has consequently little credit, and he has also but little debt compared with the cultivator under the ryotwari tenure. Besides this mass of indirect evidence we have the direct evidence of sowkars in the disturbed districts that their business has been reduced to the lowest point for some time past. App. C., p. 276. Decrease in cultivation.

CHAPTER IV.—THE EXTENT AND NATURE OF THE INDEBTEDNESS OF THE RYOTS.

74. In the foregoing pages we have endeavoured to show that the normal condition of the bulk of the ryots in the disturbed districts is one of indebtedness; that, owing to various causes, some natural and others the result of our administration or of internal circumstances, this indebtedness had grown to an extreme point during the 20 years preceding the riots; that many years ago elements of danger to the public peace were detected in the temper of the ryot smarting under the consequence of his debts; lastly, that these consequences, averted for some time by the transient prosperity of the American war period, returned with multiplied force during the six years preceding the riots. Resumé of previous chapters.

In the following pages we shall endeavour as briefly as possible to show the extent of the indebtedness as it at present exists, the nature of the dealings between sowkar and ryots, the bearing of our law upon their relations to one another, and the particular points which, by giving rise to a sense of hardship, constitute the elements of danger of which we have lately had warning. Subjects of following chapters.

Extent of Indebtedness.

75. The extent of serious embarrassment through debt can be ascertained with fair accuracy from the inquiries of the Commission. It appears that about one-third of the occupants of Government land are embarrassed with debt, that their debts average about 8 times their assessment, and that nearly two-thirds of the debt is secured by mortgage of land. For 12 villages the results in figures are as follows:— Analysis of embarrassments in 12 villages.

Total number of Government occupants	-	1,876
Number of do. embarrassed	-	523
Assessment payable on their holdings	-	Rs. 10,603
Amount of debts on personal security	-	„ 1,18,009
On mortgage of land	-	„ 76,233

The proportion of khatas indebted to the total number of khatas in these villages is 28 per cent. The total debt is more than eighteen times the assessment. Of the occupants in embarrassed circumstances, about two-thirds hold land of less than Rs. 20 assessment. o

These figures entirely confirm the opinions stated to the Commission on the subject by the local officers, and tally in great measure with the results of investigations into indebtedness in other districts. It must be noted that the amount of his assessment is not an absolute standard of a ryot's solvency. Many cultivate the lands of Wattandars and Inandars in addition to their Government holdings, and the assessment does not show any addition for well irrigation, though the share in a well is a property of some value and as such much sought in security for debt. Of the cultivators not included among the embarrassed class, some are in good circumstances, but the lowest stratum is but little removed from embarrassment; continuous bad seasons or further fall in price would rapidly swell the proportion of embarrassed to solvent ryots, for there is no line between the 25 per cent. involved and those above them.

76. The extent to which land has been lost to the cultivating class cannot be determined with accuracy, for much land is held in mortgage, of which the occupancy is not transferred to the sowkar. In the villages scrutinised by the Commission in the Ahmednagar District, it was found that about one-eighth of the occupancies had on an average been transferred to sowkars, viz., that the direct assessment payable by sowkars for land was about one-eighth of the whole demand on the village, but this only represents the amount of land in their occupancy as Government tenants. The increasing extent to which land is passing from the Kunbi to the sowkar has been illustrated above by the growth of the money-lenders' khatahs. The statements in the Appendix show that these properties have been acquired within the last 20 years, and for the most part within the last 10 years. In 1854 there were six suits on mortgage bonds of immovable property in the Court of Talegaon in the disturbed district of Poona, of which four were against Kunbis; in 1872 there were 192 suits of this description, of which 143 were against Kunbis. In the other courts having jurisdiction in the disturbed portion of Poona three decrees were issued on this class of suits in 1854, of which two were against Kunbis; in 1872, 98 decrees issued, of which 69 were against Kunbis.

The case of individual sowkars brings out this feature of our subject in a more striking light. Tularam Karamchand, of Párner, had no land when he commenced business between 30 and 40 years ago; he has now land paying Rs. 604 in his occupancy, with much more mortgaged without transfer of occupancy. This land was valueless before the survey, and his property of about 1,000 acres must have been accumulated during the last 20 years. Chandrabhan Bapuji, of Párner, similarly has accumulated land of Rs. 923-7-7 assessment by actual transfer of occupancy. Seven sowkars of the village of Kashti have acquired in occupancy right lands paying Rs. 323 during the last 10 years. Fatehchand Marwari, of Balandi, says he has about Rs. 225 to pay for assessment. It is ascertained that the whole of the land in his occupancy has been transferred to him within the last 12 years. It is, however, unnecessary to multiply examples, as the returns of the Registration Department quoted elsewhere show the rate at which the Kunbi's land has been going out of his possession and into that of the sowkar.

77. It is difficult to ascertain with any certainty the selling value of ordinary ryots' occupancies in the region under report. There are few *bona fide* sales for cash; the returns of the Registration record as shown above are valueless for this purpose, and the revenue sales of defaulters' holdings are for other reasons little more reliable. The estimate may perhaps be hazarded that an average of seven years' assessment of dry-crop land would be a good price to the seller at present. Irrigated land would fetch a much higher price, possibly up to 15 or 20 years' assessment. Taking the debt of the 12 villages dealt with above, Rs. 194,242, we find it is due from occupancies of Rs. 10,603 assessment; a liberal estimate of the selling value of these occupancies would not exceed an average of 10 years' assessment, and it is plain that the debt is nearly double the capital value of the land to an ordinary purchaser. The solution of this apparent anomaly is that the amount of the debt as represented in the bonds held by the sowkar is far more than the real value of the consideration which has passed, and the sowkar in no case expect to be paid in full; secondly, that the ryot's land is often more valuable as security to the sowkar than it is as an ordinary investment to a purchaser, for, through the great reluctance of the ryot to sever all connexion with his land, the sowkar is able to exact more than the ordinary rent; and thirdly, the land is not the only security which the sowkar holds; the law gives him a command not only over the debtor's movable property, but over his labour and the labour of his family.

The nature of the dealings.

78. The nature of the dealings between sowkar and ryot is so copiously illustrated in the Appendix that a brief sketch here will suffice. It will be noticed that the trans-

App. C.,
p. 198.

App. C.,
p. 181.

App. C.,
p. 246.

The real
value of a
ryot's oc-
cupancy.

Transactions are all conducted by means of bonds; an account current is hardly known. There is usually a debt of long standing, probably inherited, the interest of which makes a yearly debit. Beside this debit there are the retail transactions called in the vernacular "give and take," meaning that the debtor delivers his produce, or as much of it as he is obliged to deliver, to his creditor, and the creditor supplies his needs, clothing, assessment, seeds, food, and cash for miscellaneous expenses. Every now and then a larger item appears on either side, a standing crop as yet unripe is perhaps sold after a valuation either to the creditor himself or another,—the creditor in the latter case getting the price paid,—or a pair of bullocks or cow and calf are given to the creditor on account; against this the debtor draws occasionally a considerable sum for a marriage, for the purchase of land or bullocks or a standing crop, or for the digging of a well. Bonds are continually passed as the account progresses; sometimes a bond is taken as a deposit, and the debtor draws against it; or a small transaction is included in a larger bond and the debtor is to draw against the balance.

79. Marwari sowkars keep accounts, but often only in the form of a memorandum book; money-lenders not belonging to the trading classes often keep no accounts, but with all the bond is the recognised record of the transaction. Bonds are never or very rarely made for large amounts. When a large amount of debt has to be reduced to paper several bonds are drawn, thus a debt of Rs. 175 will be represented by one bond of Rs. 100, another of Rs. 50, and a third of Rs. 25. Probably the chief object of this arrangement is that the sowkar may have means to get a decree without much cost. A bond of Rs. 25 will usually give him the power over the debtor that he requires to compel him to meet demands on account of the entire debt of Rs. 175, and will not cost so much. Moreover, interest usually ceases on a bond being converted into a decree, and it is not to the bondholder's advantage to take a decree for the whole debt. When the debt has reached an amount for which the ryot's personal security is not sufficient, it is commonly converted into a mortgage of land; where the ryot possesses a well or a share in a well, the well or share, together with the irrigated land, are preferred as security. Sometimes a joint security of another ryot of substance is added to the personal bond; in such cases the joint surety usually has a direct interest in the loan, or as a near relation assists the debtor, or his security is purchased by private arrangement. Often before the mortgage of land is resorted to there is a mortgage of the debtor's house, bullocks, crops, cart, or other movable property. When bullocks are mortgaged the debtor has to pay for their hire, which thus becomes the interest of the loan. When the mortgage of land is completed it is usual in the Ahmednagar district for the right of occupancy to be transferred to the creditor in the Government books. This is not the case in Poona. It is not easy to trace the cause of this difference in the practice of the two districts, but it is probable that the assessment being lower in Ahmednagar, there is more to be got out of Government land, and the Marwari, who has almost a monopoly of money-lending in Ahmednagar, is harder and more exacting in his terms than the sowkar of the Poona district, while at the same time the ryot is, if possible, more ignorant and helpless. It is not uncommon for the Ahmednagar ryot to continue paying the assessment of his land after he has transferred the right of occupancy to his mortgagee.

80. When the land has been transferred by mortgage the sowkar almost invariably commences by leaving the debtor in occupation as tenant, and a form of mortgage exists in which the profits of the land really are all that is mortgaged, as the tenant is left in possession without any transfer or acknowledgment of the mortgagee's right, so long as he delivers the produce yearly. On a failure of the debtor to deliver the produce the mortgagee usually obtains possession. Sometimes the produce of the land is made to represent the interest of the loan, but more usually a specific rate of interest is cited in the mortgage bond. The debtor holds as tenant on every variety of terms and conditions. Often these are reduced to writing; either a lease or a deed of partnership (as the vernacular name runs), or a simple contract, where a rent in money is stipulated. Often it will be found that the rent is adjusted to cover the interest agreed on in the mortgage bond. As the amount of capital in the mortgage bond is usually more than the value of the land at 12 per cent. interest, and as the rate of interest in the bond is usually at least 18 per cent., it follows that the land will not yield the required sum, and thus the mortgagee constantly receives the full actual rent of the land, and in addition exacts bonds for the yearly deficit. Often the rent is settled in kind, and the rates are mainly determined by the power of the mortgagee to screw his tenant. One mortgagor tenant in his statement used the following words:—"I cultivate the land, but I have *no right* to take for my use any of the produce of the field." Doubtless, under the hardest conditions, the tenant *does* take something, as was admitted by another ryot, who was bound to hand over the entire produce of a field to his sowkar; on the other hand, much land is held

by mortgagor tenants in Poona at the usual rental terms, viz., half of gross produce of dry-crop and one-third of irrigated lands; the mortgagee paying the assessment, and seed and expenses being shared in the proportion of their respective interests in the crop. In Ahmednagar the sowkar has more power over his debtor and trusts him less, and regular contracts as to rent are not so usual, but the tenant is expected to pay the assessment and expenses and hand over the rest of the produce. One regular contract is in evidence under which the mortgagor tenant had to pay the assessment and half the crop of irrigated land. Considering the expenses of such cultivation, this means tenancy with insufficient wages. On the other hand, a mortgagor tenant, whose bond was backed by a good security, got his land to cultivate at one-fourth the produce, assessment and seed being supplied in the proportions of the landlord and tenant's interests in the crop. When the tenant pays in kind his payments may exceed the amount of interest stipulated in the mortgage bond, but he keeps no account of such payments, and the creditor was found in all cases inquired into by the Commission to have no conception of his responsibility for accounts on this head. As the responsibility cannot be enforced by the ryot, it practically does not exist. Doubtless most mortgagee landlords *have* an account, but the ryot cannot get it without going to court, which to him is out of the question. Another form of mortgage, which is usually entered into only when the parties have come to a final settlement, is the transfer of the land to be enjoyed for a certain number of years in satisfaction of debt (*vivum radium*); it is usually found, however, that before the period has expired the mortgagee has established claims giving him a further lien on the land. A similar method of settlement by an instalment bond is gladly accepted by a debtor, but here again the failure to pay one instalment in a bad year usually gives rise to a fresh departure. As above stated, the sowkar as mortgagee landlord usually allows the ryot to cultivate the mortgaged land, and as long as the ryot is left in the relation to his fields he accepts his fate without much bitterness. It often happens however, that owing to default in payment by the tenant, or to better terms being offered by another, or to the cattle and implements of the tenant being sold in execution of a decree, it ceases to be the interest of the mortgagee to leave the cultivation in the tenant's hands, and the land is then taken from him.

Instalment
bonds.

Labour
bonds. D

81. Beside the security of the ryot's personal credit, stock, and movables, house and lands, and the joint security of a surety, the labour of the ryot is also drawn into his dealings with the sowkar. This form of bond is not uncommon in Ahmednagar, the terms being that the debtor is to serve the sowkar and that his wages are to be credited at the end of the year, or that a certain sum is to be worked out by service to the sowkar for a certain period. Sometimes the wife's labour is also included in the bond.

Stipulation
regarding
receipts in
bonds. O

It is an almost universal practice to enter in bonds that "no payments are to be alleged by the debtor unless they are certified by a receipt under the creditor's signature," or "that on payments being made the bondholder shall pass a receipt." As no instance has come to notice of a creditor giving a receipt for part payments, it must be presumed that the former stipulation is inserted in order to deter the debtor from pleading part payment when sued, and the latter stipulation to satisfy the debtor's desire to have something in the bond which shall make it the duty of the creditor to pass receipts.

All dealings
are reduced
to bonds. V

One of the most noticeable features of these sowkar's dealings is the peculiar system of retail business which reduces all transactions, even the most trivial, to the form of written contracts. This system does not prevail to the same extent in other parts of the presidency, where the account current is kept open until the balance has reached an amount which makes further security desirable. The invariable use of bonds in the region under report is probably the result of the more precarious character of the ryot's assets, due to his greater poverty and to the uncertainty of the climate, and it is an indication of the extent to which the character of ordinary trade transactions has been affected by their alliance with a money-lending business, much of which is unsound. The ryot is constantly in great need, and has thus most limited choice in his means of relief. The sowkar is sharp in business and fully understands the weak side of the Kunbi and the urgency of his necessities. The terms upon which they deal are that every debit is to be protected by a bond giving the sowkar unlimited powers of recovery, and that the credit side is to be left to the honesty of the creditor.

CHAPTER V.—THE CAUSES OF HOSTILITY BETWEEN THE RYOT AND THE SOWKAR.

82. We come now to consider the causes which have produced a feeling of hostility on the part of the ryot towards the sowkar. A condition of indebtedness would not of itself produce such a feeling. The needy man might be expected to regard the person

so supplies his needs rather with gratitude than dislike. It is only when indebtedness is attended with circumstances which produce in the mind of the debtor a sense of hardship, of unfair treatment, of being oppressed and having no redress, that a feeling of hostility is aroused such as led in the present instance to actual violence. We propose to examine in this chapter those incidents in the dealings of ryot and sowkar which may be thought to contribute to produce these feelings, to inquire how far these causes have or have not been efficient, and to consider whether, if efficient, they are removable or remediable. We propose to examine our subjects under the following heads:—

- I.—Usury.
- II.—*Ex-parte* degrees.
- III.—Excessive powers of realising debts.
- IV.—Loss of land by private sales.
- V.—The Limitation Law.
- VI.—Frauds.
- VII.—The action of the Civil Courts.

I.—USURY.

(a.)—*Are the rates of interest usurious?*

33. The taking of usurious rates of interest is commonly assigned as one of the ways in which the sowkar deals unfairly with the ryot. In considering this question, the first point is to define what usury means. The rate of interest chargeable upon a loan, in excess of the ordinary return to capital, is determined by the risk as to repayment. The risk in each case depends upon the assets and character of the debtor. Usury means the taking of higher interest than is required to cover the risk. It cannot be said of any given rate of interest that it is usurious merely because it is high. A rate of 12 per cent. may be usurious to one debtor, while a rate of 24 per cent. may not be usurious to another. The question then to consider is whether the rates of interest taken by the sowkar are usurious in this sense. Most of the bonds are made absolutely without any security being mentioned, although, no doubt, the creditor looks to the property a man has in fixing the rate of interest he demands. Where the loans are secured by mortgages on land, the average rate in Haveli Taluka during the last five years varied from Rs. 19·2 in 1871 to Rs. 13·8 in 1875 per annum. In this taluka specially favourable conditions as to landed property exist; in less favoured districts the rate of interest on mortgages is not uncommonly 24 per cent. These rates would be undoubtedly too high if the value of the land was sufficient to cover the amount of the debt; but it is well known that mortgage loans in India are not limited to the amount of the ascertained clear value of the property. The land is taken as security only so far as it will go. It is impossible therefore to say that these rates, although secured by mortgages, are unfair or usurious. The usual rate on personal security is $37\frac{1}{2}$ per cent. ($\frac{1}{2}$ anna in the rupee per mensem); as no security capable of valuation is given, it is impossible to say that this rate is too high. One man, Kusbi bin Geno, says that for a loan of Rs. 75 he mortgaged a house and land worth Rs. 500, and paid interest at the rate of $37\frac{1}{2}$ per cent. If true, this is no doubt usurious, but there is nothing to show whether the property is worth so much as he says, and if so, whether it is entirely his own or not. In another case, that of Vithoba Sadoba, a loan was obtained at 12 per cent. and no security given. As the man, from his own story, is deeply in debt, the rate is apparently excessively low. On the evidence generally it is impossible to come to any definite conclusion as to the fairness or unfairness of the rates of interest, as the accounts are vague and for the most part unsatisfactory in regard to the value of the property and even the amount of debt and interest and the security offered.

The terms on which grain is advanced at seed time are usually that for one maund at seed time one maund and a half shall be given at harvest, say six months afterwards; in some cases the terms are more favourable, in other cases the advance is made to be repaid two-fold. These conditions at first sight appear exorbitant, but when the probable difference in the price of grain at seed time and harvest is considered, it will be apparent that they are not so. If a maund of bajri at seed time is worth a rupee and half, and at harvest time is worth only one rupee, the additional half maund of interest brings no profit. Doubtless the native rule* which allows twice the principal to be recovered from the debtor in money and three times the advance in grain was made in recognition of the variation in value of produce. When, however, the grain rates are converted into money-interest on the selling price of the grain at seed time, as is sometimes done by the sowkars, the charge becomes unreasonable.

*Dāmūpat Kau ūrat.

84. There is, however, another way of looking at the question. If the rates charged are higher than are required to cover the risks, the trade of the money-lender must be unduly profitable. Is there any evidence that this is the case? It may be pointed out here that the risk which determines the rate of interest in the transactions of the sowkar and ryot is the risk on the aggregate of transactions rather than on each individual case. It is true that the better class of debtors can obtain somewhat more favourable terms than those below them, but for the great mass of indebted ryots, the 28 per cent. of occupants mentioned in the last chapter, the rate is tolerably uniform, and for those above them on the scale the rates are far above the ordinary returns of trade. But, on the other hand, the nature of the security must be considered. The sowkar's object, as we have seen, is to obtain the ryot's produce; he makes advances against this security; he does not desire to obtain the land unless the profits from land are exceptionally high, as in the lowly-assessed district of Ahmednagar, or unless owing to the competition of other creditors the return to be made out of his debtor is less than that recoverable from the land. So long as the sowkar has a monopoly of his debtor, he can secure not only the profits of his agriculture, but somewhat also of his labour; when his monopoly is infringed, he takes the land and reluctantly abandons the rest. The produce of the ryot's land is the sowkar's security. We need only refer to what has been written above on this subject to show how very unsatisfactory a security these profits are. When it is remembered that this security is entirely in the hands of the debtor, and beyond the power of the creditor even to watch over, it must be admitted that a very high rate of interest is justified by the risk. But to this, so to speak, legitimate risk is added the further danger of loss through bad investments. We have seen that excessive facilities in recovery of debt as well as other causes have led to credit being largely given to the poorest class of ryots. Much of this business was from the first speculative, and possibly it was in some measure owing to the growth of this kind of business that, in spite of the improvement in agricultural securities through the survey settlement and the general prosperity of recent times, the rates of interest for agricultural loans have remained for the poorest borrowers nearly where they were.

85. Our reply to the question propounded above is that there is no evidence before us that the profits of the sowkar's business are extravagant. In a time of agricultural prosperity, the profits are doubtless high, and individuals, whose dealings are sometimes fraudulent, no doubt occasionally realize excessive gains. But, on the whole, there is no reason to believe that the sowkars dealing with the agricultural classes make higher profits than are warranted by the nature of their business, which is always precarious and unpopular, occasionally, as we have seen, dangerous. It only remains to note the obvious fact that, if the taking of usurious rates does to any extent exist, the natural remedy is competition among lenders. Usury in an open market is a contradiction in terms. In India, no doubt, custom and other forces interfere to restrict competition, and, in the matter of interest, interfere to the detriment of the comparatively solvent borrower. Sir J. Strachey, the present Lieutenant-Governor of the North-western Provinces, in a note written in 1859, said:—

"Whatever ought to be the case in theory, it is very certain that questions of abundance or scarcity of money, of greater or less demand for loans, of good or bad security, of competition, and the like, have in practice comparatively little to do with the settlement of the terms on which agriculturists in this country ordinarily obtain advances of money. The conditions depend far more upon the degree of simplicity in the borrower and of rapacity in the lender than upon anything else."

The simplicity of the borrower in the Deccan is extreme, and would induce him to accept the lender's terms without question if they were no higher than custom had made familiar to him, even if they were in the particular case in hand unreasonably high. Rapacity in the lender is a characteristic of native dealing, which looks rather for immediate profit on the transaction in hand than to attracting business by favourable terms.

These considerations, doubtless, have their weight. But it cannot be said, even in the villages of the Deccan, that at present competition is non-existent, and in the future it is likely to increase. The Honourable Mr. Justice Turner, in a note recorded in 1877 on the question of the embarrassments of the landholders in the North-western Province wrote as follows:—

"Indian money-lenders, it is true, demand a high rate of interest, from 9 per cent. to 24 per cent. on good landed security. These rates appear to Englishmen exorbitant; it is almost ruinous for landholders to borrow at such rates, except in countries which offer far better opportunities for the employment of capital in land."

than does India generally. In many parts of these provinces there is little competition among money-lenders to keep the rates of interest low; but this is not the sole reason for the maintenance of such rates; otherwise, in places where there is such competition, the rates would be lower. In the district in which I am writing there are English bankers having capital to lay out who either decline to make advances to landholders, or who demand the same rates as are charged by the native money-lenders. The causes of this distrust of land as a security are not far to seek."

Mr. Turner then proceeds to state very plainly the reasons why interest in these provinces is high, and why land is not considered a very valuable security. In his view these reasons are sufficient to account for the rates charged without attributing to the money-lenders a power of exacting usurious rates.

(b.)—*Is it possible to regulate the rate of interest by law?*

86. Supposing, however, that the rates charged are to any extent unfairly high, the question follows whether it is possible to reduce them either by law or by Government interference in any form. The objection to the enactment of usury laws is that instead of lowering the rate of interest they raise it. The borrower has to pay not only the amount he would have paid if there were no usury law, but also a further sum by way of premium for the risk of punishment to which the creditor is liable under the law. The means of evading a usury law are so numerous and simple that it is impossible to prevent their being resorted to. The parties have only to state in the contract a greater amount of principal than was really lent, and it would only be in rare cases that the true nature of the transaction would come out, and these are provided for by the courts obtaining an extra rate of interest to cover this extra risk. Even if the law could secure a true statement of the principal it could be evaded in numerous other ways. It has been shown by Bentham and others conclusively that it is impossible to regulate the rates of interest by law.

It might be however, and has been, argued that, although in most instances a usury law would result in evasion, it would still be not without a good effect in two ways: (1) it would set up a standard or a limit of interest, which in this country, where the expressed will of the Government has so much influence on custom, and custom has so much force, would be beneficial; and (2), it would in extreme cases, when the lender is not inclined to incur the necessary risk, cause loans to be refused,—a desirable continuation. The reply to this argument appears to us to be that these good results are of rather remote nature, and that even if attainable they would not be sufficient to compensate for the evil result of raising interest generally in the manner described above, and for the demoralisation which usury laws tend to produce. It has been proposed by Mr. Justice West in his pamphlet, "The Land and the Law," that the rate of interest should be controlled, not for all cases by legislation, but in particular cases by the Courts. In cases of all obligations for a principal of not more than Rs. 500, he would give the Courts full power to treat any interest in excess of 9 per cent. as simply illegal, and to cut it down to such rate as, under the circumstances, should seem just. It appears to us that this method would have no advantage over a usury law, while it would have the additional disadvantage of uncertainty in its operation. No lender could retell what rate of interest above the minimum would be treated as excessive, and the effect to the borrower would apparently be that of a usury law fixing 9 per cent. as the maximum rate. We have formed a favourable opinion of the intelligence and character of the Subordinate Judges of the Bombay Presidency from the manner in which some of them have recorded their views on the subjects now before us, but it must be remembered that to empower them to use such a discretion as that here suggested is to ask them to assume a responsibility for which the legal training within their reach and the personal character hardly fit them. Diversity of practice in the use of this discretion would be almost inevitable, at least until a body of precedents had been created which would remove the subject from the sphere of discretion to that of law.

(c.)—*Other means of reducing the rates of interest.*

87. The question remains whether it is possible to reduce the rates of interest by any other means. It has been suggested that Government should itself compete with the money-lender by the establishment of land banks. This form of Government intervention might possibly be practicable in districts, such as those of the North-western provinces, where the large estates of proprietors intermediate between the State and the

Government
banks.

cultivator are at stake; but we believe that it would be physically impossible for Government to assume in the Deccan the functions of the sowkar in providing for petty and multifarious needs of the ryot. Enough has been said in previous chapters in this report to show that such aid as a carefully managed bank could give to the ryot would go but a very little way towards making him independent of the sowkar. We may add further that, as the ryot makes his payments not in money but in produce, unless the Government banks were prepared to take payments in kind with all attendant risks, the sowkar would intervene at the first stage of the ryot's loan to receive the produce and advance the cash. The experience of the Tuccavi system of loans does not lead to a conclusion that this form of State aid would be of any practical benefit as a permanent measure. Lastly, it has to be observed that the proposal to interfere with the current rates of interest by means of a State bank begs the question as to usury. The competition of a bank can reduce the rate of interest only if the rate of interest is unduly high. If the rate of interest is not unduly high with respect to the risk, that is not usurious, the bank must either lend at a loss, or refuse most of the loans advanced by the sowkars, or must be provided with cheaper and prompter methods of recovery than are open to the trader.

88. There are certain elements of uncertainty connected with land which tend to diminish its value as security and tend to enhance the rates of interest, and which may be regarded as more or less remediable. There is the uncertainty as to the amount of assessment that may be imposed at a revision. For some years before a revision of assessment takes place in any district lenders may be expected to look with distrust upon land. Under the Land Revenue system some uncertainty at these periods is unavoidable; but, to whatever extent it can be avoided in future, to that extent a direct benefit has been conferred both on lenders and borrowers. Then there is the uncertainty as to title. The extent of the interest which a Hindu may have in a piece of land depends on so many contingencies, and there are so many means of improving the best titles that this ground alone must be a great source of insecurity to the lenders. To take one example of how a title may be doubtful. When a man dies leaving a widow and a brother, the question whether the widow gets the property or the brother depends on whether he was joint or not with his brother. It is said that the Scotchman does not generally know for certain whether he is married or not; but this is nothing compared to the uncertainty of a Hindu as to whether he is joint or not. Again, where the brother gets the property as being joint, the widow may deprive him of it by adopting a son to her late husband. The title, in short, of a Hindu owner is so insecure that such titles are, it is said, refused altogether by some firms in Bombay as security for loans. To improve these titles would be one means by which the rate of interest might be reduced. The only way to do this, however, is to simplify the Hindu Law of Inheritance, and that is a subject scarcely within the province of our deliberations. So far as titles are rendered doubtful by the difficulty of ascertaining whether any previous lien on the land exists, something may perhaps be done to remedy the evil by an extended system of registration. Beside the elements of uncertainty peculiar to landed property there is the risk of fraud on the part of the debtor as a cause of high rates of interest. The prevention of frauds would therefore have the effect of enhancing the security of the creditor, and thereby reducing the rate of interest. The means by which frauds may be prevented will be discussed under that heading further on. The effect of the Limitation Law on the amount of interest in renewed bonds is noticed under that head.

II.—EX-PARTE DECREES.

89. It is suggested that the debtor suffers unfair treatment from the passing of *ex-parte* decrees against him. In a large majority of cases, for whatever reason, he does not appear to defend a suit, and a decree is given against him unheard. A feeling that he is unfairly dealt with is thus, it is thought, aroused within him. With regard to this suggestion the first question to ask is whether *ex-parte* decrees are usually numerous.

(a.) Are such decrees unusually numerous?

90. The number of suits decided *ex-parte* in 1873-74 in the whole Presidency was 66 per cent. of the whole number disposed of. The number of suits uncontested was 86 per cent. of the whole number disposed of. The following table shows how the figures compare with the returns from other Provinces:—

Presidency or Province.	Uncontested.			Contested.
	Confessed, Adjusted, or Withdrawn.	Decided <i>ex-parte</i> .	Total uncontested.	
	Per cent.	Per cent.	Per cent.	Per cent.
Bombay - - - -	20	66	86	14
Bengal - - - -	42	20	62	38
Madras (exclusive of Madras Small Cause Court) - -	42	25	67	33
North-west Provinces - -	43	22	65	35
Panjab - - - -	57	7	64	36
Oudh - - - -	59	7	66	34
Central Provinces - -	61	12	73	26

This table shows that the proportion of uncontested suits is considerably larger in Bombay than it is elsewhere; while the proportion of decrees consented to without contest is from 100 to 200 per cent. greater in other provinces than it is in Bombay. In any other Province the cases confessed or adjusted far outnumber the cases decided *ex-parte*. In Bombay the proportion between them is as 20 per cent. to 66 per cent. Apparently in Bombay defendants with a bad case prefer allowing a decree to pass against them in their absence, to taking the useless trouble and expense of coming to court either to consent to a decree in full or on the chance of making an adjustment with their creditors. The returns of 1872 show that in the Ahmednagar courts the proportion of *ex-parte* cases amounted to 71 per cent. In Poona the proportion is less, being nearly 44 per cent. The proportion of suits regarding immovable property, which are usually defended, is higher in Poona.

It appears then that in Bombay generally, and in the Deccan in particular, the proportion both of uncontested suits and of *ex-parte* decrees is unusually large. In all countries the number of suits for recovery of debt which are undefended is a large proportion of the whole number decided, and it is only reasonable to expect that this should be the case. In the majority of suits everywhere the creditor comes to court, not because the claim is a doubtful or disputed one, but because his debtor refuses to pay except when compelled to do so. Thus in England 43 per cent. of the county court cases proceed no further than the plaint, and do not go so far as even an *ex-parte* trial, and in the returns of the Bombay Presidency we find the proportion of *ex-parte* suits varies with the proportion of suits to recover debt. Thus in the Ratnagiri and Kanara districts, where the suits relating to land are 18.2 and 20.5 as compared with 3.9 in Ahmednagar and 6.3 in Poona, the proportion of *ex-parte* cases is only 57.2 and 46.6. It seems probable that the disproportion between the numbers of *ex-parte* decrees in Bombay and the other Presidencies may be due in some measure to a large proportion of suits for recovery of debt; but we are not in a position to determine how far this is the case, nor to judge whether the other reasons for *ex-parte* decrees, which we proceed to consider, have more force in Bombay than elsewhere.

1. The ignorance and poverty of the debtor, his fear of the creditor and desire to keep on good terms with him, and his inability to produce evidence, are assigned as reasons why suits to which a defence might be made are uncontested.

The ignorance of the debtor may be expected to tend to this result in two ways:—

- 1st. The ryot, supposing that facts which constitute nothing more than a plea to the creditor for forbearance will have weight with the judge, goes to court and states them as an answer. Finding that they constitute no defence he is discouraged, and his example discourages others from opposing a suit.
- 2nd. The ryot does not know when he has a defence. He is always sued upon a contract, and there are many facts that make a contract invalid. He might be able to prove such a fact, but is unaware that it would make a document which he has signed void as a contract. His poverty debars him from access to the vakil who could help his ignorance and makes the expenses of defence a matter of serious moment to him.

Out of 122,035 suits disposed of in the subordinate courts of Bombay in 1873, 55,571 were for sums not exceeding Rs. 20 in value. It may well be supposed that it would not unfrequently be better for the ryot in such cases, even if he have a defence, to withhold it. The ryot who has felt or seen the powers of a creditor holding a decree is afraid of the sowkar treating him harshly if, after opposing a suit, he fails in his defence. Further than this he desires to have the sowkar on whom he depends friendly towards him, and cannot afford to alienate him by opposing his suit. On the subject of

It may be thought that there is no foundation for the somewhat startling statement that the creditor is allowed by our law to recover his debt by the slave labour of the debtor. It is true that the Civil Procedure Code does not in so many words say that the creditor may compel his debtor to work for him as a slave. The words of the Code are—"If the decree be for money, it shall be enforced by the imprisonment of the party against whom the decree is made, or by the attachment and sale of his property, or both if necessary." In subsequent sections there are one or two clauses which apparently limit the powers of imprisonment and sale, which by this clause are given absolutely without restriction. At first sight this clause does not appear to authorize slavery, but on further consideration it will be found that it does authorize it. The power to imprison clearly gives the creditor power to compel the debtor to do whatever would be more grievous to bear than imprisonment would be, and undoubtedly most cultivators prefer to be allowed to work in their native village and on their ancestral lands to being sent to a distant jail, which has to them all the terrors of the unknown. That they may on certain conditions get free, or that the term of imprisonment is not absolutely unlimited in duration and hardship, is also as a rule unknown to them. Although slavery is not directly mentioned in the Codes, it is indirectly declared by giving the creditor practically unlimited power to imprison. If further evidence was wanted to show that imprisonment may be used for the purpose of slavery, the Prussian Code* shows distinctly that such is the case. In the Prussian Code of Procedure (Part I., title 24) it is laid down that, "the debtor is entirely ruined and despoiled, the creditor may cause him to be condemned to devote to him his services, his labour, and his industry. In case of failing to comply the creditor has the right to cause him to be imprisoned." Imprisonment is, however, limited to terms of one year, whereas in India the debtor may be imprisoned for two years under each decree. The only difference between the Prussian Code and the Indian Civil Procedure Code is that the former states the use to which the penalty of imprisonment may be put, while our Code states only the penalty, leaving the creditor to put it to any use of which it is capable. That one of these is slavery is clear from its being so used by the Legislature itself in Prussia. There are other, or rather abuses, to which the power gives rise. In one case the creditor used the power of imprisoning his debtor to compel him to give him his wife and daughter as his mistresses. Other abuses of the power will be noticed further on. At present we are treating merely of the use of imprisonment for the recovery of the debt. In England, although the power to imprison, if it existed, might be put to such a use, the character of the people, both the debtors and creditors, would be sufficient to prevent any such exercise of it. In India, however, the power to imprison is not only capable of being so used, but from the evidence collected it would seem to be established that the power is exercised for this purpose. The appendices contain ample evidence of the way in which the power of imprisonment is used to convert the Bheels of Khandesh into bondsmen to their Guzar creditors, even to the degree of actual transfer of the enslaved Bheel by virtue of the decree which gives the title to his labour. The labour bonds mentioned as so uncommon in Ahmednagar, of which samples are given in the Appendix, and which are spoken of in indignant terms by one of the judges, are the creation of this law. The Tatva Saloo, potter of Supa, on being asked what he would do as to the balance of his debts which he was unable to pay, said, "I will pay by my labour. The Marwari would not let me go without paying off everything. He would prevent me leaving the village by executing a decree against me or putting me in jail." Other debtors appear to receive less than ordinary wages for their labour, and to work on their lands for the benefit of their creditors, who allow them only bare food and clothing. In other words they are the slaves of their creditors.

The only apparent limitation supplied by our Code is that by which the debtor is allowed to obtain his release from jail on delivering up all his property. This discharge is, however, only a discharge from imprisonment, and that only under the decree the execution of which he has been imprisoned. His property is still liable even under the decree, and he is liable to imprisonment under any other decree. The fact that throughout the whole of this Presidency only 76 persons out of 1,877 imprisoned obtained the discharge under these provisions of the Code shows that they are of little use even affording partial relief by way of insolvency. This fact is clearly brought out in the statement of one of the ryots examined, who only heard of this means of obtaining

App. A.,
p. 21.

* The information regarding the Prussian Code, and other foreign Codes referred to in this Report, has been obtained from a collection of the laws of about 50 different nationalities by M. de Saint Joseph, a distinguished French judge, in the possession of a member of the Commission.

release by the accident of the Judge, making a visit of inspection to the jail during his confinement there, hearing his case and informing him of his remedy.

95. With reference to the extent to which property is liable, it is not necessary to say much. The law distinctly gives absolutely unlimited power to sell. Section 205 of the Procedure Code says: "All property whatsoever, movable and immovable, belonging to the defendant is liable to attachment and sale in execution of a decree." According to this, then, strictly interpreted, the very clothes on the back of the unfortunate debtor may be sold. There is no reservation of even the simplest necessities either for himself or for his wife and family. Further, the law allows the creditor not only to strip his debtor bare at the time by selling all that he possesses, but this may be done again and again as soon as the debtor manages to scrape together a few annas' worth of property. Liability of property.

(b.) *Are the powers excessive?*

96. The mere statement of what the power of the creditor is, would seem in itself a sufficient answer to the question. The power to utterly ruin and enslave the debtor is a power which clearly the creditor ought not to have, and as a fact it was never intended when the Code itself was passed that the creditor should have it. "The ancient laws of most countries," says Mill, "were all severity to the debtor. They invested the creditor with a power of coercion more or less tyrannical, which he might use against his insolvent debtor, either to extort the surrender of hidden property or to obtain satisfaction of a vindictive character, which might console him for the non-payment of the debt. This arbitrary power has extended in some countries to making the insolvent debtor serve the creditor as his slave; on which plan there were, at least, some grains of common sense, since it might possibly be regarded as a scheme for making him work out the debt by his labour. In England the coercion assumed the milder form of ordinary imprisonment. The one and the other were the barbarous expedients of a rude age, repugnant to justice as well as to humanity." When we compare the law of India with that of other countries we find that not one is so oppressive as the Civil Procedure Code in this respect, not even the oldest law in the world, the law of Moses, which allowed the debtor a discharge after serving seven years. For the purposes of comparison it is convenient to consider the powers given for realizing debts under three heads, viz. :—

1. Imprisonment.
2. Sale of existing property.
3. Sale of future property.

97. As to the power of imprisonment the vast majority of nations have deprived the creditor of it entirely. In France, by a law passed in 1667, imprisonment for ordinary debt was abolished, and only retained in the case of debts where there was a certain amount of fraud or improper conduct on the part of the debtor. The Code Napoleon contains similar provisions (Articles 2033, 2064, 2065). The great majority of nations have followed the example of France in this respect, e.g., Baden, Belgium, Haiti, Bolivia, Sicily, Ionian Islands. Imprisonment for debt has also been entirely abolished in Geneva, Hanover, Fribourg, Lucerne, Berne, and Tessin. In the few Codes where imprisonment for debt is retained, a workable insolvency law removes a great part of its rigour. In England, imprisonment for debt was abolished in 1869 by Acts XXXII. and XXXIII. Vict. c. 62.; but if it is shown that the debtor can pay, but refuses to do so, he may still be imprisoned to compel payment. In the United States a law was passed by Congress in 1839, declaring that no person should be liable to imprisonment for debt unless the law of the State to which he belonged allowed such imprisonment. In several of the States (Alabama, Michigan, Ohio, Louisiana, and others), the law is that imprisonment is not allowed, except in the case of fraud or where the debtor is about to leave the country. In India in the Presidency towns imprisonment for debt is allowed; but the debtor may get free, without even first going to jail, by giving up all his property less Rs. 300 worth of necessaries. With regard to Native laws on the subject of imprisonment for debt, the Hindu law appears to have allowed it, and also to have allowed slavery for debt; but these penalties were enforceable not by the State but by the creditor himself. Although, therefore, nominally there was imprisonment and slavery for debt, practically "severity in the exercise of justice could not be complained of." Mahomedan Law appears to have been very much the same as the present law of England. In Macnaghten's Mahomedan Law the rule is said to have been that "the debtor should not be imprisoned unless the creditor can establish his solvency."

1. Imprisonment.

The power of imprisonment appears to have been intended by the Legislature to be used as a means for procuring the surrender of the debtor's property; an imprisoned

debtor can procure his release by the cession of his property. It is, in fact, an alternative method to the ordinary process of seizure of the property itself. If, as is the case with the agricultural ryot of the Deccan, the debtor is a man with an established residence to which he is bound by the strongest ties; if his property is such that it is easily ascertainable and in great measure impossible to conceal; and if such frauds as he may be tempted to commit in order to evade payment are punishable under the criminal law, the necessity for the alternative method of securing his property in payment is reduced to a minimum.

2. Sale of existing property (movable).

98. By section 62, clause 2, Regulation IV., 1827, "implements of manual labour and such cattle and implements of agriculture as may, in the judgment of the Court from which the process issues, be indispensable for the defendant to earn a livelihood by his respective calling, or cultivate any land that he may hold for that purpose," were exempt from attachment. By the present law (section 205, Civil Procedure Code) "a property whatsoever, movable or immovable, belonging to the defendant is liable to attachment and sale in execution of a decree." The only exception being that the imprisoned debtor, applying for his discharge under section 280, has not to include the necessary wearing apparel of himself and his family, nor the implements of his trade in the list of his property.

By the English Bankruptcy Act, 1869, section 15, the tools (if any) of the bankrupt's trade and necessary wearing apparel and bedding of himself, his wife, and children, of value, inclusive of tools and apparel and bedding, not exceeding £20 in the whole, are exempted from sale. By the Insolvency Act, Rs. 300 worth of property may in Presidency towns of India be retained by the debtor.

App. A., pp. 247-259-285, &c., B., 246.

We have no papers before us to show why the provisions of Regulation IV., 1827, were repealed, but there is a strong concurrence of opinion in all the officers consulted that the exceptionally stringent conditions of the law as it applies to Mofussil debtors should be relaxed, and that a margin of necessaries and implements of trade or calling should be reserved from sale. In this opinion we agree. As to the definition of necessaries we may note that in the case of the agricultural classes which form the great mass of the population, necessaries consist of agricultural stock and implements, household instruments for preparing and cooking food—such as mills, pots, &c.—and clothing. In this list beds or bedding do not appear, as they are considered luxuries. It might seem also that to put houses in the list of necessaries is rather stretching the meaning of the word, but to those who know Native habits this is not the case. In hill villages living in lodgings or in hired houses is almost unknown. Many of the poorer cultivators live in huts constructed by themselves, and such a hut is very often of no value to any one except the owner, as on account of the distinctions of caste it would be only a man of the same caste as the owner who could live in it afterwards. Frequently, when the creditor comes in and sells the wretched hovel in execution, all that is done is to remove the one or two pieces of timber on which the building rests, and to leave the mud walls to their fate, and the wretched occupant to seek shelter from the sun and the rain where he may. This is undoubtedly very harsh treatment, and the power of exercising it should be taken away.

Sale of existing property (immovable). App. A., p. 141.

99. The loss of land has been commonly regarded as one of the principal causes of discontent on the part of the agricultural debtor. In the collection of papers on the subject of agricultural indebtedness in the North-west Provinces, this discontent is mentioned as having produced disastrous results in the disturbances of 1857. In those provinces, indeed, as well as in the Panjáb, Oudh, and the Central Provinces, it has been mainly with reference to the alienation of land that the question of indebtedness has been discussed. The reason is that in all those provinces the inexpediency of allowing a general transfer of land from the old proprietary families to the money-lenders, the *novi homines* of British rule, is a political consideration. In the Deccan the question is economic rather than political, and its conditions here make it less pressing than there. In the North-west the money-lender desires to obtain possession of the land by forcing the debtor off it. Here he prefers to receive the annual produce of the land from the debtor as a tenant-at-will. He will not generally undertake the responsibilities of recorded proprietorship till he is driven to it. The condition of the debtor as tenant-at-will is, no doubt, miserable, but he does not suffer that divorce from the soil which is the sting in the fate of the indebted proprietors of Northern India.

The subject of loss of land by the debtor divides itself naturally into two parts, viz., compulsory alienation by the Courts for debt and voluntary alienation by the debtor himself. We are at present concerned with the first part only. We have to inquire whether the power to compel the sale of land for debt is an excessive or unreasonable power. Judged by the law of other nations it certainly is not such a power. It is said

by some of those who advocate its exemption, that under Native laws land was not liable for debt. By Mahomedan law land is liable, like all other property, for the debts of the owner. In the Hedaya XXX. the kazi is directed to satisfy the claim of the creditor from the estate of the debtor; firstly, disposing of his cash, then of his effects and household furniture, and, lastly, of all his houses and lands. In Hindu law there is no text by which land is exempted from liability for debt; nor, on the other hand, is there any distinct text stating that it shall be so held liable. With regard to the practice in Hindu States opinions differ as to whether land was liable or not. In practice, however, there is a concurrence of testimony that land was not alienated for debt in the district with which we are dealing. A large proportion of the ryots had no estate in land which could be transferred, nor were regular legal tribunals accessible to the creditor.

100. The question follows,—Whether in the Deccan the gradual transfer of land to the money-lending class is a desirable process? It might be held that if the risks of discontent, manifested in crime and popular disturbance, could be avoided, the process of the transfer of property in land from a needy and ignorant to a monied and intelligent class is in itself desirable. We are of opinion that as regards the district and the two classes, viz., the Kunbi and the Marwari with which we have now to do, this conclusion would be unsound. There is no such superiority in intelligence in the ordinary sowkar as would result in improved cultivation, nor does the land itself offer him such good investments as his money-lending business. An intelligent and liberal landlord finds it very difficult to realize a small profit from inferior land held in ryotwari tenure, and it is only by rackrenting and often drawing on the debtor-tenant's labour in addition to his rent that the Marwari makes a fair average profit from land in his possession. Irrigated land, it is true, yields a large profit; but to a non-labouring landholder, who has to pay for all the work of making a well, the investment would rarely be attractive. In all that concerns agriculture the Kunbi is superior in intelligence to the Marwari, and, if the profits of his labour are secured to him, is by no means wanting in industry or enterprise. By converting him into a tenant at a rack rent these advantages are lost to the land without any compensation whatever. The character of the class who would supersede him as landholders is illustrated in the notes on the sowkars of Párner in the Appendix. We there find that some of the Marwaris who had accumulated the largest estates in land were persons who showed open defiance of the law. In civilized countries it has been found that the interests of the lower agricultural class are very much at the mercy of those above them; this evil is intensified in India, and if the Deccan ryot is handed over to such landlords as the Marwaris of Párner it may be feared that his fate will be worse than the worst endured by the Irish tenantry of 30 years ago. It is barely a generation in time since Government began to divest itself of the powers of an irresponsible landlord for the benefit of the agricultural ryot. To allow these powers to be re-transferred to a class with none of the traditions of the hereditary landholder, and probably the least fitted in the civilized world to use them, would be to undo all that has been done, and to make the last state of the ryot worse than the first. It might, indeed, be possible by rent laws and other limitations to protect the tenant; but much stronger reasons than are at present apparent would be needed to make it desirable that the Kunbi proprietor of the Deccan should sink to the position of the most favoured Bengali tenant. It may well be that, unless new industries or emigration come to the relief of the growing population, the transfer of land from the needy to the rich will become inevitable, and that before the Kunbi has become educated enough to profit by the need of his fellows the necessity for the protection of the tenant may arise. That crisis has, however, not yet come, and we have now to consider only whether the process of such transfer at present is desirable, not whether it is eventually inevitable.

101. We have next to consider whether, in view of the evils attending the present course of affairs, it is advisable in any way to restrict the liability of land for debt. The restriction may take one of three forms: either (1) land may be altogether exempted from liability, or (2) it may be exempted unless made specially liable by the owner, or (3) sale may be prohibited and temporary transfer only allowed. With regard to the first form of restriction we are of opinion that its adoption is undesirable. It is impossible to foresee what its exact effect would be. It is uncertain how far it would produce the good results which are looked for, while it is certain that it would produce the evil results of depriving the borrower of the security which brings him credit on the most favourable terms, and thus of inflicting hardship at the outset on the very persons it is intended to relieve. For the second form of restriction more is, perhaps, to be said. It is a noteworthy fact that in the districts under our notice owners of land do not ordinarily mortgage it as security for the loans they take. In most cases the debtor having land to give as a security borrows merely on his own personal security. There seems also good

App. C.,
p. 216.

App. B.,
p. 283.

reason to believe that these loans on personal security are obtained at a higher rate than the same person would have to pay if he gave a mortgage. Rather than give their land as security, borrowers are ready to pay higher rates of interest. It might be inferred from this that there is some idea in their minds that when land is not mentioned in the bond it is not liable for the debt; or, in other words, that there is an understanding, or implied contract, that the creditor is not to realize from the land. Whatever may have formerly been the case as to this the ryots have now learnt that land is liable for unsecured debts; but the debtor avoids mortgaging his land as long as he can, probably because he knows that when it is once mortgaged he will find it very difficult to raise money from other lenders, and because experience has shown him that the mortgage is the beginning of a transfer to the sowkar. The effect of the restriction would be to compel the borrower either to give his land as a security or to pay a higher rate of interest for an unsecured loan. In either case the compulsion would appear to him a hardship; and, though the hardship might be only imaginary in the first case, it would certainly be real in the second. We do not, therefore, advocate any restriction in this form. But in the case of insolvent debtors whose land is, as is usual, mortgaged, the effect of the measures which we propose for the sale of land will probably be nearly the same as the restriction under consideration. With regard to the third form, viz., the restriction of the liability of the land to a transfer for a limited period, its intention is to limit the borrowing power of the debtor to an amount equivalent to the income of the land for the given period; but it amounts to a proposal that an insolvent should retain, besides necessaries, a reversionary interest in his land, whatever its extent. Such a reservation could only be allowed on political grounds, and there are generally the same objections to this form of restriction as to the first. There is also the special objection that in practice the reversionary interest of the debtor would frequently be discounted during the term of alienation, and the object of the provision would be defeated. Mr. Pedder advocates the limitation of liability to the lifetime of the debtor. This limitation is open to the objection that it does not sufficiently recognize the readiness with which the son accepts the duty of paying his father's debts. This law of religion is one which to their great credit the poorest individuals in this country are loth to disregard; and as yet they have not learnt to place the equitable limits to its observance which are recognized by our statutes. It is doubtful whether they should be encouraged to do so.

App. A.,
p. 140.

A final remark has to be made with regard to all proposals for exempting land from liability for debts. In the case of land cultivated in small holdings by peasant proprietors, it is only possible in a limited sense to carry out an agreement or a law exempting land from liability so long as power is given to recover from movable property. Land, so far as it is valuable, annually takes the form of movable property when the crops are cut or sold, and the power of attaching and selling this movable property practically amounts to a sale of the land. The creditor can take all the profit of the land, leaving nothing to the debtor but the trouble of cultivating. Realization of debt from land in this round-about manner would be productive of so many inconveniences to the landholder that it would be better to realize from the land directly and ostensibly.

102. A very important point in connexion with the sale of land by the Civil Court remains for consideration, viz., the conditions and method of sale. On the application of a decree holder the Court advertises for sale the defendant's whole interest in a piece of land. If the value of his interest exceed the amount of the decree it is evident that it is unnecessary to sell the whole out and out. The sale of the whole title or a portion of the land, or the sale or other alienation of a limited estate (such as a lease or mortgage, or rentcharge for a term of years) in the whole of the land, would be sufficient to effect the purpose of satisfying the decree; and on the principle that no more property should be sold than is sufficient to effect full execution, either of these courses is preferable to directing a sale of the whole of the land out and out. Both these courses are provided for by the present law (sections 243 and 244, Civil Procedure Code), and there are similar provisions in the new Civil Procedure Bill. Section 243 provides for allowing the debtor to raise the money either by a lease or mortgage of the whole, or by the sale of a portion; and section 244 provides for postponing the sale in order to realize by mortgage, or otherwise, on the application of the Collector and on security being furnished. Experience has shown that these sections are not largely made use of. In matters affecting the ordinary Deccan ryot it is of no use to provide him with a remedy which involves legal proceedings on his part. He is unable to use it through ignorance and poverty. The provisions authorizing the intervention of the Collector can only be used in districts where sales are ordered to be conducted by that officer. This order has not been made as regards the districts under report. It is a question whether this provision of the Code was intended to be made applicable in districts where

the ryot's inability to produce evidence we may simply quote the words of the Sub-judge of Bulsar :—" A great number of these cases are brought on bonds passed by defendants in which plaintiffs have to prove execution only, while the defendants whose defence may consist of non-receipt of consideration or part or whole repayment have to prove the same. But very few of them have such evidence, apart from the difficulty of making such proof."

(b.) *Fraud as a cause of ex-parte decrees.*

92. Another important question arises on the subject of the large proportion of *ex-parte* suits in the Bombay Presidency. Is there anything in the action of the courts which tends unduly to prevent or deter defendants from contesting suits, and thus cause an undue proportion of *ex-parte* decrees?

App. A.,
p. 291.
App. B.,
p. 99.

One of the allegations made is that the creditors arrange with the process server that the notice to appear shall never reach the defendant, and they thus fraudulently keep him in ignorance of the fact that proceedings have been instituted. Of the opinions quoted on the subject, some are in favour of the truth of the allegation, and some are to the effect that there is not much in it. The Sub-judge of Tásgaon, for example, states that he examined some intelligent debtors of some well-known villages on the point, and he was told that for the last four or five years they did not know of any such reports being made by the serving officers as to the service of the summons. In examining the convicted rioters particular attention was directed to this question, and out of the whole number in jail at the time not one complained that a decree had been obtained fraudulently against him in this way. In answer to the question, Whether a brother had received the amount in a suit, the convict, Bali Salaji, said, "I suppose that if a summons was served, how could the court proceed otherwise?" The present law requires that service of the summons shall be proved to the satisfaction of the court before a case proceeds *ex-parte*, and any *ex-parte* decree may be afterwards set aside if the summons is served with due care and vigilance on the part of the court these rules appear to be sufficient.

The establishments of the courts are now on a better footing than at the time (1854) when Sir G. Wingate brought to notice the practice of fraudulently procuring non-service of summons as a material grievance, and the chances of the defendant appearing are so small that there is but little inducement to secure his non-attendance, by fraud. The Sub-judge of Ahmednagar reports as to service of summons that from 20 to 25 per cent. are served on the defendant in person, from 30 to 25 per cent. are served on members of the defendant's family, and from 25 to 30 per cent. are fixed on the door of the defendant's house. There are very few applications for re-hearing on the ground of non-receipt of summons.

(c.) *Other causes of ex-parte decrees.*

93. In the Administration Report for 1873-74 it is said :—" It is curious to observe that out of a total number of 155,283 suits disposed of before the subordinate judges only 21,822, or 14 per cent., were contested, that 10,919, or 65.5 per cent., were decreed on confession, or decreed or dismissed *ex-parte*, and that in only 3,365 contested cases was judgment given for the defendants. These facts tend to show that the defendants in these cases, who, as a rule, are ignorant cultivators, suffer most from the actions of these courts; that the mere admission of the execution of a bond is generally regarded as a ground for a decree, no matter what be the circumstances under which the bond was executed; and that the debtors, as a rule, have so little hope of deriving any benefit from the courts that in 69 cases out of 100 they make no defence.

App. A.,
p. 270.

With reference to these remarks we have to say that the inference here drawn that the admission of execution is regarded as ground for a decree, does not seem to us to follow from the fact stated. The main reason, doubtless, why so many debtors make no defence is that they have no defence to make. It appears to us, however, that on two or three other respects the courts do not give to the debtors all the help they may give. More than one of the judges reports that the subordinate judges are overworked. The Judge of Ahmednagar says, "the subordinate judges in this district are much overworked, and really have not time to investigate cases properly and to weigh evidence." The Judge of Satara says, "I believe our subordinate judges are too hardworked to allow, even if they were inclined to do so, of their going into the history of such cases as the one put forward by you." The result of this over-pressure or work is that the assistance of pleaders becomes necessary. By the aid of a pleader a defendant is enabled

present his case in a sufficiently compact form to be quickly apprehended by the judge; without that aid there is a risk of its being misunderstood. The agricultural debtor cannot afford to pay a pleader, and it can hardly be doubted that this consideration must deter many persons from contesting suits to which they possess a defence. This over-pressure of work on the courts produces also, in another way, an injurious effect on debtors, namely, by causing delay in the disposal of suits. The following figures show the number and duration of suits in the Poona disturbed district for sums of less than Rs. 500 :—

Name of Court.	Ex-parte Suits.		Contested.	
	Number.	Average duration.	Number.	Average duration.
Subordinate Court, Poona -	354	M. D. 1 25	51	M. D. 3 15
Do. do. Talgaon -	2,013	1 13 ¹⁰ / ₂₀	202	3 5 ¹ / ₄
Do. do. Pátas -	1,087	1 28	144	2 18

It is stated that great efforts are made by the courts to dispose quickly of the contested cases, while the uncontested cases are unavoidably left to be decided after frequent adjournments. The average duration of original suits in all courts in Bombay for the year 1872 was 3½ months. We have no information as to the average in contested suits only, but if it be assumed that the average in uncontested suits was not over two months, it will follow that the average in contested suits was over a year. The duration in the other presidencies is as follows :—

Presidency and Province.	Average duration.	
	Uncontested Cases.	Contested.
Bengal - - - -	M. D. 2 0	M. D. 3 20
Madras - - - -	7 0	12 0
North-west Provinces - -	1 6	3 11
Pánjab - - - -	0 20	0 24
Oudh - - - -	0 24	0 24
Central Provinces - -	0 17	0 26

It is obvious that the greater the duration of contested cases is known to be, the greater will be the reluctance of the agricultural debtor to spend his money and his time, which is often more valuable to him than money, in defending a suit, and the larger consequently will the proportion of uncontested cases tend to become. Owing to the distance of the court, in many cases the defendant's attendance would involve absence from his home and labour for three or four days at a time. These defects in the action of the courts which tend to debar the debtor from a hearing should in our opinion be remedied—(1), by providing sufficient judicial machinery to ensure cases being heard out in the first day set down for trial; (2), by the courts going on circuit.

III.—EXCESSIVE POWERS OF REALIZING DEBTS.

(a.)—*What powers are given to the creditor by the law.*

94. We now come to one of the most important questions with which we have to deal, viz., the powers with which the law invests the decree-holder. We propose to discuss the subject under the following heads :—(a.) What powers are given to the creditor by the law? (b.) Are they excessive? (c.) Are they abused?

In order to recover a debt, it is obvious that resort can only be had to the property, present and future, of the debtor and to the labour of the debtor and his family. A law which allows an unlimited resort to all these means of recovery gives the greatest help to the creditor that it is physically possible to give. The law of India appears to be the only modern law which allows such unlimited resort, and we find that under it the debtor and his family are liable in person and property to an extent which is practically unlimited. Imprisonment.

the landed estates are small ryotwari holdings, and also whether the duty of conducting the sale can be legally delegated by the Collector to a subordinate. Moreover, a ryot whose land is about to be sold will not be in a position to furnish the required security. If the Court was authorised to inquire into and to decide what the judgment-debtor's estate really consisted of; if the Court, that is to say, decided what share the judgment-debtor had in land, and to what extent it was burdened by mortgages and other encumbrances, it would be a comparatively easy matter then to obtain the money for the satisfaction of the decree by a temporary or partial alienation, provided the estate was in excess of the value of the decree. As the law stands nobody knows what the defendant's interest is, and what the encumbrances are; consequently it is rare that ever by a sale of the whole interest the Court or even the debtor can obtain sufficient to satisfy the decree. A purchaser at an auction sale buys an indefinite and uncertain property, and bids, therefore, only a nominal sum for it. The way in which this uncertainty operates to the prejudice of the debtor is constantly seen in the Court sales of land in the Deccan. We have mentioned that the mortgage of land almost invariably precedes the sale under decree. The mortgagee is usually also under the decree-holder. The decree being for a personal bond, the amount of the mortgage debt is unknown, there is no one to bid for the land, and he purchases it himself for a nominal sum. In this way he avoids all inquiry into the account of his realizations during his mortgage tenure. The Court having no power to inquire into the encumbrances of the estate put up to auction, and no adverse purchaser coming into possession of the land to challenge his claims under the mortgage debt.

03. The evils resulting from the uncertainty attaching to the properties sold under decree are not confined to the agricultural class. All over the Presidency this uncertainty is a prolific source of litigation. The fact that out of 6,020 suits relating to land in the Bombay Presidency, 4,329 arose out of execution sales, shows how very speculative such purchases must be. If the Court, instead of selling indefinitely the right, title, and interest of the debtor, should state after inquiry what the property is that is put up for sale there would then be no difficulty in obtaining the proper price for the whole; or, if partial alienation were sufficient, in effecting the satisfaction of the decree without sacrificing the entire estate.

We consider it very desirable that in sales by the Court of estates consisting of several fields or pieces of land, the sale should be made in detail. It is desirable to encourage purchases by persons of the agricultural class, and it might often happen that the price of a separate field would be within the means of a Kunbi, while that of the entire estate would be only within the means of a capitalist; and also that a cultivator might be willing to give a high price for a particular piece of land which possessed special attractions for him if sold separately from the rest.

104. The creditor's powers are not exhausted when he has beggared his debtor. We have seen that he can make him his bond-slave by the powers of imprisonment. If he does not require his labour, and the debtor is allowed to work for another, the creditor can still seize his earnings as fast as they accumulate, and without any limitation as to time. There is no term to the currency of a decree. In the Appendix will be found statements of the decrees in force in some of the Courts of the disturbed districts, from which it will be seen that decrees dating from before 1860 are still current. The effects of all this cannot but be most mischievous. A debtor who is hopelessly insolvent, if he acquires property, does so only for the benefit of the creditor. The incentive to labour is destroyed, and the debtor ceases to be a useful member of society. The fact that all modern laws and most of the ancient codes (*e.g.*, the Roman and Mosaic even) provided some means of relief by which the debtor at some time or other should be enabled to get free and get the benefit of his earnings would seem to show that some kind of insolvency law is wanted. The evidence on the subject before us is all one way. None of the reports or opinions approve of making future property, as at present, liable for debt without limit. There is a unanimous opinion that a limit should be put to the liability. To sum up: the description thus given of the powers of the decree-holder shows that they are practically unlimited in the fullest sense. The creditor has more than all the protection usually accorded by civilized codes; the agricultural debtor has not the most ordinary and universal—a law of insolvency. Among traders bankruptcy is a matter of private arrangement, and is fully recognised, though not provided by law; the agricultural debtor has no loophole whatever.

3. Sale of future property.

App. C., p. 328.

(c.)—*Are the powers abused?*

105. We have seen what the powers of the decree holder are; we have now to inquire whether they are abused. It may be said that the employment of the legal powers

the creditor to enforce slavery is not a proper use of them, and this is true in one sense. But the point we propose to consider is, whether those powers are only used for their legitimate purpose of recovering the debt due, or for purposes altogether foreign to the object for which they were granted. It is obvious that when a creditor has been invested with enormous powers for the purpose of recovering debt, he may use them also for other purposes. Below are given extracts from the reports of Subordinate Judges, which might be multiplied by similar statements of good authority, showing how decrees are used. Section 206 of the Procedure Code, which provides that no adjustment of a decree made out of Court shall be recognised unless certified to the Court by the decree holder, is the cause of much of the abuse of decrees below described.

The Sub-Judge of Pátas says :—

“ These creditors generally keep three or four unsatisfied decrees against a man, some of them even 12 years old, for occasions like these. Under pressure of execution they have in many instances realised the full amount of decree by obtaining new bonds, or the writs are returned unexecuted with endorsements, ‘property or person not found.’ No doubt these things could not be done without the assistance of Court officials, of whose morality I have formed a very low estimate. I have heard the most bitter complaints that executions are issued on decrees satisfied out of Court. One of them lately burst into Court and cried out most bitterly that he had satisfied the decree twice, and this would be the third time that he will have to pay again. None of these have the means or the inclination to file a suit for refund of money paid out of Court.

“ The money-lender generally obtains warrants of arrest or writs of attachment, and takes the kárkun with writs to the debtor, obtains money in cash, part of the decree, or a few head of cattle, or a quantity of grain, or a new bond, and sends the kárkun away, and such writs are returned by the kárkun with endorsements, ‘property not found,’ or ‘the party to be arrested not found.’ I have closely examined several execution proceedings and took evidence also, and this is the result I have arrived at. Sometimes the property is attached and proclamation issued for sale. The decree holder then applies to the Court to drop the proceedings, alleging that as a matter of fact occasionally he has extracted something from defendant, for which no credit is given in decree. Under the pressure of execution mortgages are also obtained when there is anything worth mortgaging. When immovable property is put up to sale the creditor, as a rule, buys it himself. It is to his interest to buy it for as little as possible; for so much money goes out of his decree, which is a *valuable source* of revenue for him.”

The Sub-Judge of Tásgaon writes :—

“ The money-lender is never satisfied with what payment he can extract from his debtor, under fear that the decree will be put into execution. But he generally insists on receiving some of the debtor's property in mortgage, such as his cattle, house, or land.”

The Sub-Judge of Tálegon writes :—

“ I may here add that section 206 of the Criminal Procedure Code, though it curtails liquidation, causes not a little mischief. The ignorant debtors are often persuaded by their creditors to make payments out of Court. They do not know the consequences of such payments, and even if warned by sad experience their necessity compels them to comply with their creditor's wish. After payment they are under the impression that they are enjoying their peace. Under this delusion in goes the executing peon or kárkun to serve a notice upon them under section 216, or seize what property the creditor is pleased to point out, and the poor creatures find little relief when they come to the Court, for, unless there are circumstances which enables the Court to inquire into the question of payment, they are obliged to be coolly told that they ought not to have paid their creditors out of Court, and must therefore pay ~~it~~ over.”

The Sub-Judge of Násik says :—

“ As regards the enforcement of decrees, the first step taken is to apply to the Civil Court. On the receipt of the application a warrant of attachment or arrest is issued. More than three fourths of the warrants are returned with such reports as the following, and the applications on which they were issued are disposed of :—

“ 1. No property was found.

“ 2. The judgment-creditor did not come to point out the property.

“ 3. Part payment is made, therefore the judgment-creditor desires that no further steps be taken.

“ 4. The judgment-creditor refuses to pay the fee for the warrant or the notices of sale.

" 5. Nobody bids at the sale.

" 6. The defendant was not found (in case of arrest).

" As a general rule, reports like the above are received when some amicable adjustment takes place between the judgment-creditor and the judgment-debtor. The actual realisation through the instrumentality of the Court, by sale and imprisonment, takes place in a very small proportion of cases. Sometimes the applications for the enforcement of decrees are made simply to keep them in force."

The most powerful means of compulsion in the hands of the decree holder is the warrant of arrest. It is believed that not more than 10 per cent. of the warrants issued are executed, and of the persons arrested a large proportion are not imprisoned. The ordinary Judge of Oomret, in Kaira district, states that of 100 applications for imprisonment only one or two judgment-debtors are actually sent to jail. In 1872 the number of persons arrested under decrees was 7,135, the number imprisoned was 1,877. The case of the debtor who is not arrested is probably one of greater hardship than that of the arrested debtor. The latter, if brought before the Court, will sometimes have the means under which he purchases the forbearance of the decree holder brought to the knowledge of the Court, whereas the debtor who settles without arrest has no chance of protection.*

IV.—LOSS OF LAND BY PRIVATE SALES.

106. Under the last head we considered the subject of loss of land by the debtor through compulsory alienation for debt. It remains to consider his loss of it through voluntary alienation. It is unnecessary to say more as to the reasons that exist for trying to prevent the alienation of land; the question here is whether it is desirable to prevent its alienation by law. In the district with which we are concerned the alienation of land is in fact voluntary only in name. When land is sold privately it is generally sold under the pressure of civil process or the fear of process. The writers who have advocated the prohibition of private alienation have probably done so from the knowledge that with the powers at present possessed by the creditor of holding the decree *in terrorem*, the mere exemption of the land from liability in court would be ineffective. Mr. Justice West proposes that the Government should pronounce all land held from it to be either inalienable except with its consent, or else subject on alienation to re-assessment and to the levy of a rackrent. A few other officers make similar propositions. On the other hand, many writers of authority, some of whom desire to prohibit execution sales of land, are of opinion that private sale ought not to be interfered with. It has been questioned whether the alienation of land was allowed by the native laws. The principal texts of Hindu and Mahomedan laws relating to both sales and mortgages of land are noted in the Appendix. It would appear from them that such alienations are familiar to both Hindu and Mahomedan law. Thus in Hindu law there are numerous texts like the following:—"Two kinds of property are universally acknowledged immovable and movable; when a contract of sale is made both are called by the name of vendible property." Pledges are declared to be of two sorts, immovable and movable. There are no doubt certain restrictions which practically prevented sale being resorted to to any large extent; but the reason for them would appear to be the protection of the rights of the other persons interested, and not the prohibition of sale as in itself an evil. As to Mahomedan law, there appear to be no restrictions of any kind either as to sale or mortgage. No doubt it is possible to enact such a law as would prevent the execution of deeds of sale or mortgage in future. Such a law, however, would not prevent persons wishing to do so from transferring their land or an interest in it in some other shape. They might, for instance, call the transaction a gift, or a perpetual lease, or a purchase of an annuity on condition that the seller should hold the land so long as he paid the annuity. The only resource would be to declare land absolutely untransferable. This would be to subvert entirely the form of the property, and such a subversion could hardly be justified by any possible political or economic advantages.

App. B
p. 67.

V.—THE LIMITATION LAW.

107. It will be seen from the extracts quoted in the Appendix that there is a general opinion that the short period of limitation (three years) now allowed for suits for unsecured debts has the effect of enabling the creditor to oppress his debtor. Only one report is to the contrary. We are not, however, of opinion that any limitation law taken by itself can have this result. In the case of the ordinary debts of a ryot the law of limitation

App. B,
p. 319.

* Last year the number of warrants of arrest printed was 172,600, while the number of arrests was only 11,135; so that it would seem probable that somewhere about 150,000 warrants had been used as threats only.

amounts to nothing more than a law by which the creditor is compelled to give the debtor a statement of his account. So far from this being an evil, it would seem to be the very best thing possible for the debtor. A fresh balancing of the account every year instead of every three years would, from this point of view, be better still. The only cost which the law puts upon the parties is the stamp, which is a comparative trifle, namely, one anna for every 100 rupees in a promissory note, and two annas for every 25 rupees on a bond. If the transaction were, as it ought to be, something like the following, the law of limitation would be the best for the protection of the ryot that would be devised:—

DEBT.		CREDIT.	
1865. Cash Rs. 50 for which a bond at 20 per cent. is given	- - Rs. 50	1865. Jowari	- - - Ra. 1
Interest for one year	- - " 10	Karbe -	- - - " 1
		Labour -	- - - " 1
		Milk -	- - - " 1
		Cash -	- - - " 5
1866. Interest for one year	- - " 10	1866. Bajri -	- - - " 8
		Cash -	- - - " 1
1867. Interest for one year	- - " 10	1867. Jowari	- - - " 2
		Bullock	- - - " 30
		Total	- - - 51
		Balance	- - - 28
			80
Total	- - Rs. 80		

It would surely be much better that an account such as this, which is a very usual account, should be balanced and a fresh bond given for Rs. 28-12 at 20 per cent. than that such transactions should be allowed to run on for 12 years when the original debtor may be dead, and if alive will certainly have forgotten what he has paid. This is the legitimate use of a limitation law, and it can hardly be supposed that the objections made to a limitation law refer to such a use of it.

It is objected to this law that it enables the creditor to extort a renewed bond for a greater amount than that really due. The limitation law alone, however, cannot enable the creditor to practise such extortion. It would rather appear to be the power which the law gives to the creditor to threaten a suit, when a suit may mean the imprisonment of the debtor's person, the sale of his land and dwelling at perhaps a nominal price, and the stripping him of all his other property except the clothes on his back. The reason why he waits for two or three years may be that he has not the effrontery to ask for a bond for double his debt without any excuse, and the limitation law is the excuse he makes use of.

108. The main objection made to a short limitation law is that it enables the creditor to obtain compound interest. Thus a loan of Rs. 100 for 12 years at 9 per cent. becomes only Rs. 208 at the end of the 12 years. The effect of renewing the bond every three years is to raise this amount by charging compound interest up to Rs. 260, thus:—

First bond	- - - - -	Rs. 100
Interest for three years	- - - - -	" 27
Total	- - - - -	127
Second bond	- - - - -	Rs. 127
Interest for three years	- - - - -	" 34
Total	- - - - -	161
Third bond	- - - - -	Rs. 161
Interest for three years	- - - - -	" 43
Total	- - - - -	204
Fourth bond	- - - - -	Rs. 204
Interest for three years	- - - - -	" 55
Total	- - - - -	260

When the interest is high and the bond renewed every two years, as is frequently done, the difference becomes enormous; thus at 25 per cent. Rs. 100 in 12 years becomes at simple interest only Rs. 400, but by a renewal every two years under the limitation law it reaches the enormous sum of Rs. 1,139. The force of the objection depends on the nature of the original agreement. If the agreement was to pay Rs. 25 per cent. on the balance of his account, the debtor, instead of having to pay under the limitation law more than he had promised, would actually pay Rs. 316 less than he owed; for under such an agreement his liability would, at the end of 12 years, be Rs. 1,455 instead of Rs. 1,139. If, on the other hand, the agreement was to pay 25 per cent. simple interest, or in other words to pay only Rs. 400 at the end of the 12 years, the effect of the renewal would be to compel the debtor to pay Rs. 739 more than he owed.

The ordinary form of agreement is to pay on demand the sum lent and interest at the rate fixed. This is in one sense an agreement for compound interest, as the creditor has only to get in his interest as it becomes due, and by lending it again to the same or another debtor he can recover the whole sum of Rs. 1,455 on his original loan of Rs. 100 at 25 per cent. If the creditor omits to get in his interest annually, this is an abandonment on his part of his right under the contract; and he then allows the debtor to have a distinct advantage which was not agreed upon, and loses a large part of his legal claim. But, although, strictly interpreted, this is the legal aspect of the contract, it appears clear that by the practice of the country, the taking of compound interest is not contemplated in the agreements entered into by the ryots. The agreements are for the payment of simple interest only, but with option to the lender to renew, and so to obtain compound interest if he finds himself losing by the transaction. The rates of simple interest are pitched so high in order to enable the lender to allow a long term of grace to the debtor without loss. The understanding is that, if the debtor is unable to pay, he shall not be pressed for the money. Under the old Limitation Law the practice is said to have been that the debtor, even if he paid nothing, was not sued or called upon to renew until the 12 years' limitation was about to expire, and that then he was only sued under the provision of *Dandupat* for double the principal sum lent. In other words, on a promissory note for Rs. 100 at 25 per cent., payable on demand, the creditor did not use his legal rights to a greater extent than at the end of 12 years to sue for Rs. 200; that is to say, instead of treating the contract as one to pay Rs. 100 at 25 per cent. on demand, he treated it as one to pay Rs. 100 at about 5 per cent. on demand. When the debtor was in a position to pay, the creditor probably got in his interest annually, and thus was able to obtain compound interest for his money. While the debtor was insolvent and could pay little or nothing, such a practice had the effect of a rough insolvency law. It amounted practically to the creditor striking off annually such part of his debt as the debtor was unable from poverty to pay. The new Limitation Law compels the creditor to renew oftener than he did before; and the effect, no doubt, is that debtors have now to pay compound interest in a great many cases where formerly they would only have paid simple interest. This effect ought, of course, to be balanced by a corresponding reduction in the rates of interest. If lenders obtain compound interest more frequently than they did before they ought to be content with lower rates of simple interest. But it is evident that such a reduction in the rates of interest can only be brought about by a slow and roundabout process, namely, by increased competition, attracted by the increased profits of the trade, breaking down the old customary rates.

109. We are unable then to avoid the conclusion that the reduction of the period of limitation has been the cause of considerable hardship to the debtor. The question follows whether it is desirable to alter the law in this respect, and to return to the old period. Our opinion is that for the following reasons it is not desirable to do so. In the first place, there is no law in the statute book which it is so desirable to keep free from change as the Limitation Law. There have been two Limitation Acts in the last 16 years, and the present Act is only five years old. Secondly, for the reasons given at the head of this section, we conceive that, if creditor and debtor stand on fair terms with each other, a short limitation is advantageous to both parties. Thirdly, we believe that the present hardship results from causes which will in time work out their own remedy. We are of opinion, however, that something may be done to relieve the present hardship by providing that bonds and other instruments written by the agency, which we propose should be appointed for the purpose, should acquire the extended limitation given to 'registered' instruments by the Limitation Act. The period for unsecured debts will then be extended from three to six years. There is no doubt that in the case of the agricultural debtor there are special reasons for considering an easy term of limitation desirable, for the ryot borrows chiefly against his annual income, and this annual income is uncertain.

VI.—FRAUDS.

(a.)—*Alleged practices.*

110. Among the causes that produce a feeling of hostility on the part of the debtor towards the money-lender, is the general belief that the money-lenders cheat them in various ways. The most common practice is said to be that of omitting to give credit for payments made by the debtor. Written receipts, though often mentioned in bonds as necessary for the proof payments, are in practice never given by the money-lenders. The only provision of the law on the subject is the clause of the Stamp Act, which makes it compulsory to give a receipt for a sum of Rs. 20 or more. The clause, as it stands, might be held to apply to money payments only, but in any case it is a dead-letter as regards the dealings of sowkar and ryot. The latter, when he makes delivery of produce to the sowkar, is not in a position to insist upon a receipt.

Of a similar character is the practice of refusing to show an account. Many sowkars do not keep such accounts as would be intelligible to a ryot, but none ever do more than come to a rough settlement at long intervals, usually when some new form is to be given to the debt. One ryot stated before the Commission that his sowkar had told him he could not spare time to make out an account, and if the ryot insisted he should have to charge him 10 per cent. for the trouble. It has been mentioned that the mortgagee as a rule keeps no account of receipts during his possession of land, even when the interest on the debt is at a specified rate. This practice enables the sowkar to omit credits for part payments when so minded. The Sub-Judge of Tásgaon says:—“The creditor in some cases gives credit for whatever little he receives, but there is nothing to convince the court or the illiterate debtor * * that he has certainly given credit for all the sums he has received.” The Tálegaon Sub-Judge writes:—“The creditors, as a rule, hardly ever pass receipts for money received on liquidation of debts. The onus of proof lies upon the defendant, who being unable, through ignorance and other reasons to prove the contention, is often obliged to pay his creditor again.” The Pátas Sub-Judge in his notes of a case tried in his Court, says:—“Another fact established in this case is that, although the plaintiff admitted that he recovered Rs. 80 a month or two after the bond, yet he charged interest for the whole Rs. 200 to date of suit, and credited Rs. 80 as if it had been received on the date of suit. This is the practice generally prevalent, viz., while calculating interest for the whole amount due from defendant to date of suit, no reduction is allowed for interest for part payments made before suit, giving credit for the amount as if the same had been paid on the date of suit.”

That the ryot does not receive the consideration named in the bond is a common complaint. It has been noted above that the deduction of discount and premium is usual, and also that the ryot generally holds himself estopped from pleading want of consideration in the case of claims on a registered bond.

The complaint that sowkars obtain bonds in satisfaction of decrees, and then enforce the latter has already been noted in the extracts quoted regarding abuse of decrees; it is also believed that they retain and sue upon bonds which have been cancelled by the passing of new ones. It is certain at least that they often retain such bonds. In the proceedings of the police resulting from the ryots it was found that large numbers of the papers extorted by the rioters from the sowkars were superseded bonds, but none of them were found to be cancelled. The sowkars are also accused of imposing upon the ryots in various ways as, for instance, by inducing them to make contracts by promising some reservation in their use which afterwards they disregard, or by inserting conditions which they know to be illegal in order to frighten the debtor or to induce him to refrain from contesting a claim in court, or, when a suit has been filed, by persuading the debtor not to oppose it. In the execution of decrees they are accused of procuring seizure of property not belonging to the debtor on the chance of the real owner paying something to redeem it in order to save himself the trouble and expense of a petition to the court.

111. These and similar fraudulent practices are illustrated in the Appendices; their impunity is made possible only by the ignorance and helplessness of the Kunbi which places legal remedies practically beyond his reach. Actual forgery is no doubt occasionally committed by the money-lender, and he has recourse to false evidence and subornation of witnesses; but such offences are not confined to the sowkar class. The most constantly using the civil court, and most experienced in its proceedings, the sowkar class has no doubt more often occasion to use the means which all are too ready to have recourse to in judicial business. The element of gross criminality is hardly sufficient to be by itself a cause of serious mischief, though it must be admitted that those money-lenders whose reputation in this respect is most evil are among the most successful in

money making, and that they enjoy the fruits of their dishonesty in comparative impunity. To a sowkar, who is not thoroughly degraded, there is little temptation to commit serious fraud; the powers given him by the law are quite sufficient for his purposes without help from illegal weapons.

It is not surprising that the debtor, as is reported, sometimes endeavours to meet fraud with fraud. There is a strong concurrent opinion of local officers who have written on the subject, that the relations of the sowkar and ryot have been productive of considerable demoralization of the latter. The sub-judges state that fictitious transfers of property and other fraudulent practices, such as pleading that bonds are false when they are really genuine, and tendering false receipts in evidence, are resorted to. It is also said that the ryots who know how to use these weapons against the Marwari are prosperous. But the contest is unequal. It requires some intelligence to use the resources of fraud and falsehood with any effect against the creditor; and, as we have seen, it is only in a small minority of cases that the debtor ventures into courts to try conclusions.

(b.)—*Is prevention possible?*

112. The frauds to be provided against are of two classes:—(1), fraud as to the bond; (2), fraud as to the accounts. To prevent fraud of the first kind the only law in force in India is the Registration Act, which, roughly speaking, provides only for documents relating to immovable property above Rs. 100 in value. In most other countries the provisions against this kind of fraud are much more extended. In France the Code Napoleon (Article 2,127) provides that a mortgage can only be made by a deed passed before two notaries, or before one notary and two witnesses: also (Article 2,134) that all liens on immovables take order only from the date of registration: also (Article 2,154) that registration keeps alive the lien or mortgage only during ten years. Registration of all sales and other liens of immovables is, or lately was, made compulsory by the following Codes, namely, Austria, Holland, Russia, Ionian Islands, Prussia, the Roman States, Belgium, Baden, Hamburgh, Saxony, the United States, the Cantons of Vaud, Geneva, Valais, Saint Gall and Soleure, Louisiana, Haiti, Bolivia, Germany, Bavaria, Greece. In Denmark, Norway, and Sweden, such deeds must be read publicly in court and recorded.

113. The Code Napoleon, Article 1,341, provides that every transaction (*acte*) relating to all things exceeding 150 francs in value must be made before a notary or by a writing under private signature, and oral evidence is not admissible to prove such transactions. Article 1,325 provides that acts under private signature which contain synallagmatical agreements are not valid, unless there has been made a number of originals equal to that of the parties having a distinct interest. Article 1,326 provides that an act under private signature by which one single party binds himself to pay a sum of money or a thing capable of being valued, must be written throughout in the hand of the subscriber, or he must, besides his signature, write the word *bon* or *approuvé*, and the sum or quantity of the thing in full, except in the case of tradesmen, artisans, labourers, vine-dressers, day-labourers, and servants. Several Codes follow the Code Napoleon in excluding oral evidence as to transactions. In most of the codes named above limits are fixed to the value of property which can be dealt with without written instrument, and in England section 17 of the Statute of Frauds provides that a contract for the sale of goods of the value of 10*l.* must be in writing, or that part of the goods shall have been accepted by the purchaser, or part payment made. Section 4 provides that no action shall be brought on a promise to answer for the debt of another or on an agreement in consideration of marriage, or for the sale of lands, or any interest in lands, and on an agreement not to be performed within the year, unless such agreement, &c. is in writing and signed. Section 1 provides that certain leases, estates, &c. shall have the effect of leases, estates, &c. at will only, unless put in writing by the parties and signed by them. Several codes provide that certain contracts can only be made by means of a deed before a notary. In Russia leases of immovables, contracts to furnish, loans and contracts of service must be made before a notary, who is bound to keep a register, and is provided with a seal. If the contract of loan is not certified by a notary, the lender loses his right to interest, and his claim is postponed to that of other creditors.

Several of the codes make special provision for parties who are unable to read and write. Thus in Sardinia, it is provided that a deed by a person who cannot read or write is invalid unless signed by three witnesses, two of whom can write. In the Codes of Bolivia, Denmark, and Lucerne, it is provided that there must be two witnesses who must read the document and explain its contents to the debtor. In Russia if the part

cannot sign he must get the deed signed by his confessor or agent. By the Code of Friburg any party to a contract can claim that it should be reduced to writing, and when the other party cannot write that it may be made before a notary.

114. In England unqualified persons are prohibited from practising as conveyancers under a penalty of 50*l.* In India there is no prohibition against the drawing of deeds by unlicensed persons, and the people who undertake this business are known to be often ill-qualified to perform it. In Oudh alone public notaries were appointed under rules laid down some years ago, and their appointment is said to have been popular. It thus appears that fewer precautions are taken in India for the prevention of fraud of the kind under consideration than in other civilised countries. A system of compulsory registration for all bonds was proposed in the Bombay Presidency in 1844, and again in greater detail by Mr. Fraser Tytler in 1859. The objection was felt to be the inconvenience that would be caused to the public by too great interference with monetary transactions. This objection must of course always exist, but we think that something may be done in the direction required by the appointment of persons qualified to draw instruments at convenient distances over the country. With the appointment of such persons a simple system of registration may be combined. The object in view would be, not to introduce a novel system, but to regulate that now existing, by substituting for the present unqualified and irresponsible writers a qualified and responsible agency. We are of opinion that this object may be obtained with no appreciable sacrifice of public convenience and to the great advantage of public morality. As to the second class of frauds, namely, that relating to accounts, it seems to us reasonable that some simple means should be afforded to the debtor of compelling the delivery of receipts and accounts by his creditor.

VII.—THE ACTION OF THE CIVIL COURTS.

115. In the remarks of executive officers on the subject of indebtedness and of the oppression of the debtors, the evils complained of are frequently attributed to the "action of the civil courts." It appears to us that this expression is generally used without any intention of attaching personal blame to the judicial officers who constitute the courts dealing with the agricultural debtor. Indeed, such an intention has been repudiated by some of the officials who have used the expression. The practice of speaking of a particular branch of the law or administration by the name of its outward embodiment, the body of officials who represent it, is usual enough. There can be no doubt that in many cases where the "civil courts" are complained of as causing misery to the debtor, the real subject of complaint is the law those courts have to administer. If, as we hold, the powers of execution given by law to the creditor are oppressive, it is not surprising that the courts, through which those powers are exercised, should get the blame which properly attaches to the law. It must be observed that the law has to presume equality between the Sowkar and Kunbi. We have stated that the dealings between them are conducted not by accounts, but by bonds. The sowkar comes to our courts to enforce a written contract; this form of suit is one in which more than any other it is dangerous for any inequality between the parties to be lost sight of, and at the same time the method of dealing is one that is calculated more than any other to aggravate the disadvantages of the illiterate debtor unable to anticipate the future. The task of tracing transactions imbedded in a mass of bonds, the nucleus of the original consideration incrustated with accumulations of interest, premiums, stamps, and account balances, and carried through repeated renewals, would baffle an intelligent accountant; but such transactions are often the subject of the sowkar's claim in the civil court. The contrast between the position of the English minor, protected by law from the consequences of youthful folly, and the condition of the Kunbi, whose folly is life-long, has often been drawn. The analogy may not be perfect, but the comparison illustrates the point to which we ask attention; and it may be well to note that the Kunbi attains legal majority at 18 years of age, and executes bonds during minority which, though not binding, he supposes to be so. It may fairly be said that the terms upon which suitors stand to each other in the Deccan is such as to make it desirable that there, more than in most places, the courts should be fully capable of holding the balance evenly between the parties.

116. But we have further to consider whether the court in the strict sense, that is, the subordinate judicial staff who have to deal with agricultural debt generally, are in any way responsible for the mischiefs complained of. On this head we may say at once that there is before us, in the reports of many of these judges, ample evidence of a strong desire on their part to alleviate the miseries of the indebted ryot; and, so far as we can judge, their responsibility for the wholesome operation of the laws and system they

administer would not be denied by any of them. But it is possible that the judicial staff, though actuated by the best intentions, may be prevented by special causes from doing justice between man and man to the full extent desirable, and it is necessary for us to consider whether any such causes have been at work in the Deccan. Under the head of *ex-parte* decrees we have remarked on the fact that the subordinate judges are generally overworked, and we have pointed out how this fact must operate injuriously on the debtor, first, by preventing the judge from giving full attention to his case when unrepresented by a pleader, and, secondly, by causing delay in the disposal of suits. We have also pointed out that the inaccessibility of the courts must often tend to keep debtors from appearing in them. There remains another cause which is often quoted. This is the alleged technicality and want of equity of the courts. The judges are said "to have given the people the dry bones of law and procedure instead of the life-giving meat of equity and justice." Again, it is said, "the subordinate judge is quite aware of the inequitable nature of many of his decrees: but he is not a court of equity; he is bound to administer law, not justice, and is powerless to protect the ignorant Bheels." Upon these and similar statements the first remark we have to make is that it is a mistake to suppose that courts in India are bound only to administer law in the sense in which the term is here used. They are distinctly courts "of equity and conscience" as well as of law. Secondly, it is certain that the laws of this country, for instance, the Contract Act, the Evidence Act, and the Civil Procedure Code, are quite open to the charge of technicality as any laws can possibly be. If, then, the complaints in this respect have any force, the blame must lie not with the law, but with the judges. It is quite conceivable that a subordinate judge, whose salary in many cases amounts only to Rs. 200 a month, and whose jurisdiction is as extensive, practically, as that of a high court judge, should, like all comparatively untrained and ill-educated lawyers, be inclined to view law in a technical narrow manner. It is unlikely that the class of men who can be got for such a salary should be able to take such enlarged views of the points that come before them as would naturally be taken by judges of a higher intellectual calibre and greater culture. If the subordinate judges fall short in this respect of the proper standard, the remedy is clearly not far to seek, and higher pay could be offered to attract better men.

117. There is another cause which requires mention here as tending to make the operation of the courts oppressive to debtors, namely, the high costs of suits. The costs of suits fall upon their debtors, and so long as they do not exceed the actual cost of the litigation of which the debtors are the cause, the charge is fair. But the income from the 88 Subordinate Courts, last year, was Rs. 16,89,744; while the expenditure on the courts, including salaries of judges and all officers attached to the courts, was only Rs. 9,90,717. These courts thus yielded a net revenue of nearly 10 lakhs of rupees. It is impossible to ascertain precisely how much of this surplus is absorbed in the support of the Appellate Courts. But we need not say that the object of courts is not to yield a revenue, and it is plainly proper that any surplus that may be derived from them should be devoted to improving the administration of justice in them, and not to any other object. There appears reason to think that some of the miscellaneous court charges—such as fees for copying, cost in execution and attachment processes, and the like—are unduly burdensome, and if this is the case they should be reduced.

App. A.,
p. 292.

CHAPTER VI.—THE IMMEDIATE OCCASION OF THE RIOTS.

118. We have now considered in detail what appear to us to be the general causes in operation for some time past in the disturbed districts which by placing the debtor in a position of unfair subjection to the money-lender aroused, or tended to arouse, hostile feelings in him. It remains to consider what were the particular circumstances which converted those feelings into action in the form of the riots. We have shown how the pressure upon the ryot of measures for the recovery of debt, and the reluctance of the money-lender to make further advances, had been gradually increasing from 1869 to 1875. This reluctance gave rise to a proceeding which is hinted at in the newspaper extract referred to in the first chapter of the report, viz., the refusal of the sowkars to pay the second instalment of revenue falling due in February and March on account of lands, the produce of which they had received from their debtors. An order of Government in the Revenue Department, Resolution No. 726, 5th February 1875, framed plainly with a benevolent intention, had directed that in the case of a defaulting occupant process for recovery of land revenue should issue first against the movable property of the occupant,

Refusal of
the sowkars
to pay the
revenue.

and that the land should not be subjected to sale until this had been disposed of. A sowkar, therefore, who had paid the first instalment in order to secure the produce could refuse to advance the second instalment without the risk of losing the land as his security, so long as the cultivator had movable property to cover the amount of the Government demand; this was done during last season by many money-lenders, who thereby aroused against themselves the vindictive feeling engendered by a sense of deliberate wrong.

119. Our attention has been especially directed by the letter of the Government of India to the Bombay Government, No. 995, of 9th July 1875, to the questions whether the riots were in any way connected with the re-settlement of the land revenue, and whether the rioters were acted upon by the agency of persons of position and education.

Enhancement of Government demand.

We have already observed that the enhancement of the Government demand in the Poona districts operated simultaneously with the fall in prices to contract the ryots' solvency. There can be no doubt as to the effect of such enhancement upon the indebted cultivator. By diminishing his profits it renders him less able to repay his present debts, and it also renders him less able to borrow. On the creditor its effect will be to diminish his income both as a creditor receiving the profits of his debtors' lands and in many cases also as a proprietor drawing income from land in his possession. He will seek to recover himself for these losses in his income by pressing his demand upon the debtors. This will reduce the amount of future loans in proportion to the reduction in his income. By these natural consequences we believe that the enhancement of the Government demand contributed in the Poona districts to aggravate the result of the fall in prices.

Influence of persons of position.

We have not found any reason to believe that the ryots in committing themselves to the outbreak were as a body acted upon by persons of higher position and education. Among the influential classes there were many who would find their interest in the success of the Marwari or Guzar money-lenders; such were those who, like the Deshmukh Kardeh, might expect on such a contingency to be saved from ruin themselves, and the large classes of Brahmins who formerly supplied many members of the banking and money-lending class, but who have not been able to compete with the more practised and unscrupulous foreigner. There is no evidence that the movement which culminated in the riots was organised or fostered by such persons with any comprehensive design, but it has been made apparent that in some cases the rioters had the support and countenance of persons of influence in their neighbourhood.

Encouragement from a band of outlaws.

120. There had been during 1874 a band of Koli outlaws committing dacoities on the hills of the western districts of Poona and Nagar. Their outrages were almost entirely perpetrated against the sowkar class, and, owing to the terrorism they created, a large tract of country enjoyed complete immunity from the exactions of Marwari creditors and their agents for many months. It is very possible that this example was an encouragement to those harassed by Marwari creditors in the neighbouring districts.

Circulation of a story.

A circumstance which perhaps more than any other precipitated the outbreak was the circulation of a story, which would seem too absurd to obtain belief even amongst the most ignorant, to any one unacquainted with the people or with the history of the Santhal rebellion or the Mutiny of 1857. The most popular form of the story was that an English *sahib*, who had been sold up by a Marwari creditor, had petitioned Her Majesty the Queen on the subject, and that she had sent out orders that the Marwaris were to give up their bonds. As more briefly told and largely believed, even by the more educated people of the villages, the story was condensed into the simple form that on a report from India, orders had come from England that the Marwaris were to have their bonds taken from them. In some form or other this report was circulated, and belief established that, acting under orders from England, the Government officers would connive at the extortion of their bonds from the sowkars. It is somewhat remarkable that a somewhat similar belief was entertained by the Santhals, whose rebellion is known to have originated in similar causes.

Official inquiry as to money-lending.

121. During 1874 the district officers had been called upon to furnish information regarding the people of their districts for the officer compiling the gazetteer of the Presidency. Amongst other subjects the business of the money-lender, the leading characteristics of his professional dealings, and his relations to the agricultural class had been inquired into. It is impossible to suppose that the fact of such an inquiry had been made should not become known through questions referred to subordinate officials and other ways; the fact becoming known, the object of the inquiry would be canvassed and most surely misapprehended by the masses of ignorant debtors, and in this way it may well be supposed that the absurd rumours above described being associated with the actual fact of the inquiry into sowkars' dealings would receive more ready credence.

“The Government through the district officers had heard of the ill-treatment of its ryots by the sowkars, had caused inquiry to be made, and had now given an order which would redress their wrongs.”

CHAPTER VII.—REMEDIES RECOMMENDED BY THE COMMISSION.

122. Remedies for the evils resulting from indebtedness may be sought either in the removal or mitigation of the causes which lead to debt or in the removal or mitigation of consequences.

Beginning with the causes of indebtedness as described above in Chapter III. we find Poverty. Poverty associated with unfavourable conditions of soil and climate as one of the causes. The only possible mitigation of this cause appears to be the improvement of the conditions of agriculture by irrigation; but we have seen that the incubus of debt requires to be removed before the ryots can be expected to avail themselves largely of such means. However, we are of opinion, be well for Government to consider whether the carrying into effect the provisions of the Land Improvement Act might be effected in such a manner as to make the help which Government is ready to give under the Act more available to the ryot than it is now found to be.

123. The next cause of indebtedness is ignorance and improvidence. The natural Ignorance, remedy for ignorance is education. Experience has shown that from this no speedy improvement can be hoped. For the purpose of this inquiry we must assume not only that the Kunbi is uneducated, but that he will continue to remain so. Improvidence is to follow as a consequence of ignorance. The expenditure in marriages and on other occasions will, it may be hoped, gradually decrease (as it has been decreasing for some time past), and we have already recorded our opinion that if the Kunbi were not burdened with debt even the present expenditure would not be excessive. In the measures which we shall propose below will be found one which we believe will go far to protect the ryot from the immediate consequences of his ignorance.

124. The increase of population as a cause of debt can only be met by increasing the Increase of production of the soil or by emigration. We have seen that the former relief is for the present barred by the obstruction of present indebtedness and want of capital. But the introduction of canal irrigation cannot fail in time to change the face of a great part of the country. The experience of the North-west Provinces has shown that, though there may be reluctance at first to use canal water, the pressure of bad seasons sooner or later compels the ryot to make the experiment, and the reluctance is then overcome.

125. The fixed revenue demand associated with variation of season is another cause Rigid re- of indebtedness. We do not at all under-estimate the importance of fixity of demand in the land revenue, but we question whether this advantage is not purchased too dearly by the ryots of a large portion of the disturbed district, perhaps also by the Government itself; for the Government limits its assessment in consideration of bad seasons, but is nevertheless forced to give remissions in years of drought. We will not refer to the frequent remissions during the early period of the late survey settlement in the eastern districts of Poona; but we note that large remissions were given in Indápur and Bhimthari in 1866-67 and again in 1871. The local peculiarities of the district then cannot be ignored; but at present they are recognised only in extreme cases, and only in the direction of reduction, never of enhancement. On the strict principles of the settlement, remissions should never be given. If these principles are departed from, it would appear reasonable that Government, which shares the loss in years of drought, should also share the benefit in the years of great plenty. If it were possible to introduce a more elastic system at the present, which should yet be governed by fixed principles and avoid haphazard remissions, we believe that both the ryot and Government would in the end be gainers. This question is under consideration by the Government of the North-west Provinces with regard to its Bundelcund districts, which labour under the same disadvantages of season. It is a question with the details of which we are hardly called upon to deal, but we believe it to be deserving of careful consideration, with the view to relieving Government of the responsibility, however indirect, of contributing in some measure to the ryots' embarrassments. As the outturn of produce in these “drought-stricken” districts varies directly with the quantity and timeliness of the rain-fall, and as these are factors which can be accurately ascertained, it may be possible that some system of adjusting the Government demand to the ryots' capacity within reasonable limits might be made to work without being open to the objection of uncertainty.

App. C.,
p. 289.

We may note here that in the Madras Presidency, where a Ryotwari Settlement exists, a system of annual remissions for loss and failure of crops, and for land falling waste through causes beyond the control of the ryot, is in force. The remissions range annually from 2 to 10 per cent. of the gross demand, which is about Rs. 40,000,000. The remissions for loss and failure of crops are granted in the form of a percentage on all lands which have suffered. No attempt is made to estimate individual losses; but the rate of remission, when necessity arises, is determined by the examination by local officers of a sufficient number of fields. The system is stated to work well. For the area of uncertain rainfall in the Deccan we should however be disposed to prefer a system of greater certainty, and one less dependent on local investigations. We may also note, with reference to the rigidity of the demand in the Deccan upon the persons actually cultivating the soil, that in the North-west Provinces, where the money-*rent* paid by the cultivators generally fall short, as the assessment does here, of the full *rent* of the land, and where moreover seasons are more certain, the *rent-rol* is still sold, collected in full by the landlords within the year. Either the landlord is merciful and makes allowance for the misfortunes or necessities of his tenants, or the tenants are actually unable to pay in full. In most villages a balance of 5 or 10 per cent. is left uncollected to be recovered in the next or following year, or in extreme case dropped altogether. There is thus an elasticity in the demand; the landlord acts as a buffer between the State and the cultivator.

App. C.,
p. 290.

Enhance-
ment of as-
sessment.

126. We are strongly of opinion that on revisions of assessment when the Govern-*ment* demand is enhanced more than 25 per cent., the increase should be imposed gradually. It is now the practice in the North-west Provinces. The injurious consequences of sudden enhancement have been noticed above; these would be in a great measure avoided by a gradual increase, and there does not appear to be any objection to this method outweighing its obvious advantages.

Defects of
the present
law.

127. Of the remedial measures which we submit, it will be seen that one (a Bill for the Prevention of Frauds) is intended to protect the ryots in the first stages of debt by the creditor has gone to the Civil Court. We have above represented the particular disadvantages under which the ryot is placed, and the fraudulent and unfair practices which he is exposed by his ignorance and helplessness at these stages; and we have indicated the manner in which it seems possible to afford him protection. We have also noticed the effect of the Limitation Law as abused by the creditor. The statement of objects and reasons attached to the Bill will show how its provisions may be hoped to meet these particular evils. The second Draft Bill is a measure designed to meet the hardships incurred by the debtor through the excessive powers given to the decree holder under the present law, the absence of all protection to the insolvent debtor, and the use of decrees *in terrorem*.

Alterations
in conduct
of judicial
business.

128. Together with these measure we have to suggest an important alteration in the present system of conducting judicial business in the Subordinate Courts. The following figures show the proportion of debt-suits to other suits in the Subordinate Courts at Poona and Ahmednagar, and the number of debt-suits below Rs. 200 and above Rs. 100, and the number of suits below Rs. 100 :—

Proportion of debt-suits to other suits.

	Debt-Suits.	All Suits.	Percentage.
Nagar	- 8,444	9,008	93.73
Poona	- 7,457	7,978	93.46

Proportion of suits below Rs. 200 to other debt-suits.

	Debt-Suits.	Below Rs. 200 and above Rs. 100.
Nagar	- 8,444	1,210
Poona	- 7,457	1,087

Proportion of suits below Rs. 100 to other suits.

	Debt-Suits.	Below Rs. 100.
Nagar	- 8,444	6,523
Poona	- 7,457	5,735

App. C.,
p. 291.

In the Appendix will be found an analysis of the suits disposed of by the sub-judges with reference to the question of giving the sub-judges the powers of small cause courts.

which still further illustrates the nature of their work. Many of the sub-judges have been given the powers of small cause courts, and it is understood to be the intention of Government to confer these powers generally as qualified judges are appointed. In districts such as Poona and Ahmednagar, it seems to be of urgent importance that judges so qualified and exercising these powers should be appointed as a preliminary to the change in their present method of conducting judicial business.

129. We have stated that one reason of the non-appearance of the Kunbi defendant is his inability to leave home for any time without loss. Another is the expense of pleaders. We think it essential to any judicial reform in the courts which deal with small agricultural debts that they should be easily accessible to the defendant and his witnesses, and, consistently with due order, as little as possible attended by the formal official surroundings of a regular stationary tribunal. For this purpose it is of importance that the small debt cases should be heard as near to the residence of the parties as possible. We therefore recommend that in the jurisdiction of each subordinate judge, village courts should be opened in a number of localities sufficient to place one within easy reach of every village, so that litigants may be able to go to the court in the morning and return home at night. The market towns would, if suitable accommodation existed, be the best localities; so that the judge might hold his court during the bazar days. One advantage of this system of hearing cases on the spot would be that the witnesses and parties would be much more likely to state the case according to the truth, because they would be subjected to the criticism and public opinion of their fellow-villagers. A man would often lie in a distant court where nobody knew him, who would not do so in the presence of all his friends who knew the real facts.

Village courts.

A sufficient number of clerks or registrars would have to be provided to receive plaints and answers and issue summonses and warrants, and generally to prepare the cases to be heard in the village courts for hearing by the subordinate judge. For the actual conduct of cases the present establishments of the subordinate judges should supply a sufficient staff. The procedure in all small debt cases being that of a small cause court, the record would not require much labour. The subordinate judge should visit each court at stated intervals, the list of cases for hearing at each being published beforehand. We would recommend that the patel of every village should be made an officer of the civil court, to be present and to attest the execution of all processes, service of summonses, and such duties, for which the payment of a small fee would be sufficient. The executive portion of judicial business has in our opinion not benefitted by being conducted altogether independently of the village executive. In former times, we are told by a native judicial officer of experience, a patel would report to the munsif the conduct of a judgment-debtor endeavouring to make away with his property; now the sympathy of the village court is rather inclined to the other side. In order to carry out these changes no amendment in the law appears to be necessary.

It has been suggested by officials to whose opinion we attach weight that a pleader should be appointed specially to represent the agricultural and illiterate defendants. We see no valid objection to such a measure, but prefer to confine our recommendations on the subject of the conduct of small debt cases to the proposals above mentioned, hoping that, if the other measures which we submit are carried out, the defendants themselves may be more able and willing to appear in court when they have an answer to submit; and trusting also that the subordinate judges will be able to deal with debt cases as they ought to be presented under an improved system of trade, without the assistance of pleaders. The appointment of a pleader to represent illiterate defendants is a measure the advisability of which may be determined by experience.

App. A., pp. 278-291. Special pleader for illiterate defendants.

The Draft Bill for amending the law regarding execution of decrees contains provisions which may, we think, be safely made applicable to the whole of India. They are:—

Draft Bill for amending execution of decrees.

1. The abolition of imprisonment for debt.
2. The exemption of necessaries from sale in execution.
3. The provisions protecting the judgment-debtor from a wrong use of a decree and making the decree a *finis litis*.
4. The limitation of decrees.

As to the detailed provisions regarding the sale of immovable property we are unwilling to hazard an opinion that they can be made of general application. The questions involved are very numerous, and require a much more extended and minute enquiry than we have been able to bestow. As to the advisability of inquiry into the extent of a judgment-debtor's property before land is sold, we have little or no question but that a provision of law would be highly beneficial everywhere. As to the method in which the inquiry should be made and the other incidents of the procedure which the

draft Bill contains we feel that these subjects require the maturest consideration and reference to the best judicial authorities before any measure generally applicable could be resolved on.

132. Regarding the general provisions of the Draft Bill little remains to be said which has not already been anticipated in our remarks on the evils which they are intended to remedy. As to imprisonment and protection to the debtor's necessities, it is quite unnecessary to do more than refer to those remarks. The provisions relating to the sale of immovable property present the following features which call for remark:—

1st. That immovable property should be sold only by order of the district court and after inquiry.

It would be manifestly impossible for the subordinate court, which is fully occupied with small debt cases, to conduct the inquiries which we advocate. If, as may be expected under an improved system of money dealings and with a more accessible court, more debt cases are defended the time of the sub-judge will be mainly occupied in disposing of such cases. The member of the district court, to whom the duty of making inquiries would fall, would be better able to deal with points of law than the sub-judge, and such points would be frequent. The small cause court judges cannot now order sale of immovable property in satisfaction of a decree, and the sub-judge who would sit in a small cause court would have to transfer the decree for execution. It is not desirable to let the sale of land remain as at present a process of no more responsibility to the judge or difficulty to the decree holder than, as the native, quoted by Mr. Pedder, puts it, "the sale of a bullock or a turban." As regards the method provided in the Draft Bill for a partial sale of the interest in land, we would observe that it is not open to the objections above stated against the *temporary* alienation of the *whole*. The other alternative processes allowed by the present law are open to the court; but this might, we think, be safely added. The right of pre-emption given to the collector offers some security against unnecessary sales being brought about by combination or fraud, for within safe limits the Government would probably be willing to sanction what would practically amount to enhancement of the assessment to a rackrent.

133. Regarding the provisions drafted to make the decree final and to prevent its abuse, we quote the following extract from the Administration Report of the Central Provinces for 1874-75:—

Bonds in adjustment of decrees.

"The point to be determined seems to be this, whether a decree is a final settlement of a transaction, or whether in the same way as a decree supersedes a contract or agreement, either by decreeing its enforcement or some penalty thereon, a decree itself can be superseded by a private agreement between the parties made without the cognisance of the court which passed the decree. It is difficult to hold the latter view; first, because the Code of Procedure lays down that a payment on a decree must be made through the court, and if not made shall not be recognised by the court; hence a decree holder, if he obtained payment or part payment with a fresh bond from his debtor, might take out execution on his decree, while the court could not give the debtor the benefit of any payment made, and the creditor would afterwards again sue on his fresh bond.

"But if it be lawful to supersede a decree by a fresh bond, of what use is for the Committee revising the Code of Procedure to suggest that no decrees shall remain alive beyond 12 years? It would be no relief whatever to debtors in the Central Provinces, where it is believed that a very large proportion of decrees, immediately on being obtained, superseded by fresh bonds, and thus the decision of a suit and the passing of a decree are not by any means the end of a transaction, but only one stage of debt case which is for ever before the courts. In these provinces there is no *fnitis litis*, and this would explain also why there are so many cases instituted in these provinces, so many instituted year after year. They are in great measure only the same cases coming up over and over again."

On the limitation of decrees to six years we have to note that in the new Indian Procedure Bill it is proposed to fix a limit of 12 years, and that in the Bengal rent (Act X. of 1859) decrees of under Rs. 500 in value are limited to three years.

134. In the present state of the law an Insolvency Act is in our opinion urgently needed. If the changes which we recommend in the law for the execution of decrees were carried out, the need of an Insolvency Act will, we think, be much lessened. As it is impossible to provide any insolvency law which would be restricted in its application to the agricultural debtor class with whom we are concerned, we do not find power to make any specific proposals regarding such a measure, nor do we

that, so far as the needs of this class are concerned, this subject presents any great difficulties.

135. Measures such as those which we advocate may be objected to on the ground that, as they directly tend to reduce the sowkar's security by limiting his powers of recovery, they will raise the rate of interest. The limitation of the powers of recovery, together with obstacles in the way of unfair dealing, will, we are of opinion, operate rather to restrict the sowkar's business to its legitimate limits; that is to say, by raising the rate of interest will exclude the worst class of borrowers from obtaining loans altogether. The rate is, under the present conditions of the sowkar's trade, in some degree determined by the risk of the worst cases; but the worst class of debtors would not be able to borrow money at all, or only very small amounts, if the creditor had not the large powers which the law now gives him; if these powers are withdrawn, the money lender will have to restrict his dealings to the more solvent and respectable borrowers, and they will not be burdened with the risks of the bad debtors. The effect of changes favourable to borrowers has been rather to enlarge the area of indebtedness than to reduce interest. A change in the opposite direction may be expected, therefore, to contract the area rather than enhance interest. The best class of sowkars rarely have recourse to the civil court; their business would be hardly affected by any change in the law; the effect of the proposed changes then would fall upon the lower class; it is this class only which lends to the poor and least respectable ryots; the better class of borrowers will always be able to obtain credit from the better class of sowkars who do not depend upon the civil courts for the recovery of their debts.

Objections to
proposed
measures.

We are further of opinion that while the delays of inquiry preliminary to sale of land will tend to make the security unpopular at first, on the other hand the enhanced value to be expected from sales of good title will bring a re-action in this respect, and eventually improve land as security.

136. It is not improbable that the objection may be raised to the measures proposed, on financial grounds, that they would involve a large increase in judicial machinery and corresponding outlay. On this point we would observe as follows:—

First, there is a surplus to be disposed of, the income from Court fees in the Subordinate Courts being at present considerably in excess of the expenditure. On this subject we would invite attention to the remarks of the Judge of Tanna at p. 294, Appendix A.

Secondly, it may reasonably be anticipated that, if the measures which we advocate become law, there will be a very material reduction in the work of the Subordinate Courts, which is now believed to be beyond their strength. Improvements in the system of dealing ought both to improve the relations of debtor and creditor and to facilitate the disposal of suits when the parties differ. Curtailment of the creditor's extensive powers of recovery by law ought to check undue dealings and the vast amount of debt due from insolvent, or nearly insolvent, estates, which gives occasion both to constant suits and to constant applications for execution. The extension of limitation bonds will enable the debtor to stave off the constantly recurring crises which end soon in a suit. The restriction of the currency of decrees and the discouragement to adjustment by new bonds will stimulate the creditor to obtain speedy satisfaction and reduce the number of processes. The hearing of cases on the spot by enabling the creditor at once to procure the attendance of witnesses and production of evidence will abate delays and postponement. The use of the Small Cause Court procedure will promote despatch. For these and similar reasons it may be anticipated that, although a very pressure of work at present is to be anticipated, the ultimate effect of the measures proposed will be to bring the work of the Subordinate Courts within their powers, and the only additional machinery which the carrying out of those measures would involve, will be an increase in the staff and establishment of the District Court. Against the increase of work entailed by the inquiry preliminary to a sale of land, must be set off a large number of appeals in suits growing out of such execution sales. Of suits brought to immovable property about 1 in 5 are appealed, and of this class of suits out of 10 in the Presidency of Bombay 4,329 grew out of execution sales. It may be stated that the effect of the proposed measure will be to reduce very considerably the number of applications for sale of land. Allowing then for the reduction in appeal and in the number of applications for sale, and considering that the Judge would refer to the Subordinate Court the duty of inquiring into the simple claims, therefore it, it may reasonably be expected that the addition to the District Bench will not be so large as might at first sight appear probable, looking merely at the applications for the sale of immovable property under the present law.

Measures for
dealing with
present debt.

137. Regarding immediate measures for dealing with the existing debt in the disturbed districts, proposals were submitted by a member of the Commission, and are now before the Government. It may be anticipated that the discussion of the measures now proposed will make creditors eager to use the powers they possess against their debtors, in view of their possibly being deprived of some of them; to meet this danger we consider that it would be well for the Government to consider the advisability of applying the provisions of the Draft Bill for altering the execution of decrees to the districts of Poona and Ahmednagar by a special Act.

BILL FOR THE PREVENTION OF FRAUDS.

Statement of Objects and Reasons.

Money-lenders are frequently charged with cheating their debtors—

- (1.) By forging bonds.
- (2.) By withholding the consideration mentioned in a bond.
- (3.) By obtaining new bonds in satisfaction of old bonds and of decrees, and nevertheless enforcing the latter.
- (4.) By not giving credit for payments.
- (5.) By refusing to explain, or by wrongly representing, their accounts to their debtors.

Debtors are charged with cheating their creditors—

- (6.) By pleading that bonds are false when they are really genuine.
- (7.) By tendering in evidence false receipts and false evidence of alleged payments.

The present short period of limitation for unsecured debts is believed to cause hardship to debtors.

To prevent frauds of the kinds (1), (2), (3), and (6), a system of compulsory registration of all bonds was suggested in 1844 and again in 1859. The objection was felt to be the inconvenience that would be caused to the public by too great interference with monetary transactions. This objection must always exist, but it is thought that something may be done in the direction required by regulating the agency employed in bond writing, that is by substituting for the present ill-qualified and irresponsible writers a qualified and responsible body of men. The present Registration Law (Act VIII., 1871) provides, roughly speaking, only for documents relating to immovable property above Rs. 100 in value. It is proposed in this Bill to supplement the Registration Law by providing a cheap and simple method by which persons desiring to execute any instrument may get it reduced to writing and registered. Sections 1 to 6 provide for the appointment of public notaries, whose duty it will be to write and register instruments in sufficient numbers in every district. To both parties there will be the advantage, each will be made more secure against fraud by the other; to the obligor, that he receive a copy of the instrument. It is further proposed (section 7) to give to instruments registered by a public notary the extended term of limitation secured to instruments regularly registered by clause 6, section 3, of the Limitation Act. Advantages, and the knowledge that henceforth an instrument written by any one public notary will be regarded with suspicion by the courts, will probably be sufficient to induce the people generally to use the notaries' services. It is proposed, however (section 12), to penalise the writing of instruments for hire by unlicensed persons. With regard to certain instruments to which one of the parties is a person unable to read or write, and therefore a person requiring special protection, a compulsory clause seems necessary, and has been included in section 12. It is not thought desirable to make the penalty take the form of invalidity in the instrument itself.

To prevent frauds of the kinds (4), (5), and (7), the expediency of enforcing the delivery of receipts and accounts has been often insisted on. Sections 8 to 10 of the Bill provide for the delivery of receipts and accounts. A debt may be due under an instrument or on an account. In the first case the debtor can claim a receipt for any payment made (whether in money or kind) and a statement of account at the end of the year. In the second case, the debtor can claim a pass-book and can have his account to be written up in it at any time. The difficulty follows as to the penalty for non-compliance. Section 10 of the Bengal Rent Law (Act X., 1859) provides that any tenant from whom a receipt for rent paid is withheld can recover damages not exceeding double the sum paid. But the section is understood to be not very effective owing to the reluctance of tenants to sue; and a similar provision would p

ineffective here. It might be made more effective by providing that damages could be allowed as a set off against a suit by the creditor. But this would be a roundabout method. Section 27 of the Stamp Act provides a fine of Rs. 100 for any person refusing to give a receipt for any sum exceeding Rs. 20 in amount, and the offence (section 44) is triable by a magistrate. It is true that the object of this penalty is to secure the stamp revenue, not to protect the person making the payment, but none the less does it constitute the withholding of a receipt for certain sums a criminal offence. It is proposed in this Bill to extend the penalty and the magistrate's jurisdiction to the withholding of a receipt for any payment, and to the withholding of accounts and pass-books. The moral effect of this provision will probably be such that it will seldom be necessary to enforce the penalty. Section 13 enables the Local Government to exclude any district or place from the operation of the Act. It will perhaps be considered desirable, in the first instance, to exclude the city of Bombay and large towns.

With regard to the rules which will be framed by the Local Government under section 2 for the appointment and direction of public notaries, the following suggestions are made :—

(a.)—The remuneration of a notary should consist partly of a fixed allowance, and partly of a share or the whole of the fees taken by him.

(b.)—The fees should be low and adjusted by a simple scale :

<i>e.g.</i> , 2 annas when the amount involved does not exceed	Rs. 25
4 annas when it exceeds Rs. 25 and does not exceed	Rs. 50
8 annas	Rs. 50
1 Re	Rs. 100
5 Rs. for any sum over Rs. 1,000.	Rs. 1,000

(c.)—The payment of fees might be conveniently effected by the purchase of an adhesive stamp to be affixed to the instrument.

(d.)—All sub-registrars should be notaries.

(e.)—All notaries should be licensed stamp-vendors.

(f.)—Qualified kulkarnis might be notaries.

(g.)—Notaries might be of two grades, the lower qualified only to write certain instruments.

(h.)—Printed specimen forms of common instruments should be distributed to notaries.

(i.)—On the copy of the instrument which is given to the obligor should be printed a note informing him of his legal rights under the Act; *i.e.*, his right to demand a receipt, an account, or a pass-book.

(j.)—Licenses to draw and write instruments should be granted to vakils, attorneys, solicitors, and barristers on application.

(k.)—Every public notary should be directed to furnish to the kulkarni of any village, on application by him, from time to time, information of all conveyances, mortgages, and leases of lands in that village registered by him.

DRAFT BILL.

WHEREAS, in order to the prevention of frauds, it is expedient to appoint public notaries, and to enforce the delivery of receipts and accounts by creditors in the Bombay Presidency, it is hereby enacted :—

Public Notaries.

1. Public notaries for the purposes of this Act shall be appointed in every district.
 2. The Local Government shall frame rules for the appointment, location, and regulation of public notaries, and for the due performance of their duties.
- Every public notary shall keep a register of instruments written by him. The leaves of this register shall be numbered in a consecutive series. Each leaf shall consist of two parts bearing the same number.

When persons desiring to execute any instrument present themselves before a public notary, he shall, after ascertaining their identity, and receiving from them the prescribed fee and the necessary stamp, write the instrument, and cause them to execute before him. When any of the parties is unable to read or write, he shall cause the execution of the instrument to be attested by two witnesses.

The public notary shall make two copies of the instrument, when executed, one of which shall be filed in his register, and shall note on the instrument the number of the leaf. He shall

deliver the instrument to one party and a copy to the other party, and the remaining copy shall remain in the register.

6. In any instrument written by a public notary, the amount and nature of the consideration shall be fully set forth. If the consideration consists either wholly or in part of the cancelment of previous instruments, those instruments shall be separately described. On the back of the instrument the public notary shall also record the date, hour, and place of execution, and shall also record whether or not transfer of the consideration or any part of it took place in his presence.

7. All instruments written by a public notary as above provided shall be deemed to have been "registered" within the meaning of clause 6, section 3, of the Limitation Act.

Receipts and Accounts.

8. Any person making a payment under any instrument shall be entitled to receive a receipt from the person to whom payment is made. If the payment is made under an instrument written by a public notary, the receipt shall, if the person on behalf of whom the payment is made requires it, be endorsed upon the copy of the instrument furnished to him.

9. Any person by whom payment is due under an instrument shall be entitled to receive from the person holding the instrument within one month after the date on which by local custom annual accounts are balanced, a statement of his account up to that date. The Local Government may, by a notification in the *Government Gazette*, declare the date in force in any district or portion of a district.

10. Any person in whose name an account is kept by any trader or money-lender shall be entitled to receive on demand a pass book, and at any time to require that his account be written therein. The entry in a pass book of a payment received shall be deemed to be the delivery of a receipt.

Penalties.

11. Any person who withholds a receipt required to be given by section 8, or a statement of account required to be given by section 9, or a pass book required to be given by section 10, or who refuses to write up an account in a pass book, as required by section 10, shall for each such offence be liable, on conviction before a magistrate, to a fine not exceeding Rs. 100.

12. Any person, not being a public notary or specially licensed, who writes an instrument for hire, or who, whether for hire or not, writes a bond, conveyance, lease, mortgage-deed, or promissory note, intended to be executed by a person unable to read or write, shall for each such offence be liable, on conviction before a magistrate, to a fine not exceeding Rs. 100.

Provided that nothing in this section shall apply to any public officer writing instrument in the course of his duty, nor to any person employed to write an instrument not drawn by himself.

Operation of the Act.

13. The Local Government may, by a notification in the *Government Gazette*, exempt any district or portion of a district from the operation of this Act.

BILL FOR AMENDING THE LAW RELATING TO THE EXECUTION OF DECREES.

Statement of Objects and Reasons.

The necessity for an Act in some form for the purpose of relieving debtors from oppressive nature of the present law for the recovery of debt has been shown in report. The law in this respect is believed to be more severe than that of any country, and the intention of the Bill is to reduce the creditor's power to what we believe to be sufficient for the protection of legitimate trading.

The first section is for the abolition of imprisonment for debt. This is not only existing law in England and elsewhere, but from the debates on the Civil Procedure

it would appear that that it was intended that by the provisions of that Act imprisonment for debt should be for all practical purposes abolished. Mr. Harington said that the effect of his amendment would be that "a judgment-debtor, who on being arrested could satisfy the Court of his inability to pay, need never go to jail at all." The facts before the Commission show that this intention has not been effected by the terms of the Act, and the object of the first chapter of the proposed Act is simply to ensure that what was then intended shall in future actually be the law. The object of the sections of Act VIII. of 1859 relating to imprisonment is simply to obtain a full disclosure of the property of the debtor. This object it seems to us can be better accomplished by giving the creditor power to call upon the debtor to give in a list of his property. The debtor can be punished with imprisonment if he refuses, and he can be punished for perjury if he gives a false account of what he has, or if he conceal or make away with such property fraudulently.

The second proposal is that necessaries should be exempt from sale. It seems hardly necessary to explain why such a rule is required. Small houses have been added to, and beds have been omitted from, the list usually given; in India, where living in lodgings is almost unknown except in cities, a dwelling ranks among necessaries before a bed.

The third proposal relates to the sale of immovable property; the object of it is to prevent unnecessary sales of land and to secure the full value of such as may be sold. At present there is so great insecurity in purchases of immovable property at court sales that frequently only nominally prices are realised, and consequently valuable lands have to be sold unnecessarily. If the title were first inquired into, such unnecessary sales would not occur. At present a purchaser sometimes acquires nothing but a crop of litigation. Out of 6,020 suits relating to land, no less than 4,329 arise from execution sales; the effect of the proposed provisions will be that most of these 4,329 suits would be disposed of before the sale instead of after it, and the sale would thus become a real instead of a nominal one.

The fourth chapter relates to the abuse of court process which, according to the evidence before the Commission, is extensively practised. It is intended thereby to enable the debtor to avoid such agreements as are referred to by Meer Mahomed Khan, a Jaghirdar of Sind, who on several occasions was forced, under pressure of court process, to agree to pay double and treble even of what he owed. A further object aimed at is to make the decree the *fnis litis* and not merely a basis for a new bond and a new decree *ad infinitum*.

The fifth chapter is intended to prevent decrees running on to an unlimited extent against the after acquired property of the debtor.

DRAFT BILL.

WHEREAS it is expedient to amend the law relating to the execution of decrees; it is hereby enacted as follows:—

I.—Of abolition of imprisonment for debt.

1. The following Acts are repealed to the extent specified opposite to each:—

Number of Acts.	Extent of Repeal.
I.—Act VIII. of 1859 - - - -	Sections 273 to 283 inclusive. Sections 201 and 212, so far as they relate to arrest and imprisonment in execution of decrees.
I.—Act XXIII. of 1861 - - - -	Section 8. Section 13, so far as it relates to arrest and imprisonment.
I.—Act XI. of 1865 - - - -	Section 19, so far as it relates to arrest and imprisonment.

II.—Liability of judgment-debtor to furnish a list of his property, and exemption of certain property from sale in execution.

The judgment-creditor shall be entitled to a complete list of the judgment-debtor's property. For this purpose the sections of Act VIII. of 1859 relating to witnesses shall be applicable to judgment-debtors, and on the application of the decree holder the Court

a notification to the Court, to which shall be appended a copy of the proclamation of sale; and on such notification being received and accepted by the judge, the collector shall become owner of the property and shall be liable to pay the price of it to the persons entitled thereto.

245f. When a charge has been purchased by the collector, either in open sale or by pre-emption, he may recover the annual amount due as a revenue demand.

246g. If it appear to the Court that the net annual profits of the property for 20 years are not sufficient to pay the claims thereon, the Court shall issue a warrant for the sale of the property and pay the claims out of the proceeds of the sale in the order of their respective priority.

4. In section 249 for the words "The proclamation shall also declare that the sale extends only to the right, title, and interest of the defendant in the property specified therein," shall be substituted the words "The proclamation shall also declare the extent and nature of the title which is about to be sold."

5. Section 252 the word "movable" shall be omitted.

6. For section 259 the following shall be substituted:—

After a sale of immovable property shall have become absolute in the manner aforesaid, the Court shall grant a certificate to the person who may have been declared the purchaser at such sale, describing the nature and extent of the title purchased by him in the property sold, and such certificate shall be a valid transfer of such title.

IV.—Agreements extorted by process of execution or threats thereof.

7. Any agreement made by way of an adjustment of a decree shall be carried into effect by the Court executing the decree and not by a separate suit.

8. Any agreement obtained by the use of process in execution of decrees, or by a threat thereof, against any person for the purpose of coercing that person to enter into such agreement, shall be void; provided that the Court may give such compensation as may appear to be just in consideration of the creditor postponing the use of such process.

V.—Limitation of decrees.

9. Section 207 of Act VIII. of 1859 shall be read as if the following addition was made thereto:—

Provided that no such application shall be received after the expiration of six years from any of the following dates, namely,—

(a.) The date of the decree sought to be enforced;

(b.) When the decree directs or the parties have agreed to a payment by instalments, the due date of the instalment, of which payment is sought to be enforced.

MINUTE ON THE CONNEXION OF THE REVISION OF ASSESSMENT
WITH THE RIOTS.—By Mr. RICHEY.

THE Commission have, in their joint report, stated their concurrent opinion on this question. Mr. Carpenter and Mr. Lyon go further, in attributing the outbreak more directly to the enhanced assessments, and desire to record separate minutes on the subject. I here state briefly the grounds on which I dissent from them.

I take Mr. Carpenter's minute as affecting the issues on which we differ in a convenient form. I have recorded in the report my concurrence with the other members that a large enhancement imposed all at once must affect the credit of the cultivator, and cause the sowkar to refuse advances and press for payment, both of which proceedings are unpalatable to the debtor.

Mr. Carpenter is of opinion that these consequences were unduly aggravated to the debtor in the recent revision by—

1st.—The enhancements being imposed at one blow.

On this head the Commission are unanimous that largely increased demands should be arrived at gradually, as recorded in their report.

2nd.—The enhancements being impossible to foresee.

As regards the greater part of the revised district this is hardly the case. The revised rates of Indapur, sanctioned in 1867, gave warning to the sowkars of Bhimthari of what to expect when the revision took place there, four years later.

3rd. The enhancements being excessive.

This consideration is important from a revenue point of view, and Mr. Carpenter's criticism of the operation of revision, recorded in a separate note, will probably help to confirm the Government in their view that the revised rates as at first assessed were heavier than it was desirable or intended that they should be.

But the question before us is whether a difference of say 30 per cent. in the degree of enhancement would materially aggravate the admitted results of an increase in assessment.

In the first place I must record my opinion that, in comparison with the consequences to the ryot of the fall in prices, the results upon his credit of the enhanced assessment are a mere flea-bite. This can be perhaps best illustrated by simple figures.

A ryot has 30 maunds of grain, net revenue. With prices at the rates of 1865 he paid his assessment with 5 maunds, and his sowkar got 25. In 1873, the value of the grain having decreased to half the rate of 1865, Government got 10 maunds, and the sowkar 20; but whereas the sowkar's 25 maunds in 1865 was worth, let us say, Rs. 50, his 20 maunds in 1873 is worth only Rs. 20. If, prices remaining at the rate of 1873 the Government demand is made 13 maunds, the sowkar will get 17, worth Rs. 17; if the Government demand be raised to 16 maunds, the sowkar will get 14, worth Rs. 14.

Thus an enhancement of 60 per cent. in the assessment will make a difference of Rs. 6 in the sowkar's receipts as compared with Rs. 30 lost to him by the fall in prices, and the difference between an enhancement of 30 and one of 60 per cent. is only Rs. 3.

It appears to me, therefore, impossible to conclude that the difference between a moderate and a high rate of enhancement would affect the ryot's credit, or rather want of credit, to a serious extent.

Next I would observe that the ryot's credit is not dependent only upon the revenues of his Government holding, and in the case of the embarrassed ryot owing more than 18 times the enhanced assessment, the amount of enhancement bears a very small proportion to the yearly interest of his debt.

4th.—The enhancement being unequal.

This would not much affect the sowkars. Whatever pressure the increased Government demand induced them to put upon their debtors would, I think, be distributed impartially over all; but Mr. Carpenter suggests that the inequality may have produced a sense of hardship in the ryots highly assessed, who saw others more fortunate than themselves. This is natural and most probable, for it is not likely that the bulk of the people clearly understood the causes of the variations in the revised rates. But the result of the inequality would not affect the ryot as a debtor, and belongs rather to the part of Mr. Carpenter's note which describes what he supposes to have been the temper of the ryot before the outbreak. He supposes that the ryots of the revised districts were driven to despair, that "the Kunbi thought that the Government had set its face again

“him on the one side, as the Marwari had on the other,” and that he accordingly took the law into his own hands. Mr. Carpenter says, “That the enhancement should act upon the Kunbi in this way is at least probable.”

Thus Mr. Carpenter associates the riots with the enhanced assessments—

1st—Through its effects on the ryot's credit.

2nd—Through its producing a feeling of desperation.

On the former point I have already stated my opinion.

On the latter point I would observe that there is no evidence of such a feeling on the part of the Kunbi except the presumption arising from the outbreak; but the outbreak was directed entirely against money-lenders, and almost entirely against one class of them, and, as noted in the report, was conducted with a very practical and definite end, and there was no indication of the state of desperation supposed by Mr. Carpenter, but in my opinion rather the reverse. It appears that Mr. Carpenter first arrived at the conclusion that the riots were directly connected with the enhanced assessment, and to account for this connexion supposed the feeling of desperation to have probably arisen. Briefly stated, the chief grounds for his belief that the riots were directly connected with the enhanced assessment are *post hoc, ergo propter hoc*.

I will take the same grounds for a conclusion which is, I think, better warranted by the facts.

Mr. Carpenter says: “The Marwari had not got new powers over the Kunbi. The ‘Court pest’ was what it always was. Seasons had not been worse than usual.”

This, I think, entirely underrates the gravity of the circumstances which Mr. Carpenter himself admits to have been the main cause of the outbreak. The figures given in the Report show that if the Marwari had no new powers, he had used during the six years previous to the outbreak those which he had always possessed, to an extent which may well be regarded as intolerable to the Kunbi, and the “Court pest” had been intensified to the utmost. If seasons were not worse than usual, prices were. Mr. Carpenter goes on to say, “The only new fact was that the Government assessment had been raised largely.”

Without pressing this point too much I would observe that in Indapur the assessment had been raised seven, and in Bhimthari three years before the outbreak.

In my opinion there is no need to look for any other cause for the riots than that which is admitted to be the main cause.

The phenomena is one familiar in all history from the earliest times, and we have had ample warning that the same causes which have in other countries led to an uprising of the debtor against the capitalist were at work among our ryots, and would lead to the same results. Beside the distinct warning of Sir George Wingate in 1852 and Mr. Inverarity in 1858, the police returns speak with no uncertain sound of the operation of these causes; and it is, I think, hardly unreasonable to suppose that had matters taken their ordinary course, without the disturbing effect of the American war, the uprising would have taken place sooner or later, on the first continuous and severe fall in prices.

Mr. Carpenter asks, “Why did the riots occur in Poona and Ahmednagar, and not elsewhere?”

I would first observe that it seems to me to be an extraordinary stretching of a theory to meet facts to associate the rising in Ahmednagar with the prospect of a revision of assessment seven years afterwards. Mr. Lyon, and to some degree Mr. Carpenter also, seems to hold that the prospect of revision has operated in Ahmednagar to reduce the security of land, and urge the creditor to measures unpalatable to the ryot.

On this point I would observe, 1st, the pressure of the creditor in Ahmednagar began in 1868, and reached its highest, as in Poona, in 1872, not six but eleven years before revision of the disturbed district becomes due. But the theory is directly contradicted by the facts clearly established that the sowkar class in Ahmednagar are, have for some time past been, anxious to get land into their possession, and that a large amount of new business has been commenced in Ahmednagar within the last few years.

The reason why the debtor class first rose against the capitalist in Poona and Ahmednagar, and not in other districts where they are believed to be equally in debt, cannot perhaps fully be known; one or two facts bearing on the question may be mentioned.

The disturbed region is exceptionally poor, and has an exceptionally precarious climate. The connexion between these natural causes of embarrassment and the disturbances is strongly suggested by a glance at the geographical area of the latter.

It is very probably the case that law abiding as the Kunbi of these districts generally is, he has somewhat more of independence and self-assertion than his countrymen in the more distant districts; this is likely to be the result of his constant journeys to the large markets of labour, and his proximity to Poona, where influences calculated to weaken his respect for authority are rife. Mr. Carpenter attaches much weight to the fact that "the riots broke out in Poona, where enhancements had taken place," and that the *disturbed tract of Ahmednagar was nearest to that of Poona.*"

This fact seems to me to indicate, as suggested above, that the characteristic of poor soil and precarious climate common to both districts had to do with the condition of the ryots rather than the enhancement of revenue, which was not common to both.

I will now briefly notice the evidence of the facts directly bearing on the question of the connexion of the riots with the enhanced revenue demand.

There can, I think, be no question that the outbreak was only the natural development of the hostile attitude first assumed by the Kunbis in Kardeh, as shown in the opening of the report. Kardeh is a village of the old Sirur Taluka, where no revision has taken place, and the example of Kardeh in socially outlawing the Marwaris was followed throughout the Ahmednagar as well as the Poona villages; some of the communities north even of Parner, some time before the riots, put the Marwaris under the ban.

The riots did not begin in the largely enhanced districts, nor in that which had been for the longest time under the revised rates, for there was no disturbance in Sholapur, and only a threatened outbreak in Indapur. The villages of the revised districts in which the riots occurred were not by any means those in which the enhancement had been highest; on the contrary, of the Supé group of disturbed villages, Morgaum is an alienated village not assessed by the Survey, and Karhatee has had its assessment reduced, while in the others the increase is but small.

I inquired particularly into the state of matters in the alienated villages within the disturbed area at Poona, and found that the mischief was present in them equally with the Government villages, as will be seen from the notes on the two Ooroolecs.

The cause of the riots commencing at Supé is suggested in the report. There was nothing exceptional in the revision of Supé that I can discover; the enhancement was a little under 50 per cent., which is far below that of many villages of Bhimthari in which there was no riot.

To say that the Ahmednagar villages only *followed the example* of those of Poona is, I think, hardly correct. The facts seem to show that all were equally ready.

Lastly, we have the single instance of the riot in Sattara showing that without even the proximity of a revised district there existed motive adequate to raise the debtor class against the money-lender.

As I hold that the revised assessment had no immediate, and comparatively but little remote, connexion with the riots, I have not followed Messrs. Carpenter and Lyon in their criticism of the revision.

The Appendix contains matter which has been recently dealt with by Government but will be useful as putting in a compendious form the arguments of those who have attacked the Survey revision.

MINUTE ON THE CONNEXION OF THE RECENT ENHANCEMENT
OF LAND REVENUE WITH THE RIOTS.—BY MR. CARPENTER.

THE effect which an enhancement of assessment has upon the ryot, in binding him as a debtor and contracting his credit as a borrower, is unavoidable, however moderate in amount and equally distributed the enhancement may be. The effect is augmented if the enhancement, though not larger than the land can easily bear, is still larger than could be foreseen and prepared for. It is still further augmented if the enhancement is excessive, that is, larger than the land can easily bear. Finally, if the enhancement is unequally distributed, the injurious effect on individuals is intensified, and these individuals suffer the additional hardship of seeing others more fortunate than themselves.

What are the facts as to the enhancement of assessment in Poona and Sholapur? The enhancements as a whole were large, and ranging from 51 to 77 per cent. per Taluka. In individual cases (and it must be remembered that it is through individual cases that the effect with which we are now concerned is produced) they were very large, ranging frequently over 100 per cent., and impossible to foresee. These enhancements also were imposed at one blow, with no progressive demand to soften the shock. Further, the enhancements were larger than the land could easily bear. It was found necessary to reduce them in 1874-75, and I have endeavoured to show, in a separate note, that even as reduced they are still generally higher than can be safely imposed. Lastly, the enhancements were unevenly distributed. This is admitted in the modification recently directed; and in the note above referred to I have stated grounds for believing that the inequality is even greater than has been supposed.

Thus all the elements which tend to augment the naturally injurious effect of an enhancement upon the agricultural debtor were present in the enhancements in Poona and Sholapur. To the theory that the riots were directly connected with these enhancements it may be objected that in Sholapur, where there had been enhancement, there was no riot; and that in Ahmednagar, where there were riots, there had been no revision except in some distant villages. But due weight must be given to the facts that the riots first broke out in Poona, where enhancements had taken place; that in Sholapur precautions were taken against rioting; and that in Ahmednagar the disturbed tracts were those nearest to the disturbed tracts in Poona. The objection, therefore, does not seem to me to have much force. The riots must be considered as a whole, and with reference to general causes. It is not asserted that the enhancement was the sole, or even the main, cause of the embarrassment of the Kunbi, or of his hostility to the Marwari which culminated in the riots. The main causes of this embarrassment and hostility were of another kind. They were of old standing, and were wide-spread over the country. The question appears to me to be whether the enhancement was a cause which brought the embarrassment and the hostility to a climax. Why did the riots occur in Poona and Ahmednagar, and not elsewhere? Why did they occur in 1875, and not earlier or later? There must surely have been some special local cause at work. The only special cause apparent, as far as Poona is concerned, was the enhancement. The Kunbi is by all accounts a law-abiding creature; what could lead him to take the law into his own hands? It must have been the conviction that help was not to be got elsewhere. What led him to this conviction? The Marwari had not got new powers over him. The Court was what it always was. Seasons had not been worse than usual. The only new fact was that the Government assessment had been raised largely although prices were falling, that it was raised unevenly, and that it was demanded (though not recovered) rigidly. It is not surprising if it seemed to the Kunbi that the Government had set its face against him on one side, as the Marwari had on the other. Finding himself between the devil and the deep sea, he had no resource but to help himself. That the enhancement should act upon the Kunbi in this way is at least probable. That it was directly connected with the outbreak in Poona there is a considerable amount of evidence. The outbreak having begun in Poona, there is nothing astonishing in its spreading into the adjoining parts of Ahmednagar, where the general causes of hostility were active, and where, moreover, a revision of the assessment was due in six years.

There is no need, however, to speculate further on the exact extent to which the enhancement was connected with the riots. Admitting that the enhancement has had a duly oppressive effect upon the people, the important question is whether anything should now be done, beyond what has already been done by the Government, to mitigate that effect. In the note above referred to, I have pointed out that the principles by which an enhancement due to a general rise in prices should be governed

have nowhere been laid down, and I have stated what I conceive those principles to be. If my view is correct, then the enhancements already introduced should be revised with reference to those principles, and the further reduction necessary should be given. In the same note I have suggested what I conceive to be the remedy for the present inequality of the enhancement on individuals. If my view is correct, the reduction given should be distributed so as to relieve those who have been unduly pressed, not those who have nothing to complain of.

NOTE ON THE REVISION OF ASSESSMENT.—BY MR. LYON.

The first question which should be considered is, it seems to me, whether there could possibly be any connexion between *any* revision and an attack by debtors on creditors. This question I think must be answered in the affirmative. If the assessment was put on without any regard to any principle, if it was put on haphazard and to such an enormous amount as to destroy in most cases all private rights in the land revised, there can be no doubt, I think, that this would tend to produce hostility between debtor and creditor. The land is almost the only property which the agricultural debtor has to offer as security for or in payment of his debt.

To suddenly and unexpectedly destroy this property, or even to diminish it to an unexpected extent, would compel the creditor not only to be hard on his debtor by refusing to lend him a farthing more, but also to use much harsher measures to recover the amount already owed. To take an instance. A ryot, suppose, has land whose gross value is Rs. 100 per annum. The old assessment was, say, Rs. 50. The expected enhancement was, say, 40 per cent. The net total value of the estate five years before the Survey would be 50 Rs. for five years, and 30 Rs. for the next 30, *plus* some allowance for probable increase of value during the term—say, on the average, Rs. 5. The estate then would fetch in the market as its present value the following amount:—

	Rs.
1. The present value of 50 Rs. for five years	say 200
2. The present value of 35 Rs. a year for 30 years	" 400
3. The present value of the next 30 years at, say, Rs. 40 per annum, and so on in perpetuity	" 50
	Say, 700

Suppose the ryot in question owes Rs. 300 at 15 per cent. at the time mentioned, namely, five years before the revision, it is evident that he is perfectly solvent, and that money-lenders would be eager to lend him more, and would be probably offer even easier terms to induce him to come to them.

If he pays interest only for the five years the position of the parties would immediately before the revision be something like this:—

Liabilities.		Assets.
Rs.		Rs.
300	1. Present value of Rs. 35 for 30 years - (Assessment 50 + 20 expected enhancement, leaving 30, to which 5 is added as probable increase.)	600
	2. Present value of Rs. 40 for 30 years, and so on <i>ad infinitum</i>	75
	Total.	675

He would thus immediately before the revision also be perfectly solvent. Suppose, contrary to all reasonable expectation, the enhancement instead of 40 per cent. is 100 per cent., it is evident that the whole amount of his assets is destroyed, and insolvent and liable to all the penalties and hardships which insolvency has been elsewhere to involve by the law of India. He himself will be imprisoned or made work as a slave by the creditor, who will of course stop all loans, even those for assessment, and the ancestral land itself will be lost, land that has been in the family for centuries it may be. I have said that loans necessary for payment of assessment will be stopped, and that will no doubt be the case when the property in the land

has been destroyed, as it will then no longer be the interest of the Marwari that the land should be retained either by himself or by the ryot nominally, but really on behalf of his creditor.

Suppose the revision, instead of taking the whole assets by putting on 100 per cent., takes only four-fifths of them, by taking 80 per cent., the ryot will be nearly as badly off as ever, except that the loans for assessment will be forthcoming, as if that is not paid the creditor would lose Rs. 135 if the land is sold for arrears.

The same reasoning applies to any other figures so long as they reduce the assets below the liabilities. If the assessment merely reduces the assets but not below the liabilities, the creditors would no doubt be more strict in their dealings with the debtors, but not to the same extent.

The foregoing shows what in my view would be the effect of a radically bad system of revision when actually made as in Bhimthari.

Where, as in Ahmadnagar, the revision is not due for six years the effect would be nearly as bad. The only difference would be that of the assets the first item of Rs. 200 would still exist; the value of the other items would be *nil* if there was no certainty as to whether the enhancement would amount to the full rent or not. In the case supposed the mere fact that in the revised districts of Poona there had been a few cases where 100 per cent. had been put on, and a few where land had been assessed at a full rack-rent would make the ryot insolvent immediately, although the revision in Ahmadnagar was not due for six years.

The next question is whether the revision is properly made or not. It seems to me that it may be shown not to be so.

In the first place it is to be remarked that the discussions in the Survey Reports regard only the average enhancement in the Taluka under revision. The whole discussion seems to limit itself to the question whether 50, 60, or 70 per cent. enhancement on the Taluka as a whole is correct. In the Taluka of Bhimthari, where the first actual riot took place, the Survey Department enhanced the assessment by 63 per cent. It is quite possible that this enhancement may have been correct, looked at as the average enhancement on the Taluka, and yet the revision so far as regards its accuracy might be erroneous all through. If, for example, 100 fields each paying say 40 per cent. of its rent or annual value are not enhanced all at the rate of 63 per cent., but some at 120 per cent., some at 100, and some reduced even to 50 or 60 per cent., it is obvious that such a revision would be utterly faulty, and would lead to results nearly as deplorable as if the whole Taluka had been enhanced 120 per cent.

I will first consider the question as to the accuracy of the average enhancement of the 63 per cent., and then I will go into the second and only really important question, namely, whether in individual cases the enhancements are right.

The Survey Department, as I understand, have held that the rents vary directly as prices, and on this principle have raised the assessments to the same percentage that prices have risen during the 30 years of settlement. There is in treating of this question difficulty in knowing what prices to select. It is obvious that the actual prices of the first year of the survey compared with the actual prices of the 30th year would not show what the rise in prices had been. The first year might be a dear year, and the 30th year a cheap year, or vice versa. The true method of comparison would seem to be to compare the price which was expected to prevail in the first year with the price expected to prevail in the 30th. The expected price would of course be founded on the previous course of prices (or the average prices) in both cases for as long periods as possible, and other facts, historical and physical, as appear likely to affect the question of price. I will assume in the meantime that the Survey Department have ascertained correctly the rise in prices during the 30 years, and will consider whether that is a correct test of the rise in the value of land.

In the first place it seems to be considered by political economists that rents rise not in an equivalent proportion to the rise in prices, but even in greater proportion. Thus, Stuart Mill says, "Rent rises even in a greater ratio than the rise of price," page 430 and again, at page 431, he says:—

Any land can afford to pay, and under free competition will pay, a rent equal to the surplus of its produce above the return to an equal capital on the worst land, or under the most favourable conditions. Whenever, therefore, agriculture is driven to descend to poorer land or more onerous processes, rent rises. Its rise will be twofold; for, in the first place, rent in kind, or corn-rent, will rise; and in the second, since the value of agricultural produce has also risen, rent estimated in manufactured or foreign commodities (which is represented, *cæteris paribus*, by money rent) will rise still more.

"The steps of the process (if, after what has been formerly said, it is necessary to retrace them) are as follows:—Corn rises in price, to repay with the ordinary profit the capital required for producing additional corn on worse land or by more costly processes. So far as regards this additional corn, the increased price is but an equivalent for the additional expense; but the rise, extending to all corn, affords on all except the last produced an extra profit. If the farmer was accustomed to produce 100 quarters of wheat at 40s., and 120 quarters are now required, of which the last 20 cannot be produced under 45s., he obtains the extra five shillings on the entire 120 quarters, and not on the last 20 alone. He has thus an extra 25% beyond the ordinary profits; and this in a state of free competition he will not be able to retain. He cannot, however, be compelled to give it up to the consumer, since a less price than 45s. would be inconsistent with the production of the last 20 quarters. The price, then, will remain at 45s., and the 25% will be transferred by competition not to the consumer but to the landlord. A rise of rent is therefore inevitably consequent on an increased demand for agricultural produce, when unaccompanied by increased facilities for its production."

In the second place the ratio would appear to differ for different classes of land. To take an example of two fields, one (*A.*) yielding Rs. 20 rent, and the other (*B.*) paying no rent, but only the cost of cultivation. A rise of 10 per cent. in prices will enable *A.* to pay probably Rs. 22-8-0, or 12½ per cent. increase of rent, and *B.* will begin to pay a small rent, say of Rs. 2. In this case it is obvious that there is no comparison between the ratio of increase. In the one case it is from nothing to 2, or an infinite rise. In the other case it is only 12½ per cent. Now suppose a further enhancement of 10 per cent. in price. In that case the Rs. 22-8-0 field will probably pay Rs. 25, or 11 per cent. more, while the 2 Rs. field may pay as much as 4 Rs., or 100 per cent. more.

The ratio of rise of rent to that of prices would therefore seem to be greater on the poor lands, and less on the rich lands.

The third point, which is worthy of consideration under this head, seems to me to be this, that the ratio of increase of price since the first survey in 1840 till 1870, although it may possibly be a rough criterion for ascertaining the increase of rent or value of land occupied in 1840 and retained ever since, is no criterion whatever in the case of land taken up during the survey; and this latter description of land forms, I believe, nearly half of that now occupied and on which the 63 per cent. enhancement has been laid. For example, of two fields assessed at Rs. 10 in 1840, one (*A.*) is taken up in 1840 and held ever since through the worst years, the other (*B.*) has never been taken up till 1862; it is evident that the rent of *A.* even in the worst years must have been at least Rs. 10, while the rent of *B.* did not reach Rs. 10 until the year 1862. If rents rose between 1840 and 1862 50 per cent., then in 1840 the rent of *B.* was only Rs. 5, and the assessment then must have been double the rackrent. Now suppose that from 1862 to 1870 rents rose 10 per cent., the rent of *A.* in that year will be at least Rs. 16, while the rent of *B.* will not be more than Rs. 11. On the principle of the survey, however, both will be assessed at Rs. 16." In other words, *A.* will be assessed at or below the actual rent, while *B.* will be assessed at 3 Rs. or 27 per cent. above the rackrent, and will have to be abandoned. A principle leading to such an absurd conclusion is evidently erroneous. The mistake is simply this, that the ratio of a 30 years' rise in price is applied where it is not applicable, namely, to land held only for a few years, instead of only to land which was held, *i.e.*, paid rent, all through the 30 years. In the case of land taken up for the first time the year before the revision, the ratio of prices to apply is that between 1870 and 1871, and not that between 1840 and 1871. Similarly in the case of a field taken up in 1860 the ratio is that between 1860 and 1871.

I have obtained a return for the village of Kheirgaon (Appendix D., page 139), which shows that out of 250 fields of which the village consists only 150 have been held since the first survey continuously. The remaining 100 have been all given up from time to time, several having lain waste up till the year 1855. Now, even if the survey theory of prices is correct, and rents have risen since 1840 63 per cent., this 63 per cent. can only apply to the 150 fields then rented; it could not apply to the 100 fields since given up. The rise of rents in these fields is probably only 30 per cent., and this will reduce the total average enhancement, which even according to the survey theory has been put on to 53 per cent. instead of 63 per cent. The village of Kheirgaon has been selected entirely at random, and as it is a railway station it is probably a favourable case than otherwise from the survey point of review.

I now come to the question of the correctness of the assessment in individual holdings. In assessing the individual holding, the only evidence gone upon is the relative classification of fields made according to the system described at pages 105-6 of the Apper-

The classing officer ascertains, 1st, the depth and kind of soil; 2ndly, he ascertains whether it has any of the following faults:—(a) stoniness, (b) sandiness, (c) slopiness, (d) friability, (e) imperviousness to water, (f) liability to flooding, and (g) swampiness. The classer divides each field into a number of parts, and makes a report as to each of these points. Thus, in the specimen field given in the joint report, the classer's evidence is as follows:—

Part 1 is grey soil, $\frac{3}{4}$ of a cubit deep, with no faults.

Part 2 is black soil, $1\frac{3}{4}$ cubits deep, *doubly* impervious to water, and liable to flooding.

Part 3 is black soil, $1\frac{3}{4}$ cubits deep, and doubly liable to flooding.

Part 4 is black soil, $1\frac{3}{4}$ cubits deep, with no faults.

Part 5 is black soil, $1\frac{3}{4}$ cubits deep, and stony.

Part 6 is grey soil, 1 cubit deep, with no faults.

Part 7 is red soil, 1 cubit deep, with no faults.

It seems to me that the principle on which this kind of report is based is sound. That principle appears to be that the classer shall not merely state generally his estimate of the relative value of the field, but he shall state the evidence on which that estimate is founded. This is absolutely necessary where either the accuracy or the integrity of the classer's work has to be tested. Unless there was some such system, it would be impossible to bring deliberate fraud or deliberate carelessness home to the classer.

If the system was so arranged that the classer should be able to state his opinion as to the value of the land, and his reasons for that opinion, there could be no objection to this method of classification, so far as it went. If the classer could say, This particular field is fourth class or 8 anna soil, it being black soil and 1 foot deep, but in my opinion a slight slope in part of it reduces its value $12\frac{1}{2}$ per cent., and a large admixture of sand diminishes its value $12\frac{1}{2}$ per cent. more: I therefore value this portion of the field at 6 annas,—it seems to me that this would be reasonable enough. Instead of being allowed to do this, however, the classer is bound to report either a slope or no slope. In the case supposed, if he reports that there is a slope, he is bound by the system to take off 2 annas, or 25 per cent. from the valuation; if he reports no slope, then nothing would be taken off. It is obvious, therefore, that whether he reports that there is a slope, or reports that there is none, he *must* be $12\frac{1}{2}$ per cent. wrong. Similarly, with regard to the fault of sandiness, he must either put it down as a fault, and thus understate the value by $12\frac{1}{2}$ per cent., or not treat it as sufficient to be entered, and thus overstate the value by $12\frac{1}{2}$ per cent. Whatever the classer does under the system as it now stands, he *must* be at least 25 per cent. in error in the case supposed.

Again, the system seems to be erroneous in this, that the same fault has different values attributed to it. Thus, a fault in a 16 anna field takes off $12\frac{1}{2}$ per cent. only from its value, while the same fault in an 8 anna field takes off 25 per cent., and in a 3 anna field $33\frac{1}{3}$ per cent.

It seems to me perfectly obvious that such a system cannot possibly result in an accurate valuation of the land. The Kheirgaum return printed at page 129 shows the actual result of the system, just what is to be expected from a consideration of the plan on which it is based, on which some fields are valued much too low and others much too high. It is difficult to compare many of the fields with the old numbers, as they have been altered very considerably in many cases. An old number sometimes includes two new ones, and sometimes is subdivided into several numbers. Taking, however, only those cases where the area is the same, or nearly the same, a very large number of instances of incorrect valuation will be apparent. Thus the following fields appear to be enormously under-assessed:—

No. 23,	reduced 68 per cent. from old assessment.
No. 61	„ 16 „ „
No. 63	„ 50 „ „
No. 66	„ 42 „ „
No. 83	„ 25 „ „
No. 84	„ 20 „ „
No. 90	„ 42 „ „
No. 185	„ 43 „ „

these fields have been held at the old rates ever since the Survey,—without interruption, showing that the old assessment, even in the very worst years, never came up to the rent. The absurdity of such reductions will be apparent on glancing at the amount of enhancement that has been put on the following fields, all of which

had to be abandoned as unprofitable at some time or other in the course of the 30 years :—

No 6 enhanced 183 per cent., although at the old rate it was out of cultivation for 3 years.

No. 39 enhanced 78 per cent., although uncultivated for 14 years.

No. 52 enhanced 220 per cent., although uncultivated for 2 years.

No. 53 enhanced 73 per cent., although uncultivated for 10 years.

No. 54 enhanced 115 per cent., although uncultivated for 5 years.

No. 71 enhanced 225 per cent., although uncultivated for 1 year.

No. 100 enhanced 84 per cent., although uncultivated for 12 years.

No. 103 enhanced 107 per cent., although uncultivated for 6 years.

No. 105 enhanced 80 per cent., although uncultivated for 10 years.

No. 119 enhanced 150 per cent., although uncultivated for 4 years.

No. 123 enhanced 161 per cent., although uncultivated for 3 years.

No. 124 enhanced 142 per cent., although uncultivated for 3 years.

No. 127 enhanced 107 per cent., although uncultivated for 16 years.

No. 130 enhanced 88 per cent., although uncultivated for 11 years.

No. 133 enhanced 115 per cent., although uncultivated for 6 years.

No. 148 enhanced 166 per cent., although uncultivated for 11 years.

No. 150 enhanced 97 per cent., although uncultivated for 12 years.

No. 152 enhanced 94 per cent., although uncultivated for 7 years.

No. 154 enhanced 102 per cent., although uncultivated for 2 years.

No. 159 enhanced 118 per cent., although uncultivated for 11 years.

No. 160 enhanced 105 per cent., although uncultivated for 9 years.

No. 177 enhanced 130 per cent., although uncultivated for 3 years.

No. 203 enhanced 128 per cent., although uncultivated for 6 years.

No. 207 enhanced 154 per cent., although uncultivated for 2 years.

No. 215 enhanced 130 per cent., although uncultivated for 1 year.

No. 218 enhanced 102 per cent., although uncultivated for 13 years.

No. 220 enhanced 123 per cent., although uncultivated for 3 years.

No. 223 enhanced 144 per cent., although uncultivated for 2 years.

The Survey system can at the best only afford a very rough method of obtaining an approximate valuation, and Major Wingate was quite aware of the fact, for he consulted the people themselves in addition to getting the not very reliable information which the classification system affords. The mistake which, in my view, the Survey have made was to conclude that the system of valuation adopted by them was such as to show results perfectly accurate, or at least not more than 10 per cent. wrong, whereas an examination of the system shows clearly that it would be nothing less than miraculous if anything like the true value was ascertained from such evidence.

As a remedy for the evils I have pointed out, I would suggest the following alteration in the system. The land assessment is merely an income tax. It is a tax on the income from land. The imperial land revenue has been held by the Government of India to be the share of the income which belongs to Government, and perhaps the latter would therefore be the more appropriate term to use. But whether the land revenue be called a share of the income, or a tax on the income from land, in settling the question of the amount of revenue to be paid by a ryot two distinct issues arise, which depend for their solution on distinct considerations. At present it seems to me that these two questions are muddled up together, and neither is decided, but the revenue is settled on a confined and imperfect notion of both. The two questions which I refer are of course these :—1st. What is the amount of the ryot's income from his land, or, in other words, what is the rent or net annual value of the land in his possession? 2ndly. What share of this rent should be taken by Government? The first issue is a question of fact, and should be determined as accurately as possible from all the evidence available. The second question is a question of policy, which the Government of India alone are qualified, in my view, to decide. The revenue is the Imperial revenue, and it is only the Imperial Government that can be aware of the extent of its own requirements. Further, it is only the Imperial Government that can decide the proportion which each province should subscribe for the Imperial purposes. Thus the N.W. provinces appear to pay in as Imperial Land Revenue about 30 to 40* per cent. of the value of the land, and the question of the proper Bombay p

* The payment is 50 per cent. of the zemindar's rent, but the zemindar's rent is in many cases much less than a market rent, as he is only entitled to a fixed rentcharge from occupancy ryots.

centage, it seems to me, ought to be affected very considerably by this fact. It may be that even if the N.W. provinces pay only 30 per cent., yet Bombay should pay 80 per cent.; but, if so, the reason should be stated. It is obvious that questions like these are questions with which no mere department should have anything to do. I would confine the work of the Survey Department to the first issue. I would call upon them merely to return a rent-roll of the land. If they returned a roll of the actual instead of relative values, the most ignorant ryot could point out their mistakes, and, what is more, frequently prove them to be mistakes by incontrovertible evidence. A further benefit would be that there would be no possibility of a suspicion that assessments were made high in order to show that the department was a financial success.

NOTE ON THE REVISION OF ASSESSMENT.—By MR.
SHAMBHUPRASAD LAKSHMILAL.

THE revision of assessment is not, in my humble opinion, the cause of the riots (*vide* answers to questions 1 to 4, Part I. of my memorandum).*

2. It is the accumulation of debts which has brought about the riots (*vide* answer to question 6 of the same memorandum). The chief cause of accumulation of debts is the change in the Law of Limitation from 12 to 3 years (*vide* answers to questions 8 to 17 of the memorandum).

3. But the question is, how the three years' limitation is the cause of the riots taking place in these two districts only, when it is in force all over the country. The answer is that in those districts the debts have now reached their utmost limits, because even the interest of the amount of successive bonds cannot be recovered from the net produce of the land, while in other districts things have not yet gone to that extent, as the condition of the ryots depends on the fertility of the soil of the district.

4. The fertility of the soil in the different districts is in the following order:—

1. Guzerat ; 2. Southern Mahratta Country ; 3. Khandesh ; 4. Konkan ; and
5. Deccan.

5. In the Broach Collectorate, say, a ryot possessing 10 acres of land has a net income of Rs. 200, after paying the Government assessment, say, Rs. 40 ; while in the Poona and Nagar Collectorates a cultivator, having the same extent of land, would only save Rs. 25, after payment of assessment, say, Rs. 5. Suppose, then, the debt of both the ryots commences to increase, on the amount of bonds of equal principal, since the new limitation came in force. The ryot who saves yearly Rs. 25 will not lose credit till the principal amounts to a sum the annual interest on which will be Rs. 25, while the other to a sum the interest of which will be Rs. 200. Thus in the second case the time for losing credit will be eight times the time of the first case, though the principal at the commencement in both was equal.

6. Even the original assessment will, no doubt, be a burden to a ryot in the Poonah and Nagar Collectorates reduced to this condition ; how much more would an enhanced rate be ?

7. The burden of debt has so much increased that even those who do not pay any assessment are in an equally ruined condition.

8. It is not meant by this that all the ryots are in such a ruined condition in the two districts. I mean especially those that have small* holdings. Cultivators of large holdings are not yet so much immersed in debt. And it is from this I say that when the debt of a cultivator reaches its utmost limit, as shown above, he becomes desperate.

9. It is natural that to a stranger first looking into the system of assessment new thoughts might strike.

10. In the North-western Provinces the rent which the ryots pay to the landlord is the basis in regulating the rates of assessment ; and Mr. Carpenter says that there being no such rent here, there is no basis for fixing the assessment. But when we look deeper we perceive that the increase or decrease in rent paid by the tenants to the landlords must depend, of course, on the prevailing prices ; so the fixing of assessment here is based on prices. Here we follow the same principle. So the system is one and the same in both places, with this difference only, that in the one the settlement is made with the Malgoojars, while in the other with the occupants.

* The memorandum alluded to is not given, the substance of it being to some extent embodied in the

11. Mr. Lyon is of opinion that the assessment should be fixed after ascertaining the market value of each field. This might have been possible had the owners of holdings here been great landlords, as in England, and had the occupants been holders of extensive tracts of land instead of one single field.

12. The system both of the North-western Provinces and Bombay and other places

* Published in 1850, Appendix No. I.
 Paras. 16 and 17, page 4. Paras. 21 to 23, page 15.
 Para. 44, page 8. Para. 13, page 16.
 Para. 54, page 10. Para. 31, page 21.
 Para. 4, page 12. Para. 33, page 22.
 Para. 11, page 13.

had been well considered by the members of the joint report, and after a mature consideration, the system now in force was adopted as best suited to the country. I beg to quote the paragraphs from the Report,* for reference, if necessary.

13. The assessment in the Poona Collectorate before the revision was always recovered without any trouble, and whatever it was, it should be understood that it was a fair one.

14. In such a district, where the land is poor, and so the rates of assessment, it is not advisable to disturb the scale of classification at the time of revision, as it results in the inequality of the revised rates, and consequently disturbs the settled minds of the ryots about the assessment.

15. It is the opinion of Mr. Carpenter and other members that where the assessment is to be enhanced, the enhancement is not to be imposed all at once, but by degrees. I think such a plan would work well where there may be large estates, the owners of which are rich, and might have or could make much profit by investing a large capital. But in a ryotwari system, especially in poor districts, where a cultivator hardly manages for his ordinary expenses, the gradual increase would not answer. And for such places, therefore, my proposal is, that on the revision of assessment, where the Government demand is enhanced more than 25 per cent., it is to be considered whether a 30 years' term is not too long, and a shorter period is therefore desirable to ascertain the suitability of the new rates, which experiment had better be tried for a small number of years, and then, according to the result, decide it one way or the other.

16. In conclusion, my opinion is that the origin of the riots is the accumulation of debts under the New Limitation Act, and which have been furthered by the inequality in the rates of assessment; the period of limitation, therefore, should by all means be extended to 12 years.

SHAMBIUPRASAD LAKSHMILAL.

NOTE BY MR. CARPENTER ON THE ENHANCEMENT OF ASSESSMENT IN POONA AND SHOLAPUR.

In this note I propose to examine the recent enhancements of assessments of Land Revenue in Poona and Sholapur with reference to the grounds for enhancement stated by the Survey Department; not to enter upon any general criticism of the Survey System.

The following table shows the percentage of enhancement of assessment (1) as proposed by the Survey Department, and (2) as ultimately reduced by the Government, in the Talukas of Poona and Sholapur in which final orders have issued with reference to Resolution No. 5,739 dated 29th October 1874:—

Collectorate.	Taluka.	Year of Revision.	Enhancement as proposed.	Enhancement as reduced.
Poona -	Indapur -	1867	55 per cent.	39 per cent.
	Bhimthari -	1871	63 "	37 "
	Haveli -	1872	65 "	41 "
	Pabal -	—	51 "	38 "
Sholapur -	Madha -	1871	74 "	41 "
	Sholapur -	—	77 "	41 "
	Pandharpur -	1872	76 "	48 "
	Barsi -	—	62 "	42 "

This enhancement is the enhancement over the assessment of the last year of expired settlement. As proposed by the Survey Department it range

per cent.; as ultimately reduced it ranges from 37 to 48 per cent.* The main ground of this enhancement is the rise in the price of grain which has taken place since the settlement was made. In the Report on Taluka Indapur, the first of the Revision Reports, Colonel Francis (para. 141 *et seq.*) assigns this ground clearly. He refers also to the improvement of communications, but he remarks (para. 150):—"It is difficult to put a special value upon the increased facilities of transport resulting from the *ad interim* improvements. There is no doubt they have aided materially in bringing about the rise in the price of grain, and may therefore be included generally under the advantages which are ascribable to that measure." Sir George Wingate, in para. 10 of his Note upon the Indapur report, says:—"Colonel Francis chiefly, and very properly in my opinion, bases (his recommendations) upon the alterations that have taken place in the prices of agricultural produce in the last 30 years. In the Resolutions of Government the same ground is accepted. With regard to some Talukas, the increase in population, material wealth, and the value of land, as well as the improvement of communications, are also mentioned as justifying an increase of assessment. But increase of population could have led directly to increase of assessment only by extending or by improving cultivation. The extension of cultivation has already taken place to its full limit, and has been accounted for, substantially, in the assessment under the expired settlement. Of any general improvement in cultivation there is little trace. Indirectly, of course, increase of population might lead to increase of assessment by producing a rise in prices. Increase in the material wealth of the people, and in the value of land (value meaning here the price people are ready to pay for land), would not justify an increase of assessment independently of prices, unless it can be shown that it was itself due to some other cause than the rise in prices. The improvement of communications has no doubt been, as Colonel Francis remarks, a material element in the rise in prices. Thus the grounds assigned for an enhancement resolve themselves for the most part into one main ground.

Now the Survey Officers detail in their Reports their reasons for believing their proposed enhancements to be warranted by the rise which had taken place in the price of grain up to the time at which they wrote. These enhancements have now been reduced by the Government, on the ground that a fall in price has since taken place, and that at the lower rates prevailing in the last two years the demand is excessive. But the Government Resolutions do not contain any statement of a principle by which the rise in prices ought to be gauged, or by which the enhancement of assessment proper to a given rise in prices ought to be determined. Clearly, when the Survey Officers, on the strength of a rise in prices, proposed enhancements which a fall in prices within four or five years has rendered impracticably high, there is reason to suspect that they must have fallen into some error of principle. An assessment intended to endure for 30 years ought to be based on data not capable of being so easily falsified. It seems desirable to inquire what, if any, was the error into which the Survey Department fell, and what are the general principles by which enhancements of assessment on the ground of a rise in prices should be governed.

Before going further, it must be observed that in settlements of lands held under the *dwari* system the assessment is much more directly dependent on this standard of prices than it is elsewhere. Properly speaking, the assessment—that is, the revenue demand—is a portion of the *rent*; but rent is here almost an unknown quantity. Rent is defined to be "the surplus produce after payment of the costs of cultivation and the profits of agricultural stock." Where a tenant holds from a landlord, the theory of political economists is that the landlord is enabled, by the competition of cultivators, and, to obtain from his tenant the whole of that surplus. In those parts of India where the State has conferred what are called proprietary rights on persons standing between itself and the actual cultivators, money rents are paid to those persons by the cultivators. In places where competition happens to be particularly active, or where the personal influence of the proprietor is particularly powerful, sums equivalent to the whole surplus produce are paid. More frequently custom, aided by the protective laws in force in those parts, restricts competition, and the rents paid fall short of being the true surplus. In either case the true rent can be either ascertained or approximately

This enhancement includes the assessment now imposed on land not assessed at all at the last settlement: it may perhaps be objected that as this land was not taken into account then, it should not be taken into account in comparing the new settlement with the old. But as this land had all come under cultivation before the end of the expired settlement, these figures correctly represent the increase in demand which has been used upon the cultivators on account of the area actually in their cultivation at the time of the revision: the increase in demand they have to pay out of the same assets.

estimated. Under the Ryotwari system the State is the landlord. The State fixes its demand upon the land by a rough adjustment to its supposed capacity, and competition does not come into play. If subletting for cash were frequent, the true rent of the various classes of land might be estimated from the amounts paid by the lessees. But leases for cash are, I understand, few. Statistics of sales of land are not numerous enough or trustworthy enough to give grounds for induction; and the difficulties in the way of estimating the outturn of crops and the cost of production for an average of years are known to be practically insurmountable. Thus the data for ascertaining the true rent of land do not, apparently, exist. This is admitted by the writers of the joint report. The assessments at the first survey were, as a consequence, virtually experimental. The records of demands and collections under native Governments and under our own previous arrangements showed pretty clearly for each Taluka what the "breaking-down" point of demand was—the point, that is to say, beyond which collection could not go, and at which collection produced wide spread misery. The assessment under the survey was placed judiciously short of this point, and was equably distributed. The experiment was from the outset so far successful as to show that the assessment, generally speaking, was not greater than the rent. Whether the assessment was less than the rent, and, if so, how much less, are more difficult questions.

In those parts of India where intermediate rights exist between the State and the cultivator, and where, consequently, rent is ascertainable, a revision of assessment is not directly concerned with a rise in prices. The assessment takes a share of the rent, and it is only concerned with a rise in prices so far as that rise has produced, or is producing, a rise in money rents. Given rising rents, the alteration in prices is kept in view as elucidating the extent and nature of that rise, but an enhancement of demand proceeds on the substantial basis of actual enhancement of rents, not on the possible results of the alteration in prices. Under a Ryotwari system the effect of a rise in prices during the term of a settlement cannot be so traced. There has been no competition among cultivators, or pressure by a landlord, at work to force up the rates of rent as the profits of cultivation became larger. The assessment paid by the cultivators, allowance being made for extended cultivation, is the same as they paid 30 years ago. The probable extent of the rise in rent can only be estimated from the rise in prices, with the aid of a few minor considerations. An enhancement of assessment has thus to proceed directly upon the rise in prices.

Now it is obvious that when an enhancement of assessment is proposed proportionate to a rise in the price of grain, the proposal rests on the following assumptions:—

- (1.) At a given period the assessment bore a proper relation to rent.
- (2.) A rise in the price of grain has taken place since that period.
- (3.) A rise in the price of grain produces an equivalent rise in rent.

To justify any given enhancement it must be shown that these assumptions correct, or at least beyond reasonable doubt. It is only necessary to add that the term "rise in price" means a permanent rise—that is, a rise due to permanent cause and not to a temporary deficiency of produce. The prices of grain in any local fluctuate year by year, under the influence of numerous and sometimes conflicting causes. A permanent rise, when it does occur, is not a clearly defined and tangible event taking place within a period of two or three years. It takes place through a series of fluctuations, the general level of the last fluctuations of the series being higher than that of the first. To ascertain what the "general level" at any time is, it is necessary to include a large number of fluctuations. Tooke, in his "History of Prices" (quoted by Mill), showed for European countries that even so long a period as half a century may include an undue proportion of abundant or deficient seasons. In India, and especially in the "drought stricken" Deccan, the variations of season must be at least as capricious. Short periods of less than 10 or 12 years are not to be trusted to give a true average of prices.

The proposed enhancements of the Survey Department may now be considered in reference to the above remarks. First as to *Indapur*.

Colonel Francis, writing in 1866, divided the term of the expired settlement into three decennial periods, and showed that the average price of jowari was 56 seers per rupee in the first period, 45 in the second and 26 in the third. In the last period four years, 1862–63 to 1865–66, were included, during which the price was at an abnormal rate of 16 seers. Colonel Francis considered that the average of the last decade could not be taken as a basis for comparison. He pointed out to how great

extent the uncertainty of rainfall and produce had "affected the condition of the people " by operating against the benefits which would otherwise have accrued to them from the " rise in prices." "The problem," he writes, "which we have to solve is this:—when, " or at what period during the currency of the lease, had the cultivators acquired " that amount of capital which is essentially necessary for the proper cultivation of the " land, and their own well-being, and what was the price of grain at that time." He gives reasons for concluding that the assessment was not light when gauged by the prices of the first period; he then shows by reference to Mr. Green's Review that after 1852-53 an improvement in the condition of the people began to take place, and his conclusion is as follows:—

"156. I think, therefore, we may fairly assume that towards the latter end of the second decennial period the cultivators had acquired *that amount of capital and that well-to-do-position* which we would assign to them as the measure of profit to be left after payment of the Government assessment. I am consequently of opinion that we may take the average price of grain during the latter half of the second decennial series as the index by which we may estimate from prices what our present assessment ought to be. In other words, the percentage increase which has taken place during the last 10 years will represent generally the percentage addition to the present assessment which may now be made.

"157. Applying this rule to the case, I find the average price of grain for the two periods indicated stood as follows:—

Average for the last five years of the second decennial series, viz., from 1851-52				
(dating from the period of Mr. Green's review) to 1855-56	-	-	-	42
Average for the ten years from 1855-56 to 1865-66	-	-	-	26
				16

"We may assume approximately, therefore, that between 50 and 60 per cent. is the addition (considered solely with reference to the price of grain) which may now be made to the present assessment."

Sir George Wingate reviewing Colonel Francis' proposals wrote as follows:—

"10. Colonel Francis explains, in the 141st and following paragraphs of his Report, his recommendations for the Revision of the Indapoor rates of assessment, which he chiefly, and very properly in my opinion, bases upon alterations that have taken place in the prices of agricultural produce during the last 30 years. He gives a table of these prices in the 146th paragraph of his Report, which he divides into three equal decennial periods, showing the average price of jowaree, the staple product of the district, to have been 56½ seers per rupee for the first, 45½ for the second, and 26½ for the third; and he concludes that the assessment at the close of the first decennial period was not light when gauged by the prices of that period, and that the cultivators were not in a position to pay a higher assessment. He infers, therefore, that it was not till 'towards the end of the second decennial period the cultivators had acquired *that amount of capital and that well-to-do position* which we would assign to them as the increase of profit to be left after payment of the Government assessment.' And he concludes that this average of 42 seers per rupee should be taken as the starting point for estimating the increase which may be made to the present assessment in consequence of the further rise of prices which took place in the last 10 years of the settlement, and which shows in the 156th paragraph to have been between 50 and 60 per cent., for which he proposes to provide by fixing the future maximum rate at 1 rupee per acre, which will raise by 53 per cent. the present assessment of the district. The increase here proposed seems to me to represent very accurately what is due to the altered circumstances of the district, without taking into account the extraordinary rise in prices during the last five years, due to the American war, and which Colonel Francis in the 149th paragraph himself considers to be exceptional. But, while agreeing in the accuracy of his general conclusion, I am unable to assent to the theoretical reasoning by which he supports it: for this requires us to admit that the rates of assessment during the first period of 10 years were too high, which is contradicted by the marked extension of cultivation and amelioration of the condition of the cultivator which took place during that period. There can be no doubt however that during that period the district made considerable progress, but, as prices did not rise, there was nothing to call for an increase of assessment, though there was sufficient improvement in the condition of the district to show that the original survey assessment had not been pitched too high. During the latter half of the second decennial period and during the whole of the third the wealth of the cultivators increased, of course, more and more rapidly under the influence of the ever rising prices, and this affords valid reasons for increasing the rates of assessment. The true inference therefore to be that the original rates were suitable, and we should regard the prices of the time when they were settled as the index or point of departure by which to regulate the increase to be made, instead of the latter years of the second period, as assumed in the argument of Colonel Francis. If the table of prices be attentively examined without reference to equal decennial periods, it will be found capable of subdivision into three well-marked periods. The first is a period of low stationary prices without any more marked oscillations than may be fairly ascribable to seasons of comparative abundance or scarcity. This period embraces the 14 years from 1836-37 to 1849-50, when the average price of jowaree was 54 seers per rupee, or almost the same that was obtained when the introduction of settlement, the average price for the five years preceding that event having been 53½ seers. The second period is of 11 years, from 1850-51 to 1860-61, and is one of

advancing prices, due probably to the increasing wealth of India arising from the introduction of English capital for the construction of the railways and for suppression of the mutinies, as well as from improvements effected in the internal communications of the country. The average price of jowaree during the whole 11 years of this period was 39 seers, and for the last five years of it 35 seers per rupee. The third period extends over the last five years of Colonel Francis' table, from 1861-62 to 1865-66, during which prices received another extraordinary advance, due to the increased demand for cotton, arising out of the circumstances connected with the American war. The average price of jowaree for these five years was 18 seers per rupee.

"11. The last period is of so entirely exceptional a character, and the prices then obtaining are so clearly due to temporary causes, that it would be most unsafe to take them into account in the formation of a basis for a revision of the rates of assessment intended to last for another term of 30 years. The price of cotton, upon which the price of jowaree and other agricultural products in a great degree depend, has already fallen considerably since Colonel Francis' Report was written, and is likely to fall much further. This has already affected the exchanges, and will materially diminish the amount of bullion to be received by India in the present year. This effect, it may be anticipated, will be experienced to a greater extent in future years until prices recover their normal condition, which it would not, I think, be safe to estimate at a higher figure than those obtained during the last five years of the second of the above periods, when jowaree was sold at 35 seers per rupee."

The above extracts show clearly the point on which Sir George Wingate and Colonel Francis, while agreeing as to the amount of enhancement to be imposed, were at issue. They differed as to the starting point of comparison—that is, as to the period at which the former assessment bore a proper relation to rent. Colonel Francis held that it was only after 1851 that a sufficient surplus of profit remained to the cultivator. Sir George Wingate held that a sufficient surplus was left from the commencement of the settlement. Their agreement as to the amount of enhancement was in fact only accidental. It is clearly important, with regard to future settlements, that it should be determined which view was correct on the point at issue. Apparently Sir George Wingate's view was accepted, for in subsequent reports the average price of the first 15 years of the term has been taken as the starting point. I venture, however, to think that Colonel Francis' view was correct, and not Sir George Wingate's.

The only method available for estimating the pressure of the assessment during the settlement is to study the fiscal history of the settlement. The diagram at page 39 of the report* tells almost all that it is necessary to know. First as to cultivation. The average area cultivated in the 10 years preceding Pringle's settlement was 177,000 acres. This area sank during the seven years of Pringle's settlement to 133,000 acres. The introduction of the survey rates in 1837 brought up the area at once to 162,000 acres. In 1841 it rose above 220,000 acres. In 1843 it sank to 212,000 acres, rose again in 1847, sank again in 1849, and only in 1851 commenced its upward rise to the full limit of 238,000, from which it has not again receded.

Then as to the collection of the assessment. In the first 10 years there were remissions in every year but two, and the average annual remission was Rs. 12, out of an average demand of Rs. 77,443. In the next 10 years the remissions were frequent, and averaged only Rs. 865. But it was only from 1854 that remissions ceased altogether. As to material wealth, the information collected by Colonel Francis makes it pretty clear that accumulation only commenced after the first decade was past.

Now if in connexion with the above facts be taken the circumstance that it was not till 1851 that the upward movement of prices began, only one conclusion seems fairly possible. The assessment was no doubt in many ways—in its equitable distribution, in its moderation, in its fixity—far more favourable to the ryots than the prey of unequal and uncertain demand had been, and it so led to an immediate extension of cultivation. But the extension of cultivation was not permanent, and the realization of the demand was not assured, so long as the low level of prices lasted. It was only after 1851 that the assessment began to work with perfect smoothness and success. It may of course be said, and with perfect truth, that at the time of the settlement the Taluka was in a condition of great depression, and that, however low the assessment might be fixed, some years must necessarily elapse before the people could attain what may be called a normal condition of prosperity. But the fact still remains that this condition of prosperity was not attained for 15 years, and then only when prices rose. Colonel Francis appears then to have been right in saying that the first 15 years of the settlement did not afford a starting-point for comparison.

The case is still stronger in *Bhimthari*, the second Taluka revised, which in many respects resembles Indapur. The survey rates were introduced in this Taluka in 18

* Papers relative to the revision of the assessment of the Indapur Taluka. (Selections from the Records of the Bombay Government, No. CVII).

The people are described as being previously in a miserable and poverty-stricken condition. The effect of the new rates in the first two years was to induce a large increase of cultivation. The diagram at p. 249 of the Revision Report shows that in 1842 the area under cultivation was 126,000 acres. In 1843, however, a reaction set in, and cultivation contracted year by year, until in 1850 the area was only 92,000 acres. From 1851 cultivation began to extend again, and rose year by year, until in 1854 it stood again at the figure at which it had stood in 1842; and it subsequently continued to increase until in 1862 it obtained its maximum of 166,000 acres.

Then as to collections. There was great uncertainty during the first 11 years. The average annual remission during that period was over 7,000 rupees, out of a demand of Rs. 51,000, and in three of those years the remissions ranged from one-third to one-half of the demand. After 1854 there were no remissions, and the revenue rose with the extension of cultivation. The upward movement of prices in this taluka dates from 1853. It is thus apparent that in Bhimthari, even more than in Indapur, the first years of the settlement did not afford a safe basis for comparison at the revision in 1871. While the low range of prices lasted, the assessment was far from successful. It only became successful after the rise of prices began. But, notwithstanding this, the period of low prices (1840-55) was the period taken by the Survey Department—probably in deference to Sir George Wingate's opinion on Indapur—as the basis of comparison. And the enhancement proposed, 63 per cent., was held to be justified by the rise in prices subsequent to that period.

In the other talukas of the Poona district, Haveli, Pabal, and Súpé, and in the talukas of Sholapur, in which the Survey was introduced later, remissions in the early years of the settlement were not so frequent or so large as in Indapur and Bhimthari, but the fluctuations in cultivation were considerable, and it was only after 1854 that the permanent extension of cultivation was secured.

Here, then, was an error of principle on the part of the Survey Department. They adopted as a basis of comparison a period on which it was, to say the least, unsafe to rely. The result of an enhancement of assessment based upon that period could, on their own view, only be to bring back the state of things which existed in that period. And that was a state of things in which cultivation fluctuated and remissions were frequent.

A second error affecting the proposals of the Survey Department is the adoption of insufficient periods for the estimate of average prices. Sir George Wingate, in para. 10 of the extract quoted above, divided the table of prices for the 30 years of the settlement into three periods. The first was the period of 14 years from 1836-37 to 1849-50, during which prices were fairly stationary, and the price of Jowari was 54 seers per rupee. The second was the period of 11 years from 1850-51 to 1860-61, when prices were advancing and the average was 39 seers. The third was the period of five years from 1861-62 to 1865-66, when prices were unnaturally inflated, and the average was 18 seers. Sir George Wingate omitted the third period from consideration as exceptional: and the natural conclusion would have been that the rise in price should be measured by the comparison of the average of the second period with that of the first, *i.e.*, by the rise from 54 seers to 39 seers per rupee, a rise of 38 per cent. only. But, instead of taking the average of the whole of the second period, Sir George Wingate selected only that of the last five years of it, namely, 35 seers per rupee, and he thus obtained a rise of 54 per cent. A reference to the table of prices (p. 71 of the report) will show that if Sir George Wingate had taken the average of the last *seven* years instead of the last *five*, he would have arrived at a rise of 60 per cent. instead of 54 per cent. These figures illustrate the danger of adopting short periods for striking an average of prices. A year or two arbitrarily omitted or included may make an extraordinary difference in the results. It is quite true that in this particular case Sir George Wingate, by the aid of his great natural penetration, selected as his future average price a figure which has been quite justified by events. He selected the rate of 35 seers, and the average rate since 1860 has been 32 seers. But it is not given to all men to possess a prophetic instinct.

Again, Colonel Francis after deciding—properly, as I have endeavoured to show—that the first period up to 1850-51 was not to be adopted as the starting-point of comparison, had remaining to him for manipulation only the period of 15 years between 1851-52 and 1865-66. He divided this period into two portions, the first of five years which he took as his starting-point, and the second of 10 years, which he compared with the first. He found the average price of jowari in the first portion to be 35 seers per rupee, in the latter 26 seers, and he thus arrived at a rise in price of 35 per cent. This division was arbitrary. If he had taken six years for his first

years for the second, he would have found the rise to be 57 per cent. If he had taken periods of seven years and eight years, the rise would have been 70 per cent. The price also for the last five years, 1861 to 1866, was, as he himself admits, exceptional and not to be relied on.

The fact is that at the time when Colonel Francis wrote, 1866, there really existed no sufficient data for determining the effect which the rise in prices should have upon the assessment. By Colonel Francis' own hypothesis the period to be taken as the starting-point was the period subsequent to 1851. To strike an average for that period it was manifestly unsafe to look at a smaller number of years than 10. But 10 years from 1851 brings us to 1861, when the unnatural inflation began, which lasted till the time of the revision. Thus there remained no second period reliable for comparison with the first. The average price of jowari for the 11 years, 1850-51 to 1860-61, was 39 seers per rupee. At that price the assessment had been undoubtedly successful. What average price could be taken as an estimate for the future? The average price in the nine years since 1862 has been, as we now know, 32 seers per rupee, and if this price be now accepted as a safe average for the future, there has been a real rise in price, available for enhancement of assessment of 26 per cent. But when Colonel Francis wrote, the future course of prices was, except to the prescience of Sir George Wingate, lost in doubt; the possibility of a relapse after the inflation of 1862-63 was obvious; and it was clearly not safe, in fixing an assessment for 30 years, to count upon more than a very moderate advance on the average of 1851-61.

In the case of *Bhimthari* the comparison of prices was made between the first 15 years and the last 15 years after deduction of the five years of inflation. As to the future average the very fair assumption was made that it would not fall below 26 seers per rupee. If the first 15 years had been such a period as to afford a fair basis of comparison, the conclusion of the Survey Officer as to the effect of the rise in price on assessment would have been justifiable. But it has been shown that the first 15 years were not such a period. The assessment only began to work smoothly in 1854. There was, therefore, practically only the period 1854 to 1870, 17 years, available for manipulation. Now the average price of jowari during the nine years from 1854-55 to 1862-63 was 31 seers. At that price the assessment was undoubtedly successful. For comparison with this there was, at the time of the revision, a period of only eight years, during three of which abnormal prices had ruled. There was thus here again an absence of sufficient data. Of the assumption that a price of 26 seers could be taken as a safe average for the future, the rise really available for enhancement of assessment was the difference between the rates of 31 seers per rupee and of 26 seers, or 19 per cent. only.

In the foregoing remarks the third assumption involved by implication in the proposals of the Survey Department, viz., that a rise in prices produces an equivalent rise in rent, has been left out of sight. Is this assumption correct? The question assumes a rather shadowy aspect in districts where a ryotwari system is in force, but the following remarks are, I believe, practically true. If rent is viewed as a fixed share of the produce, and the payment of rent as the payment of the money value of that share, it is a natural assumption that as the prices of produce rise, rent will rise in the same proportion.* But the fact is that rent is not in practice a fixed share of the produce. It is the share which the cultivator can afford to pay away after reimbursing himself for the cultivation. Under the rigorous theory of political economy this reimbursement is reduced by competition to the lowest possible figure. But in practice, even when competition is active, the share of the produce retained by the cultivator varies from time to time and from place to place, under the influence of various causes, of which the most efficient is the change in the "standard of comfort" of the people. This is the case even in England, where the rates of rent and of agricultural wages vary, sometimes unaccountably, from county to county; and it can hardly fail to be the case in India. Now a rise in the price of grain takes place, as has already been observed, through a series of fluctuations. Money rents cannot fluctuate with prices any more than money wages can. They can only make a general rise when it is apparent that a higher level of prices has actually been reached. In the interval

Suppose a holding producing 50 maunds of grain, of which 40 maunds are absorbed in cost of cultivation and 10 maunds are payable as rent. Of the 40 maunds the greater part is actually consumed as food by the cultivator and his family and his labourers, part is used as seed-grain, and the remainder is exchanged for stock. A rise in prices produced by the influx of silver into India will not enable the cultivator to effect any reduction in the 40 maunds which go to the cost of cultivation. It would, however, require that he would have to pay away the whole of the enhanced money value of the 10 maunds

the cultivator has been getting the benefit. If before the rise came he lived, as the Deccan ryot lived, in a condition of poverty and wretchedness, he will take advantage of the opportunity to raise his standard of comfort. This standard cannot easily be lowered again, and no one could wish to see it lowered.* In Northern India a rise in the standard of comfort has undoubtedly been taking place among the cultivating classes, even under the revenue system there in force. Under a ryotwari system with 30 years' settlements the standard ought to have risen still more, and the share of the produce available as rent ought to have *pro tanto* diminished. To what extent it ought to have diminished I am not concerned to inquire. The point of my argument is that the Survey Department were wrong in assuming that the rise in rent in the Deccan has been, or ought to have been, equivalent to the rise in the price of grain.

The above remarks have shown sufficiently how, in my opinion, the Survey Department were led into proposing unduly large enhancements. It only remains to consider what principles should be laid down to guard against similar errors for the future. The first principle clearly is that the period selected as the basis of comparison should be a period in which cultivation remained at, or nearly at, its full extent, and in which the assessment was paid with ease. The length of this period should be not less than 10 years. The second principle is that, to estimate a rise in price of grain, the average prices of periods of not less than 10 years, and preferably of more, should be considered, and that, unless these periods are of considerable length, exceptional years should be excluded. The third principle is that when a permanent rise in price, available for an enhancement of assessment, has been established, the enhancement should not be of the same proportional amount as the rise in price, but something short of it, to allow for the effect of improvement of the "standard of comfort" on rent.

If these principles are admitted, it will follow that the percentage of enhancements of assessments in *Indapur* and *Bhimthari* should have fallen short of 20 per cent. The enhancements at present stand at 39 and 37 per cent. In *Haveli* the second decade (1851-52 to 1860-61) may be taken as the basis of comparison, in which the average price of jowari was 30 seers. The average in the third decade, excluding the abnormal years, was 19 seers, and the same appears to be the average up to the present time. The enhancement justified here would be therefore 58 per cent. *minus* the proper deduction on account of the standard of comfort. The enhancement first proposed here was 95 per cent.; that adopted was 65 per cent. This has now been reduced to 41 per cent., and accordingly no further reduction seems necessary. In *Pabal* the second decade (1851-52 to 1860-61) may be taken as the basis, in which the average price, according to the Muncher rates, was 32 seers. (The Tullegaon rates seem unreliable, for they show a greater rise than in Poona itself.) The average of the third decade, excluding three abnormal years, was 25 seers. The enhancement justified here was before 32 per cent. *minus* the proper deduction. The enhancement first proposed was 88 per cent.; that adopted appears to have been 51 per cent., and this amount has been reduced, by the orders of Government, to 38 per cent. The demand, on my view, is still excessive. In *Sipé* the second and third decades may be compared, the exceptional years 1863 and 1864 being omitted. The rise in price was—if the figures are correct, which is perhaps open to doubt—from 28 seers per rupee to 18 seers, or 36 per cent. In this taluka the enhancement proposed and adopted was 40 per cent., an amount that appears fully justified.

In taluka *Madha* (Sholapur Collectorate) the settlement appears from the Survey reports (I have not seen the diagrams for this collectorate) to have begun to work successfully only at some period after the commencement of the second decade. (See para. 12 of Mr. Grant's Report, and paras. 14, 15, 16, and 31 of Colonel Francis' Report.) The average price of jowari at Madha and Mohol in the second decade was 28 seers per rupee. The average price in the third decade (omitting the abnormal years 1863-64 and 1864-65) was 28 seers. The rise in price was thus 25 per cent., the enhancement of assessment justified by it was, therefore, something less. The enhancement proposed was 74 per cent., and that finally sanctioned by Government was 40 per cent.

In *Bársi* (paras. 26 and 27 of Colonel Waddington's Report) the settlement began to work well after 1852. The second decade may therefore be taken here also as the basis of comparison. But trustworthy records of prices are not forthcoming, and Colonel Francis (para. 28 of his Report) considers that the prices of Indapur may be adopted for Bársi. It has been shown above that in Indapur there has been since

* Mr. Peckler has some strong remarks on this subject in his "Leading Points on Revision Settlements," and elsewhere.

1862 (omitting the exceptional years) a rise in prices of only 22 per cent. over the average of the decade preceding 1862. The enhancement proposed for Barsi was 62 per cent.; it now stands at 42 per cent.

In *Sholapur* taluka remissions, even in the first decade, were small, though cultivation did not spread to its full extent till the end of the second decade. Apparently the assessment was moderate from the first, and this Taluka can now bear as large an enhancement as any taluka in the Poona and Sholapur Collectorates. Records of prices do not exist.

In *Karmala* the decade after 1853 may be taken as the basis for comparison (see paras. 23, 24 of Colonel Waddington's Report, and para. 13 of Colonel Francis' Report.) The table of prices gives the average price of jowari for that decade as 40 seers, and for the following decade (omitting 1863-65) as 22 seers, and the rise is consequently 80 per cent. If these prices are correct, the enhancement of assessment proposed by the Survey Department, 32 per cent., is fully justified.

In the above remarks the assessment of a Taluka, together with its enhancement, has been considered as a whole. There is another way of dealing with the question. The assessment may be considered in detail. The assertion that the first decade of the expired settlement does not afford a fair basis of comparison rests upon a consideration of the general working of the settlement in that period. But, it may be asked, is this the proper way of considering the settlement? The assessment of a Taluka is made up of the assessment of individual fields; the value of each field to the cultivator depends mainly upon the amount of its assessment; in the Talukas under notice cultivation did not extend into part of the area until after the rises in prices of 1852-53 had taken place, and it may fairly be inferred that in that part of the area the assessment had been, at the previous low level of prices, unduly heavy; but in a portion of the area cultivation remained constant, and in that portion it may be inferred that the assessment was always moderate. So, too, as to remissions: large remissions were granted in the first decade, but they did not swallow up the whole revenue; a portion of the demand was always paid, and to that extent the assessment was not oppressive even in bad years. Are no conclusions possible from these considerations as to the amount of enhancement now fairly demandable?

Before proceeding to consider the question from this point of view, the remark has to be made that this is not the point of view of the Survey Department. The basis of the assessment on the survey system is the classification of the soil. The classification proceeds purely upon the apparent quality of the soil. In classing any field the past history of the field is not considered. It is not asked how the field was classed at the last survey, nor how the assessment then imposed on it has been borne, nor whether the cultivation of it has been continuous. The field is classed according to its apparent value with reference to a fixed standard. The classification is relative, and the actual assessment is governed by the rate selected as the maximum for the best class of soil. Thus the classification is a thing complete in itself. If properly made, the assessment is equable all over. It may be, all over, too high or too low, through the selection, too high or too low a maximum rate; but, except through accident or error, it cannot be unequal. From the point of view of the Survey Department, therefore, the pressure of the assessment in any given period ought to be considered as a whole, and not in detail.

Passing over this objection and coming to the matter in hand, the first noticeable point is that if the assessment is considered at all in the manner suggested, it involves the admission that the enhancements proposed by the Survey Department were not, on their showing, justified. If the old assessment on the part of the area was pitched as to make cultivation unremunerative till prices rose in 1852, it is obvious that no argument for the enhancement of the assessment on that part of the area could be based on the prices current before 1852. If 53 per cent. (say in Indapur) was a fair percentage of enhancement for the continuously cultivated area, it was not a fair percentage for the whole area. In Indapur (*vide* diagram) the area taken up after 1852 was 24,000 acres out of 238,000 acres. In Bhimthari the area taken up was 66,000 acres out of 166,000 acres. With regard to these large areas, on which little or no enhancement was *ex hypothesi* possible, some reduction was clearly necessary in the rate of enhancement proposed for the whole Talukas.

It has further to be remarked that the error committed here was greater than it first sight appears. The diagram exhibiting the area of cultivation shows only the fluctuations of cultivation, and not the gross fluctuations. In any year in which there is a general decrease of the area under cultivation in any Taluka, and ordinarily in any village, takes place, there are *per contra* a certain number of fields taken up. I find, for example, that in the village of Kheirgaum, in Bhimthari, the area relinquished in the year

1849-50 was 568 acres, while in the same year an area of 273 acres was taken up which had been lying untilled in the previous year. Thus, while the gross decrease of cultivation was 568 acres, the net decrease was only 295 acres. Again, in the village of Súpa, in Bhimthari, there was in the year 1852-53 a gross increase of cultivation of 729 acres, while, in consequence of the simultaneous relinquishment of 506 acres, the net increase was only 223 acres. The fluctuation of cultivation has extended, therefore, over a considerably wider area than is apparent from the diagrams, and the residue of area which has remained continuously cultivated is proportionately smaller. In the village of Kheirgaum, above referred to, only 1,188 acres out of a total area of 4,825 acres remained continuously cultivated throughout the settlement. In Súpa continuous cultivation covered only two-thirds of the area. It follows, therefore, that in determining the general percentage of enhancement to be levied on a Taluka, a larger allowance is required on account of the area of doubtful cultivation than would appear necessary from the diagram.

Coming now to actual figures I find that in Indapur the average demand for the first decade was Rs. 77,443, the average annual remission for this period was Rs. 12,223, the average collection was Rs. 65,220. (Report, p. 39.) It thus appears that for the average area annually under cultivation in the first decade an average revenue of Rs. 65,220 was all that could be recovered. This sum, assuming that it was paid without difficulty, represents the portion of the whole assessment that was really moderate, even in the reign of low prices. It is evident, then, that upon this sum, or rather upon the area which paid it, and not upon the whole demand and area, the enhancement proposed by the Survey Department on the ground of the rise in the prices of produce was really leviable. The rate of enhancement proposed was 53 per cent. An addition of 53 per cent. to Rs. 65,220 will produce Rs. 99,786. To this has to be added the assessment on the area taken up in the period of high prices, viz., Rs. 5,161 (the difference between the demand in the first decade and the demand in the last), and this amount is clearly not subject to enhancement. Including this sum, the total revised assessment will amount to Rs. 105,397, and the rate of enhancement thus obtained is 27 per cent. The rate obtained for Indapur by the former method was 22 per cent. Both percentages are subject to reduction on account of improvement in the "standard of comfort." It may be objected that the assessment on the lands classed as *kharab* and unarable at the last settlement, and since cultivated, must also be added. But these lands have been gradually taken into cultivation by the occupiers of the fields to which they belong or adjoin, and the produce of them had really formed part of the produce out of which the occupiers have been paying the assessment. The argument as to the weight of the assessment on various parts of the area, drawn from the cultivation or non-cultivation of the land, involves the assumption that the area in each case includes all the land of which produce is received by the persons who pay the assessment.

In Bhimthari the average collections during the first decade were Rs. 43,407. Taking this sum as a basis, and enhancing it 63 per cent., in accordance with the conclusions of the Survey Department, we obtain Rs. 70,749. The assessment on the lands taken up for the advance in prices appears to have been Rs. 24,000, *i.e.*, the difference between the Rs. 50,000 demand at close of first decade, and Rs. 74,000 demand of third decade. Including this sum a total of Rs. 94,749 is obtained, and the resulting percentage of enhancement is 27 per cent. as in Indapur. The rate obtained for this Taluka by the former method was 19 per cent. The result of the application of this method, as it was the other, is therefore to show that the enhancements proposed by the Survey Department were excessive, and that even as reduced by the Government they are still above the mark.

It remains to inquire how the enhanced assessment is in practice distributed over the various parts of the cultivated area. It is evident that the main weight of the enhancement ought to fall upon that part of the area on which the former assessment was from first moderate, while the area of uncertain cultivation, that is, the area on which the former assessment was at first severe, should escape with little or no enhancement. Does the enhancement fall in this manner? The figures available on the subject point to the conclusion that it does not. I find that in the village of Kheirgaum the enhancement on the area which was in continuous cultivation throughout the settlement was from Rs. 730 to Rs. 1,015, or 37 per cent. The enhancement on the rest of the area was from Rs. 1,511 to Rs. 2,805, or 85 per cent. Again subdividing this latter portion of the area into two parts, viz.:—(1) the area taken up in or before 1851-52 and not again relinquished, and (2) the area taken up subsequent to 1851-52, I find the enhancement on (1) was 81 per cent., and on (2) 87 per cent. These are the rates of the enhancement first proposed by the Survey Department. The reduction in assessment recently

directed by the Government brings down the total demand on the village from Rs. 3,820 to Rs. 3,302. But the incidence of the demand is as faulty as it was before. The enhancement on the area of continuous cultivation now stands at 15 per cent. only, while the enhancement on the fluctuating area is 63 per cent. Similarly in the village of Súpa the enhancement imposed by the survey on the area of continuous cultivation is 39 per cent., while the enhancement on the remaining area is 50 per cent. This enhancement has not been modified by the Government.

In these two villages, then, the proper order of enhancement has been inverted, and the following reasons exist for believing that they are not unusual instances. The value of a field to a cultivator depends mainly upon the propriety or otherwise of the assessment, but among a number of fields all fairly assessed the fields of greater natural fertility will be more attractive to the cultivator than the inferior fields, because of the greater certainty of the produce. It may accordingly be expected, speaking generally, that where cultivation fluctuates largely, the area of uncertain cultivation will contain a larger proportion of the inferior fields than the area of continuous cultivation. Thus in Kheirgaun the area continuously cultivated bore an average rate per acre of 10 annas, while the rate on the rest of the area was 7 annas. That is to say, the difference in the average quality of the two areas was such that the former was better worth cultivation at 10 annas per acre than the latter was at 7 annas. The rates imposed on these two areas by the revision are respectively 13 as. 8 pie and 12 as. 5 pie, or as now reduced by the Government 11 as. 4 pie and 10 as. 1 pie. Again, in Súpa the area continuously cultivated bore under the old assessment an average rate of 6 as. 8 pie, while the rate on the rest of the area was only 4 as. The revenue rates on these areas are 9 as. 4 pie and 6 as. respectively. In both these instances, therefore, it is plain from the rates of both the old and new assessments that the area of uncertain cultivation was, as a whole, of inferior fertility to the area of continuous cultivation.

Now it is apparent from the recent action of the Government in directing the reduction of the lower classes of rates in Madha and other Talukas that there is, admittedly, a tendency in the system of classification at present in force to press too heavily on the middle and lower classes of soils. The Revenue Commissioner, S.D., in Appendices E, F, H, and I, to his letter No. 1,466, dated 20th April 1874, recorded the results of his inquiries in four villages in the Sholapur Collectorate. In the village of Alipur the percentage of enhancement on lands of the 1st and 2nd classes (according to the old classification) was 18 per cent., while on lands of the 3rd class it was 67 per cent. In Dahitneh the enhancement in the better lands was 57 per cent., in the poorer lands 106 per cent. In Miri the enhancement on 1st class lands was 19 per cent., on 2nd class lands 56 per cent., on 3rd class lands 167 per cent. In Ishwar-watar the enhancement on 1st class lands was 54 per cent., on 2nd class 79 per cent., on 3rd class lands 138 per cent. The causes which led to this result were investigated by Mr. Havelock in a letter quoted, but his conclusions were questioned by Colonel Francis. The result, however, appears to have been accepted by the Government.

If, then, the enhancement, generally, has been greatest on the inferior soils, and inferior soils form the larger portion of the area of uncertain cultivation, it follows that the Survey Department, besides levying too large an enhancement as a whole, have so distributed it that it falls heaviest on the very lands which have shown themselves least capable of bearing it.

Of such a result as this the only possible explanation is that there is some flaw in the system of classification. That flaw I believe to be that the scale of classification does not allow a sufficiently wide interval between the rates on the best soils and the poorest, which comes to the same thing, does not allow a sufficiently low rate for the poorest soil. By the joint report scale the soil of the 1st class was valued at 16 annas, and the soil of the 9th or lowest class was valued at 2 annas. Thus the rent of the worst soil was taken to be one-eighth of the rent of the best land. In the recent revision the valuation of the three lowest classes has been reduced by Colonel Francis, and the 9th class is now valued at 1 anna, or 1-16th of the value of the 1st class. The range of the scale within any Taluka is of course extended by the method of assessment by groups of villages, each group having a different maximum rate. Thus in Indapur the maximum rate selected for the best village was Rs. 1-2-0, and that selected for the poorest group of villages was 14 as., giving a minimum rate of 10½ pies. There was thus a difference of twenty-fold between the rates on the best class and the worst within the Taluka. Similarly in Bhimthari the difference was twenty-six-fold. But it can be shown, I think, that even within a single group of villages a range of twenty or twenty-six-fold is insufficient. Direct evidence in the shape of statistics of the actual renting value of the land

and worst lands is not, apparently, available. But the conclusion results from following considerations.

It is manifest that in the Deccan, owing to the great uncertainty of the seasons and the smallness of the average out-turn of crops, there is a great deal of land which only just repays cultivation. Some of this land cannot afford to pay an economic rent at all, and some of it can only afford to pay a very small rent. In such a country, where the higher forms of agriculture are unknown, the cost of cultivation per cultivator, *i.e.*, the cost of working the full holding workable by one man, is in unirrigated land practically nearly the same for soils of all classes. The main items of cost are the food and clothing of the cultivator and his family, and the replacement of stock, both of which are independent of the nature of the soil. The variation in seed-grain is small. Farm-servants are by the hypothesis not required, and day labour is only required on certain special occasions. It is true that, in the Deccan, holdings are more often held by two or three cultivators in partnership than by single cultivators. But the argument is the same if the unit is (say) a joint holding of three cultivators as if it is the single holding of one cultivator. In some instances, no doubt, this normal cost of cultivation is reduced in a special way by the cultivator subsisting on insufficient or unwholesome food, and by his helping himself along by work as a day labourer at spare times; and in this way he may make shift to pay a rent for poor land which otherwise it could not bear. But for the present purpose these cases may be disregarded. If the normal cost of cultivation is taken to be practically constant, then denoting it by c , and denoting the produce by x , the rent will be $x-c$, which may vary, as x varies in various soils from nothing to (say) c or $2c$.* The "inferior limit" of rent in the Deccan is thus *nil*, and the variation is, theoretically, infinite. The assessment is a portion of the rent, and the inferior limit of the assessment should be the lowest rate which the Government considers worth the trouble of collection.

By the present classification the worst soil is valued at 1 anna; that is, there is no class of soil valued between 1 anna and nothing. But if what has been said above is true, rent ranges in the various soils of the Deccan from the smallest fraction to the maximum rate. There must then be grades of soil occupying the interval in rent-paying value between 1 pie and 12 pies, as there are between 12 pies and 16 annas. It is

* Let us take the case of the average cultivator of Indapur or Bhimthari, who works his holding with his own bullocks and with his own labour. What is the cost of his cultivation? The main item is that of food. He has a wife and child. (Population may be divided roughly into three equal parts—one of adult males, one of adult females, and one of children under 15 years. The average family consists, therefore, of a man, woman, and child.) They eat, or ought to eat, between them a seer and a half of jowari a day, or $13\frac{1}{2}$ maunds in a year. The second item is replacement of stock. In these talukas the ratio of plough-bullocks to head of agricultural population is .45. The average cultivator possesses, therefore, something less than $1\frac{1}{2}$ bullocks. A pair of bullocks costs nowadays Rs. 40, and the working life of a bullock is about six years. (For cultivation of 20 acres, 1 pair of bullocks being thus 25 or 30 rupees, six or seven rupees a year (say four maunds of jowari) ought to be set aside for replacement of stock. The third item is clothing for himself and his family, and sundry expenses in domestic and agricultural matters—say $1\frac{1}{2}$ maunds of jowari. The fourth item is seed-grain, which may be taken (jowari) at about 3 seers per acre. The last item is day-labour, costing (say) $2\frac{1}{2}$ maunds. The average holding per head of agricultural population in these talukas is $6\frac{1}{2}$ acres. The average holding of an adult cultivator is therefore, in round numbers, 20 acres. Let us first take the case of our cultivator holding 20 acres of poor land. His expenses, as above, are:—

Food -	-	-	-	-	13½ maunds.
Replacement of stock -	-	-	-	-	4 "
Clothes, &c. -	-	-	-	-	1½ "
Seed -	-	-	-	-	1½ "
Day-labour -	-	-	-	-	2½ "
Total	-	-	-	-	23 "

Clearly he cannot afford to pay rent at all unless his holding produces more than 23 maunds; that is, something more than a maund per acre. Let us suppose the produce is 24 maunds; then one maund will be available as rent, and the rate will be two seers per acre.

On the other hand, suppose that his holding is in good land, of which the produce is (say) 3 maunds per acre; then the total out-run of 20 acres will be 62 maunds, and, after deducting the cost of cultivation as before, the portion of the produce available as rent will be 37 maunds, of which the rate will be 74 seers per acre. In this supposed case, then, a variation in the produce from 48 seers to 3 maunds per acre, *i.e.*, a variation of less than threefold, produces a variation in the rate of rent of 37-fold.

The instance is, of course, open to the objection that, although 20 acres may be the average holding, holdings in poor land are larger than holdings in good land, and allowance must no doubt be made for this. On the other hand, the assumed range of variation in produce is greatly within the mark. In the Revision Report of Taluka Madha (para. 42), Colonel Francis estimates the produce of poor land at an eighth or a tenth of the produce of the best soils. The instance is only designed to show that in a country where the cost of cultivation swallows up such a very large share of the produce of poor land as it does in the Deccan, the range in rates of rent, and consequently in rates of assessment, must be unusually large. It is certainly not a violent conclusion to say that the extreme range of rate in the classification scale should be not less than from 1 to 32.

plainly not fair that these grades should be placed in the 1 anna class. They ought either to be placed in a lower class still, or excluded altogether. My conclusion is that if the 1st class of soil be valued at 16 annas, the lowest class should be valued at not more than half an anna. If in any group the maximum rate of assessment selected is less than one rupee, it is a question whether the rate on the lowest class should not be foregone.

A change is also required in the number of classes. The number under the present scale is the same as it was under the scale of the first survey; but much land is now classed as culturable which was formerly classed as unculturable, and this land naturally falls into the lowest class. The result follows that much land classed formerly in the lowest class (the 9th) is now pushed up into the 8th, and similarly land from the 8th class is raised to the 7th. Mr. Grant, in his Report on the Revision of Talukas Niphar and Chandur, in Nasik, wrote:—"Soils from the 3rd class downwards were entered fully two classes too low in the former valuation, and the 8th and 9th orders of soil were very commonly entered as *Kharab*." To this fact must, I think, be ascribed much of the over-assessment of the lower classes. The remedy is simple, namely, to construct the scale to contain 11 or 12 soils in lieu of nine.

THE CONNEXION OF THE ENHANCED ASSESSMENTS OF LAND REVENUE WITH THE EMBARRASMENTS OF THE RYOTS.

I.—OPINIONS OF OFFICERS AND OTHERS.

Extract from the Replies of the Collector of Poona to the Commission Queries, October 1875.

The difficulty of collecting the revenue has largely increased, owing chiefly to the fact that most of the land is mortgaged, and that the money-lender has to pay the assessment, which he will not do until he has exhausted every artifice to obtain a reduction of the assessment.

The ryots generally attribute their embarrassments to the weight of the assessments, and also to the operation of the civil courts. Except in the few newly revised talukas the assessments are considerably lighter than they were under the former native governments.

The introduction of the revised assessments has undoubtedly added to the embarrassments of the ryots. They find it more difficult to obtain money to pay the assessment, because the whole of their land being mortgaged they must go to the money-lenders, who take advantage of their poverty to press for remissions.

Extract from Letter of Sub-Judge of Ahmednagar, dated 20th of October 1875.

I have the honour to observe in regard to the first point that the late disturbances first arisen in the Poona, and afterwards in some of the adjoining talukas of the Ahmednagar district. The ryots of the Ahmednagar district appear to have only followed the example set by their brother ryots in the Poona district.

If there be any special causes that might have excited the ryots to commit these outbreaks they must be inquired into in the Poona district wherein they had first commenced.

I think that the recent revenue settlements made by the survey officers in the Poona district (doubled in many cases) must have no doubt made the ryots, who had already been reduced to poverty, desperate, and that when they found themselves quite unable to pay the increased revenue they became hopeless, and committed the disturbances now under inquiry.

Extract from Letter of the Sub-Judge of Patus (Poona), dated 28th September 1875.

I have also heard complaints that the sowkars refused to pay the assessments, after carrying away the whole of the produce of the last season, with an undertaking to do so.

Extract from a Memorandum by Mr. Shambhuprasad Lakshmilal, December 1875.

Question 1.—Can you say that the revision of the rates of assessment is a cause of the great indebtedness of the ryots?

Answer.—Looking to the fact that there is a cry of debt in districts where the revision is not introduced, e.g., the Ahmednagar Collectorate, it can be said that the general state of indebtedness is not attributable to the revision.

Q. 2.—Yet it remains a question whether it is not an aggravating circumstance in combination with real causes of the indebtedness and misery of the ryots?

A.—Measures fair and proper in themselves often lose their value if unfortunately introduced inopportunately and under unfavourable circumstances. When the revision was introduced the new Limitation Act was already in force for years, and the revision found the ryots under a heavy load of debt, and drifting towards more debt still. Very high prices were reigning generally before the revision, which raised the ryots' income considerably, owing to which notwithstanding some increase in their expenses, the ryots were able to pay the sowkars to some extent. Just people already found themselves, even under the old rates of assessment, unable to pay the sowkars as they used to do. Thus, when owing to these causes, the people were already groaning, the revision came on which generally raised the assessment, and this rise in the rates irrespective of the question whether it was rightly or wrongly raised in proportion to the worth of the land became a grievance to the people. People at all times naturally view unfavourably any increase in the dues they have to pay, without concerning themselves as to the equity of the measure and in the adverse circumstances the unfavourable view amounted to dissatisfaction. By section 30 of the Survey Act people understood that whenever the rates may be revised they will chiefly be with reference to market rates of the produce, and the value of land so determined that the quality and the classification of land was settled once for all, and that if by improvements and industry they bettered some land and raised it in quality and value they will enjoy the benefit without any new extra burden being thrown upon them in consequence of their adventure and labour. In short they understood for certain that the classification of land will not be altered at the time of revision of assessment, but that the increase or decrease in the rates will be fixed with reference to the rise or fall in the prices of the market produce. In the recent revision the classification was also revised. Under the old settlement of the classification, which settled the quality of lands for 30 years, the relative worth of the lands of the different owners was permanently fixed in the people's minds. By the revision this relation recognized for 30 years was broken up, and, more than the absolute rise in their dues, people complain of the relative rise as compared with the others who formerly paid assessment equal to their own, or different in a certain proportion. If, without disturbing the relative burden, the rates against all are proportionately raised, the people do not so much feel the burden and see no cause of complaint.

Q. 3.—Then, if it be found that by the old settlement some cultivators were under assessed and others over assessed by mistakes in classification, is not the error to be rectified?

A.—If these are errors they should be rectified. If it is found in some individual cases that the lands have been placed in wrong classes it is desirable that they should be placed in their proper classes, and such alterations people will appreciate as corrections of mistakes. But when the change is wholesale and affects almost all proprietors they cannot be brought to think that the old arrangement which worked for 30 years during which the people found no cause to complain and were prosperous was all a mistake. They view the revision as it is as only a measure adopted to increase the revenues of the State.

Q. 4.—But, independent of the people's sentiment, if it be found that in the old settlement the classification of lands was erroneous, or that by the advance of time or 30 years since, considerable change has occurred in the quality of the lands, and that the revised settlement gives the correct classification should not the latter be maintained?

A. The change for the better in the quality of land is principally due to the industry and care of the proprietors, and the expenses which they undergo to make improvements, and it is not intended that such lands are to be thrown under a higher classification. If it be true that under the old settlement lands were placed below their proper classification it may be said that that being the case not with reference to a few instances, but in almost all instances, it was the fault of the system then in force, and it is a question for consideration whether it is desirable to make a wholesale change in a system which went on smoothly for several years, and at the cost of creating discontent among the ryots.

Extract from Report by Mr. Marpherson, Assistant Collector of Poona, 1874-75.

During the travelling season I visited a very large proportion of the villages of Bhimthari and Indapur, and, as remarked in my Letter No. 33 of 16th March 1875, found that about 90 per cent. of the ryots were not merely in debt, but hopelessly involved in it. As pointed out in that letter the real owners of the land are the money-lenders, they alone profit by remissions, and consequently they are the persons who by

refusing advances to the ryots prevent the punctual realization of the revenue. Their aim this year was by refusing advances to the ryots to force Government to grant large remissions, as they well knew that the whole taluka could not be sold up, and it was well worth their while to have a few fields sold, and then a remission granted on the rest. The ryots, however, who think themselves the owners of the land, did not at all approve of this arrangement, each man fearing that he himself might be one among the small body of victims. According the ryots pressed the sowkars to pay the instalments and the refusal of the latter led to the disturbances which commenced in Bhimthari and extended all around.

The real fact, however, is that the whole produce of the ryot's field would not pay the interest on his debt, but the sowkar finds it to his advantage to keep the ryot in nominal possession of the land, and to take the difference between what it produces and what is absolutely required for the support of the cultivator. Out of this difference he has really to pay the Government dues, and all remissions and reductions go into his pocket and not into that of the ryot.

Another result of this state of matters is that nearly the whole land of the taluka being in possession of a few sowkars they can easily unite to raise an outcry for remissions, petition Government, and procure the insertion of paragraphs in the papers. Even an anna remission would put hundreds of rupees into the pockets of these individuals, so it can scarcely be a matter for wonder if they do their best to make Government suppose that the rates are excessive, and of course they have only to refuse to advance the ryots money to bring about a hitch in the payment of the instalments. Last year a few of these men were hit by the confirmation of some of the 1 anna sales and I do not think they will venture to repeat the experiment this year. I am far from saying that the assessment should not be reduced: though not exorbitant, it is still higher than was intended and should, I think, be reduced. I merely wish to point out how the wires are pulled, and at the same time to draw attention to the fact that little or no benefit will accrue to the ryot however much the assessment is reduced.

Extract from Report by Mr. Davidson, Assistant Collector of Sholapur, 1874-75.

The cause of this decline and fall of the landholders is only partially the higher rates of assessment, except in Mádha, where the most efficient cause is that the rates are so high. With this we must couple the low harvest price of grain, and the oppression of the civil courts.

Extract from the Remarks of Government on the Sholapur Reports, 1874-75.

The orders lately issued for reduction of the survey assessments, on the principle of lowering the classification rates in inferior soils more in proportion than those of the better ones, will remove all ground of complaint on the score of inequality of assessment, such as that brought to notice, and it is hoped will lead to much of their land being taken up again, if not for cultivation, for grazing purposes, for which the revised rates are amply low.

Extract from Report by the Collector of Ahmednagar, 1874-75.

The revision settlement has been fixed for 41 villages (36 in the Kopargaon, and five in the Sangamner taluka). At first it was proposed by the Superintendent of Survey to impose a maximum jerayet rate of Rs. 1-12, which, along with other trifling alterations, would have given an increase on the assessment of 41½ per cent. Subsequently, however, under the orders of Government, a maximum rate of Rs. 1-8 was determined on, which reduces the total percentage increase to one of 30 per cent. At the same time, also, somewhat lower rates than those first proposed were fixed for two out of three specially poor villages. This was good as far as it went, and if it was impossible to postpone the re-assessment until after Government had satisfied themselves as to the real state of the cultivators and the causes of their declension and poverty, it may have been the only course open to Government, as the increase in the rates is not more than the rise of prices during the currency of the last settlement, taken by itself, would justify: so that, had the principle involved in this increase been given up in a part of this district, it might have caused difficulties in other districts. Nevertheless I cannot but regret that the step taken was necessary, if so it was: for though I have admitted, both in my report last year on the condition of the district and in my report on the revision settlement, that the state of the cultivators is in no way owing to the amount of assessment, which is ordinarily very low; and though, from all I have since seen, I am perfectly satisfied that this view is correct, and do not consider that the rates, even as now enhanced, are in themselves higher than the land can bear, or than Govern-

are entitled to; yet it must be acknowledged that it is one thing to impose higher, though still fair, rates on a thriving and contented population, and quite another thing to enhance, by ever so little, the rates paid by a people already in the extreme of poverty, and almost goaded to desperation. Whatever the necessity of the case may have been, yet it was, as I believe, a step of considerable hazard; for who could say that even this moderate increase of rents might not prove as the last straw on the camel's back, and so complete the ruin of the ryots. Indeed, I have no hesitation in asserting that had such an experiment been made in the Sheogaon and Shrigonda talukas, and not in a portion only of them, but in the whole talukas, the result would have proved even much more disastrous than I, at the time of objecting to the proposed rates, supposed. Events only will show what, if nothing else meanwhile is done to improve the condition of the ryots, will be the results of the experiments that Government have made in the Kopargaon taluka.

Extract from the Remarks of Government on the Ahmednagar Report, 1874-75.

The revision of settlements in 41 villages of the Sangamner and Kopargaon talukas has been effected during the year. Mr. Boswell, while admitting the moderation of the increase made in assessments, 30 per cent., and that it is more than justified by the rise in prices since the original settlement was introduced, yet expresses his doubt whether any revision of assessments whatever is desirable in the present impoverished condition of the agricultural classes. He should, however, remember that on his own showing the increased assessments will not be paid by the ryot, but by the sowkar, who takes whatever difference there may be between the amount of the Government assessment and the sum absolutely necessary for the bare support of the cultivators, and that the state of the people in his own district, one of the most lightly assessed in India, shows that unduly light assessments do not conduce to the prosperity of the population.

Extract from Mr. Peddler's "Leading Points regarding Revision Settlements."

A sudden increase of as much as 50, 75, or 100 per cent. in the assessment of a taluka or group of villages, though it may bring assessments only up to a pitch with which the people were perfectly satisfied 10 or 20 years before, must still produce considerable inconvenience, and perhaps hardship. For it not only diminishes suddenly the amount which a ryot has been accustomed to spend on his living—in other words, his "standard of comfort"—but it causes a great change for the worse in his relation with his sowkar, a matter of no small importance. This consideration seems to me to have been somewhat overlooked.

Extract from Report of the Revenue Commissioner, S. D., paras. 9 and 10, on the Revised Assessment of Taluka Karmala, Zilla Sholapur, dated 14th January 1874.

When, in para. 9 of his Report No. 1,441, dated 13th April 1871, the Revenue Commissioner submitted a qualified assent to the revised assessment then proposed for the Mureh taluka, though fully aware of the large area of land previously held free then being brought under assessment, he was entirely uninformed regarding the disproportionate and extraordinary additions which the revised assessment would impose on separate villages, and the still more extraordinary and, as regards the general rate of enhancement, more disproportionate additions which the revised assessment would impose on individual fields. * * * * *

It was not even then known to what an extent the former assessment on individual survey fields had been multiplied by the revised assessments. It is this feature in the revision which, though susceptible of the explanation furnished by the Survey Department, has caused widespread dismay among ryots of all classes, from the merchant who has invested in land as a good speculation and permanently safe security for money to the poorest cultivator, who with one pair of bullocks, or perhaps not even that amount of agricultural stock, has under the former light assessment been holding an extent of land, the proper cultivation of which is quite beyond his means.

Extract from Memorandum of the Revenue Commissioner, S. D., on the Division of Taluka Pandharpur, Zilla Sholapur, dated 21st October 1872.

The very serious drought and failure of crops in parts of Ahmednagar, Sholapur, and Satara, and in a less degree in Kaladgi and Poona, last year, show that the timely collection in full of even the old assessment in a really bad year is not practicable, and it requires no argument to establish how much more difficult the collection in arrears will become when swelled by such an enhanced demand as that now proposed.

Taking the rates actually fixed by the Superintendent of Survey and Settlement as the result of an elaborate classification based on a maximum rate adopted for each area, the Revenue Commissioner does not find grounds for criticism of the rates on the average they represent; but it does strike him that it is a violent mode of adjustment of the claims of Government to impose on many of the villages an assessment more than double that which had been ascertained at the previous settlement as suitable, by a process exactly similar to that followed at present, though not so carefully supervised, and therefore apparently not so accurate.

In Eshwar Watar, No. 13 of the Statement, the assessment has been raised, without counting local fund cess, 111 per cent., and the average rate per acre is the highest on the list, or 15 annas 4 pies. Now, laying aside the capabilities of the soil of Eshwar Watar, regarding which the settlement officers of 1839-40 and of 1870-71 ought to be the best judges, the Revenue Commissioner cannot help regarding the new assessment in this and others of the villages as injudiciously enhanced. Admitting the exigencies of the State to be pressing, and the prosperity of the village, due to the previous light taxation, to be capable, under fairly favourable circumstances, of meeting the new demand, does it not appear a terribly crushing weight on the cultivators to find the terms of the settlement given them in 1839-40 increased as follows:—

	Percentage.
Local fund on original assessment	6·06
Revised assessment	111·
Local fund on above	6·73
	<u>123·79</u>

Or, taking the figures roughly, what sort of a prospect must it be to an occupant of Government land in Eshwar Watar to find that he has to pay about 2 rs. 4 annas for every rupee of assessment he paid only a few years ago, when prices were most favourable? This state of things, from the cultivator's point of view, particularly if associated with the serious failure in the locality last year, and the future possibility, nay probability, of a worse market for produce in consequence of falling prices, is certainly most discouraging. And on the other side the most that can be said is that circumstances appear to admit of a considerable increase of the Government demand, though the measure of that increase is based on theoretical grounds alone.

Extract from a Petition presented to the Collector of Sholapur by the ryots of Karmala Taluka, September 1875.

The produce of the land is not equal to the revised rates of assessment levied by Colonel Francis. The fall of rain in these districts is uncertain, and consequently the crops in every year suffer very much. The peculiarity of this district is that there is a seasonable fall of rain in every 10 or 15 years, and it is in that year only that there is a surplus profit left to pay the assessment. Taking into account the precarious rainfall in this district, Lieutenant Nash and Captain (now Sir George) Wingate levied the original assessment for a period of 30 years. The ryots somehow or other managed to pay that assessment, though even then they found it very heavy. When Colonel Francis submitted his proposals levying the revised rates, the petitioners, including other cultivators, went to him with their petition, and requested him to give some consideration to the uncertainty of the rainfall in this district, and that the revised rates should not be levied. The petitioners also represented to Colonel Francis that if Government be a guarantee for the seasonable fall of rain, they would most willingly pay the revised rates, whereupon Colonel Francis said to the petitioners that to make the rain fall seasonably is in the hands of God, and that the rates levied must be paid. Since the introduction of the new rates, all the cultivators of the Karmala taluka have mortgaged their bullocks, lands, houses, &c. to the sowkars to pay the assessment. The records of the sub-registrar of the taluka will bear the petitioners out in the above assertion. Lieutenant Nash and Captain Wingate had specially reserved uncultivable land for grazing purposes which has been included in the recent classification and measurement by Colonel Francis, and levied the assessment on it. If the area of the uncultivable land be deducted from the cultivable land, and if the amount of the new assessment be levied on the remaining land, it will be quite apparent that the new rates are even more than double the original assessment. It is true that the new rates appear increased only by

50 per cent. when the uncultivable and cultivable lands are taken into calculation, but, really speaking, the increase is even more than cent. per cent. in some of the holdings. Unless the new rates are cancelled, and the original assessment is re-introduced, the quarrels amongst the cultivators and the sowkars will not be set at rest.

The British rule in India is dated as far back as the year 1818. Since that year the inhabitants of the Native States (in alliance with the British Government), such as Hyderabad, Indore, Gwalior, Baroda, Nagpore, &c., owing to oppression, used to migrate into the British dominions. Of late, in consequence of the heavy assessment and the injustice caused by oppressive laws, there has been a discordancy between the ryots, sowkars, and Government, and the result of which is that many ryots, sowkars, &c. have given up their lands, estates, &c., and been migrating to the Native States.

Extract from the Report of the Sub-Committee of the Poona Sarvajanic Sabha, 1873.

From the evidence summarised above on this head, as also from other information available to the committee in the published records of Government, and from private sources, the following propositions may be laid down as proved:—Firstly, that, on the whole, the rates of the first settlement were moderately low, and were fixed after a due consideration of the circumstances of the soil and the character of husbandry in each taluka. Secondly, that although, by reason of the rates being moderate, the jamabandi of the talukas showed an apparent falling off for the first few years from the nominal figure at which it stood before the survey, yet, as the rates were based on an average of the actual receipts of the previous 30 years, not only was there no real falling off, but, on the contrary, in the course of a few years, by reason of the extension of cultivation, the jamabandi of the talukas was increased by a large percentage. Thirdly, the survey and settlement operations have had the undeniable effect of making the relation between the State landlord and the ryots rigid and unyielding, to an extent wholly unsuited to the habits and wants of the people, and to the circumstances of the country. One of the first effects of the settlement is that the collector's jamabandi work becomes a mere form, the most urgent representations from the ryots for remissions in bad years are not heeded, and, the seasons being so precarious in this country, the ryots, from want of provident habits, feel in bad years the rigid pressure of the revenue system to be simply crushing. Fourthly, while the witnesses on the whole agree that the first rates were moderate, there is an equal unanimity of opinion from the Indapur, Bhimthari, Madhe, Sholapur, and some talukas in the Kaladgi District that the new rates, being based chiefly upon an expected continuance of the high prices which obtained from 1860 to 1866, are felt to be oppressively heavy and almost crushing, especially as prices in general have steadily declined during the last five years. Fifthly, in fixing the new rates, there has been to all appearances a most capricious exercise of the discretion of the settlement officers with regard to many entire villages, and many individual holders of land in all villages, whose assessments have been enhanced quite out of proportion to the average enhancement of the taluka, thereby most materially affecting the value of the property of these holders.

As regards the first position, the summary of the evidence given before is sufficient by itself to substantiate its correctness, and needs no supplementary remarks. The villagers from the Bhimthadi Taluka, who came in crowds to the sittings of the Committee, gratefully acknowledged the moderation of the old rates, about which they said they had nothing to complain. As regards the Indapur district, the fact noticed in Colonel Francis' Report that during the last 20 years of the first settlement no remissions were found necessary in that taluka, where before more than half the revenue had on an average to be remitted every alternate year, strongly confirms this same view. The statements and witnesses examined from the Satara, Khandesh, Ahmednagar, and Sholapur districts give the same favourable testimony regarding the old rates. Two things ought, however, to be remembered in connexion with this subject—*first*, that the rates when they were first introduced were not advisedly intended to be low, and in their practical effect for the first ten years they produced no sensible relief to the ryots; *secondly*, it was the subsequent gradual rise in prices, which was the great economical fact between 1848 and 1866, that made the ryots feel these first rates to be conveniently low.

With regard to the second position, a statement is herewith appended, for the Mudihal Taluka in the Kaladgi district, and the Hangal Taluka in the Dharwad district, and the Parasgad Taluka in the Belgaum district, showing the details of the proportion between cultivated and uncultivated land in the year previous to the survey, the year of the survey, the 10th year after the survey, the 20th year after the survey, as also for the year 1870-71. It will be seen from that statement that while at the time of first

introduction of the survey rates the area of uncultivated land in the talukas of Mudibhal and Hangal was considerably larger than that of the cultivated land, within twenty years from the time of the survey the whole of it was brought under cultivation, leaving only an inconsiderable fraction of one-twentieth to be reclaimed.

Besides, the following statement for the three Zillas of Kaladgi, Belgaum, and Dharwad will show that while the Kaladgi district, with its 953 villages, showed a falling off in the year of the survey of 8,000 Rs. over a jamabandi of 6½ lakhs for the year previous to the survey, the receipts in 1870-71 were 10½ lakhs, or nearly double the revenue received in the first year of the settlement. The same observation holds true, to a more or less extent, with regard to the other Zillas :—

Zilla.	No. of Villages.	Revenue for the Year before the Survey.	Revenue according to the Survey Settlement.	Revenue for the Year 1870-71.
		RS.	RS.	RS.
Kaladgi - - - -	953	6,52,000	5,72,000	10,21,000
Belgaum - - - -	930	8,60,000	7,68,000	11,39,000
Dharwad - - - -	1,238	11,52,000	9,46,000	15,65,000
	3,121	26,64,000	22,86,000	37,25,000

Taking the three Zillas together, while there was a falling off of nearly 3½ lakhs in the revenue of the first year of the settlement over the previous year, there was an increase in the year 1870-71 of 10½ lakhs over the revenue of the year previous to the settlement, and fully 14½ lakhs over the revenue received in the first year of the settlement, so that long before the 30 years' period of settlement will expire the revenue of the three Zillas has increased about 75 per cent., without any change of rates. Throughout all the other Zillas this same increase has occurred, to a more or less extent. This important fact is well brought out and illustrated by Professor Green, in his pamphlet on the Deccan Ryots, published in 1852. It is not quite correct to say, therefore, that by reason of the 30 years' settlement the Government has derived no additional revenue from the settled districts during the term of the lease.

As regards the third position, that the introduction of the revenue settlement has had the effect of making the connexion between the State landlord and the ryot more unyielding and rigid than is suited to the habits of the people and the circumstances of the country, the fact is so patent that it is not necessary to give any details regarding it. In districts where sufficient and timely rainfall is assured this rigidity is not felt to be very oppressive; but the districts of Poona, Sholapur, Ahmednagar, and to a less extent Khandesh, Satara, and Belgaum, do not enjoy a certain and equable rainfall, the climate is subject to drought, and the crops are liable to frequent and extensive failures; when a large portion of the agricultural capital, the labouring cattle, are generally swept away. "This uncertainty of climate and the calamitous losses it occasions to the cultivators, which no forethought on their part can avert, has probably had a large share in making the Deccan population what it is," improvident and unthrifty. With such a population, unless the rates are low enough to be conveniently borne in the worst years, demands for remissions will be frequent, and though they may not be complied with, the failure of crops which necessitates the demand is none the less felt to be a disastrous calamity. This year, 1872-73, which has been a remarkably good year in the other districts, has been a year of drought in the Bhimthari Taluka, and large numbers of the people from this poor taluka came to Poona to complain to the assistant collector in charge of the taluka, Mr. Spence, who referred them to the collector. They next complained to the collector, who pleaded his inability to help them. They next went up to Bombay to petition the local Government, who referred them back to the collector. All that these poor people wanted was that the revenue officers should make a local inspection of the crops, and, if they were satisfied that the crops had failed, to grant remissions. In this taluka the crops had failed last year also, and by reason of it only one instalment could be taken; and this year, with equally bad crops, these poor people were called upon to pay up the last year's arrears, and this year's full revenue according to the enhanced rates. This is only one instance of the stiffness of the present revenue system which was prominently forced upon the attention of the Committee during their sittings. In another respect the same rigidity of the system affects the cultivating classes in an unseen manner. The village *Gayaran* land, expressly set apart for the village cattle, has been gradually encroached upon by the revenue officers, who sell portions of it by

public auction, and these encroachments once made receive the sanction of the settlement officer's register. In the case of *mali* land (*i.e.*, land on the banks of large streams or rivers, which lies for some time under water during the rains, and on which, when the water retires, there remains a deposit which is called *mali*, and which gives the name to the land), while the owner of the number close to the bank receives no compensation, or has not his assessment reduced, if a portion of the bank be washed away, yet if there is a considerable accretion on the bank the owner is not allowed the advantage of it, but the *mali* is separately numbered and heavily assessed. In the fourth chapter of this report, this point and many other points in which the action of the executive Government through its various departments presses hard upon the cultivating classes have been touched upon at some length. It is not necessary, therefore, to go over the same ground here again by anticipation.

With regard to the 4th and 5th positions laid down above, the general effect of the evidence leaves no room for doubt that the recent enhancements have not been made with a due consideration of the circumstances of the classes to be affected by them. They were based upon an erroneous apprehension that the inflated prices which obtained during the first half of the last decade would continue. The fact is, as has been shown at some length in the first chapter of this report, that prices have steadily declined, and this year in many parts of the country the prices are just where they were between 1856 and 1859. The chief justification for the enhancement of rates, *viz.*, this alleged rise in prices, falls therefore to the ground. But even if it be allowed to have any weight, it will only warrant a moderate enhancement. At present there is no rule laid down to guide the discretion of the officers employed. The settlement officers at their discretion select a few years out of the 30 years' term, and base their calculation upon it. Now in one sense, while it may be perfectly legitimate to suppose that the next 30 years will in their climatic characteristics (and none but climatic changes seriously cause variations in prices in this country) be like the past 30 years, it will not do to take any arbitrary portion of this 30 years' period and assume that the rates during the next 30 years will not fall below this assumed standard. If the settlement officers, therefore, had taken the average of the prices for the whole of the 30 years of the last period, and, according as this average was higher or lower than the average of the 30 years preceding the first settlement, the rates had been adjusted for the next 30 years, their procedure would have been at least intelligible, and much could not have been urged against it. Even then the enhancement could not properly be made in proportion to the absolute rise in prices, but it would be some determinate fraction of the rise in prices, about 50 per cent., because by reason of the rise in prices the expenses of cultivation increase proportionately, and the margin of the actual profits is not correctly represented by the difference between the average prices of the two periods. This distinction has not always been kept in mind by the settlement officers. And it behoves the consideration of the executive Government whether, in the settlements to be yet made some such rules of limitation (by which the average would be based upon the returns of the whole of the 30 years' term, and not any arbitrary portion of it, and the enhancement, grounded upon the fact that this average was higher than the average prices of the previous 30 years, would be only a determinate fraction, a moiety of the proportion of the rise in prices) should not be imposed upon the discretion of the settlement officers so as to enforce a just moderation in all their proposals. In the absence of some such rules, the controlling authorities, who have no special knowledge of the subject, feel their utter helplessness to reject or review the recommendations of the survey officers, and have to content themselves with an ignorant assent. The position above laid down, that the recent enhancements have been oppressively heavy, has received the sanction of the local Government, who, in resolution No. 798 passed in February 1873, have thought it necessary to enjoin upon all survey officers very moderate increases in the revision operations; and in pursuance of this policy the local Government, in sanctioning the revised rates in the Pabal Taluka, sensibly reduced the rates recommended by the survey superintendent, the effect of which was to bring down the average enhancement from the 88 per cent. recommended by the survey officers to 75 per cent. In this same taluka, as in the previously surveyed districts of Madhe and Indapur, the Motasthal, or additional cess on water obtained from wells sunk by the ryots at their own expense, was recommended by the survey officers, against the letter and spirit of the Survey Acts; and this increase was well-nigh sanctioned, when at the eleventh hour, upon the representation of the ryots, the injustice was stayed, and the cess was given up. These incidents will prove how dangerous this enhancement mania is, and how necessary it is that general rules should be laid down to guide the discretion of over-zealous and unscrupulous officers.

With regard to these enhancements, it is next to be observed that in all the talukas

to which the enhanced rates have been applied there has been a re-survey and a re-classification. There may be in the abstract sufficient reasons for thus going over work once done before, but when it is understood that this re-survey and re-classification involve the unsettlement of the established market values of an immense number of proprietary interests in land, the mischief of these measures will be seen in all its enormity. So far as the executive Government is concerned, only the total results are placed before it, and its sanction is seldom withheld; but these total results convey no adequate idea of the hardships inflicted in many individual cases where the assessment is raised not according to the average percentage, but by 300 or 400 per cent. above the average. This disproportionate enhancement has virtually the effect of confiscating the land so unequally assessed. By the guarantee of 30 years the ryot is led to suppose that he is the owner of the numbers entered against his name, subject to the payment of the fixed assessment to Government, and subject also to any increase that may be deemed just on general grounds at the periodical re-settlements. It does not follow from this that, after allowing a man to hold for 30 years a certain number of holdings subject to certain advantages or disadvantages, as compared with his neighbour's holdings similarly situated, he can be asked to vacate the land under penalty of paying three or four times as much as his neighbours are called upon to pay. Such interference with the rights of property in land, on the ground of an abstract equality which has and can have no place in fact, constitutes a just grievance on the part of those whose property has been thus virtually confiscated.

It has, indeed, been maintained that these unequal enhancements have resulted from two causes—the defective measurements of land at the first survey, and, in cases where this cause does not explain the enhancement, it is alleged that the first assessment was secured at an unduly low figure by the corruption of subordinate native officials. From the lists published in the appendices marked to this report, containing the details of such enhancements in the Indapur, Sholapur, and Bhimthari Talukas, it will be plain that the first alleged cause has had no great effect. Most of the numbers show the same measurements, and yet the enhancements are most irregular. As regards the second allegation, there is no direct evidence coming forth, and supposing corruption possible it proves too much, for the new measurements are also made by subordinate native officials. These pretensions to greater accuracy and purity are simply untenable, and will not stand examination for a moment. Allowing them, however, their full force, one fails to see how the incapacity or corruption of the agents of Government should be a ground for interfering with perpetual leases given by it to third parties, who, on the faith that their properties under all circumstances would keep their place in relative value with their neighbours' properties, have dealt with them, sold them, mortgaged them, and created all manner of interests in them. Properties so settled ought to be as assuredly secured from all unequal taxation or interference as any other private property. If Government had sold building sites which its officers, from incapacity or corruption, had under measured at the time of the first appropriation, would any court of law allow it for a moment, after 30 years' term has passed and houses have been built on the land, to get back its land on the plea that it was not properly measured at first by the default of its own agents? It is strange these considerations find no weight with professed publicists, where the irregular action of the settlement officers deals at one blow ruin to many hundred homesteads.

That the new enhancements are more than the people can well bear in all seasons has been sufficiently demonstrated by the experience of the last few years. As one consequence of the enhancement of rates concurring with a fall in prices in the talukas of Bhimthari and Indapur, it was found necessary in 1871 to allow nearly half the revenue to remain in arrears, a circumstance which has not occurred in these talukas during the last 26 years. But a worse sign of the inability of the ryots to pay the enhanced rates, and in some cases even the old rates, is seen in the circumstance that in the talukas where arrears were not allowed to remain unrecovered, many numbers held for generations by the holders thereof have been put up to sale, *e.g.*, in the Indi and Shindgi Talukas of the Kaladgi district, in the Karmale and Madhe Talukas of the Sholapur district, and in the Mawal Taluka of the Poona district. In the Shindgi Taluka of the Kaladgi district, in 17 villages about 25 holdings were sold last year by auction for arrears of revenue amounting to Rs. 280. With the exception of two numbers, the rest found no purchasers, and in the column of remarks against several of them it is stated that the holders had absconded into the Nizam's territory from poverty. All these numbers, for whom no purchasers were found, are now lying waste. In the Karmale Taluka, 26 numbers, measuring 940 acres, were sold for arrears of Rs. 232, after allowing partial remissions. Nobody could be found willing to buy them. Nine numbers in the

Madhe Taluka, measuring 228 acres, were sold for arrears of Rs. 56, after allowing as much by way of remissions. In a similar manner 15 numbers were sold in Sangwi, a village in the Mawal Taluka, for arrears of revenue in the same year, and found no purchasers. This is the most ominous sign of the times to those who can discern it, as it is not likely that, except from sheer helplessness, so many ryots in so many villages would abandon their hereditary fields and seek refuge in foreign territory, as the Shindgi people have done in numbers. The returns for Shindgi and Karmale and Madhe are appended hereto. In 12 villages of the Indi Taluka, 29 holdings belonging to 25 holders were sold in 1871-72 for arrears of rent. The total assessment on these numbers comes to about Rs. 354, and at the auction sale about Rs. 390 only were realised. This shows that the ryot's property in his land has been, by reason of the enhanced rates concurring with the fall in prices, so greatly diminished in value that it is hardly in many cases worth one year's purchase, or, in other words, this property has ceased to be of any value in the market. The instances of private sales of numbers which the settlement officers select for the purposes of their report simply mislead those who have the responsibility to act upon those reports. The numbers given above for the Indi Taluka are not fancy numbers, or in any way artificially selected; they are extracted from the annual returns submitted by the Mamlutdar, and may therefore be depended upon as correct representatives of by far the large majority of the ryot's holdings. From these statements it will be seen that if prices continue to fall, the levy of the enhanced rates will be more and more impracticable every year, and will necessitate periodical remissions, large arrears, or abandonment of land by the impoverished ryots.

While these effects are due to the general enhancement of the rates, the other evil noticed before, the unsettlement of landed property and its virtual confiscation by reason of exceptionally heavy enhancement on individual holders, is not of a sort which will be understood by those who cannot see beneath the surface of things. But the mischief of the unsettlement will be none the less certain on that account. Those who have invested their capital in these holdings so assessed out of all proportion to the average enhancement of the taluka will be ruined, and others will be deterred from making advances to the ryots for improvements in the land. These periodical valuations and classifications undo all the moral effects of fixing the Government demand on land. In the words of Sir John Shore, "the practice of making frequent valuations of the land, and, where one estate, has improved and another has declined, of appropriating the increased produce of the former to supply the deficiencies of the latter, is not taxation, but is a declaration that the property of the landholders is at the absolute disposal of Government," or, in other words, is confiscation. It might be said, and has been said, that the cases of such exceptional assessments are few, and that in these few cases the settlement officers simply restore a disturbed equilibrium. The information summarised before shows that these cases are not few, but form a considerable minority; and as regards the plea of restoring the equilibrium, it is one which in private transactions between individuals nobody will be allowed to urge for a moment, and is most scandalous coming from the mouth of those whose default created the mistake. Property is of equal value, and after 30 years' guaranteed continuance it is too late to seek to restore an equal equilibrium at the sacrifice of all vested interests.

From what has been said before, it will be abundantly clear (1) that the new enhancements are oppressive and unjust; (2), that the allegation of the rise in prices, which is the sole justification urged for such heavy increase, has been falsified by subsequent facts; (3), that even if the rise in prices be admitted to be a sufficient cause, the settlement officers can only by reason of it be justified in raising the rates so far as the rise was permanent and certain to continue, which could only be ascertained upon a survey of the whole 30 years' rates, and it in no way warrants them in selecting any portion of the 30 years which appears to them to be the most convenient standard; (4), that even when the average of the last 30 years' rates is taken as the standard, the rise in rates should represent only a fraction, and not the whole, of the rise in prices, so as to allow a margin for increased cost of husbandry; (5), it has been further shown that the new assessments absorb more than the whole margin of the small profits which were earned under the first settlement, and that they are not paid out of rent proper, but eat up the profits and encroach upon the wages. While these conclusions are arrived at from general reasonings, the experience of the last five years strongly confirms the same view, that the new assessments are oppressively heavy, and such that the ryots will not be able to pay from year to year during the next 30 years. For the first time in 20 years Government has been obliged to allow large arrears to remain unrecovered; for the first time in 20 years the ryots have been asking for remissions on a large scale. For the first time also many numbers have been abandoned in different parts of the country by reason

of poverty, and the ryots have left their native villages and absconded into foreign territory. For the first time many more numbers have been sold at nominal prices. Over and above these facts, which demonstrate that the average increase has been in general more heavy than what the ryots can well bear, there is the cry coming from all quarters that individual villages, and individual numbers in all villages, have been exceptionally assessed, the enhancements ranging from 200 to 600 per cent., and chiefly on inferior lands. The ruin of property, and the total loss of confidence which this measure of confiscation has effected, are equally disastrous in the interests of Government and the people.—*Extract from the Report of the Sub-Committee of the Poona Sarvajanic Sabha, Chapter III., 1873.*

STATEMENT OF CULTIVATED AREA and ASSESSMENT in the Revised Talukas of the POONA and SHOLAPUR COLLECTORATES.

Collectorate.	Taluka.	Year of Revision.	Cultivated Area.			Assessment.				
			First Year of Settlement.	Last Year of Settlement.	By revised Survey.	First Year of Settlement.	Average Collections of 1st Decade.	Last Year of Settlement.	Revised Demand as first sanctioned.	Revised Demand as reduced in 1875.
Poona	Indapur -	1867	ACRES. 199,000	ACRES. 238,135	ACRES. 270,076	RS. 72,791	RS. 65,230	RS. 61,184	RS. 1,25,845	RS. 1,13,142
	Bhimthari -	1871	123,000	190,410	212,703	58,067	48,407	81,475	1,33,181	1,11,468
	Haveli -	1872	124,500	127,810	144,745	74,500	69,744	80,475	1,33,174	1,13,439
	Pábal -	—	142,000	161,240	181,643	81,213	79,000	92,359	1,39,315	1,27,334
	Súpe -	—	115,000	147,244	159,227	44,000	48,856	59,926	78,788	—
Sholapur	Madha -	1871	223,885	266,932	305,192	81,388	90,647	1,00,580	1,74,448	1,42,208
	Sholapur -	—	314,000	381,882	413,573	1,31,000	1,34,168	1,74,101	3,07,972	2,65,404
	Pandharpur -	1872	71,500	84,273	90,798	31,500	32,500	36,048	63,441	53,171
	Bárai -	—	198,000	248,465	278,509	1,06,884	1,03,786	1,34,658	2,03,432	1,77,000
	Karmála -	—	198,400	271,194	299,242	84,000	78,488	1,10,824	1,46,890	—

The figures in cols. 5 and 6 are taken from the Resolution of Government No. 5,789, dated 29th October 1874; those in cols. 4, 7, and 8 from the Revision Reports; those in cols. 9, 10, and 11 from the several Government Resolutions.

TABLE of RATES and PERCENTAGES of ASSESSMENT in POONA and SHOLAPUR.

Collectorate.	Taluka.	Rates of Assessment per Acre.				Percentages of Enhancement.			
		First Year of Settlement (old area).	Last Year of Settlement (old area).	Revised Assessment produced (new area).	Revised Assessment now reduced (new area).	As proposed.		As reduced.	
						On average Collections of 1st Decade.	On Collections of last Year of Settlement.	On average Collections of 1st Decade.	On Collections of last Year of Settlement.
Poona	Indapur -	RS. A. P. 0 5 10	0 5 5	0 7 5	0 6 8	PER CENT. 98	PER CENT. 55	PER CENT. 73	PER CENT. 3
	Bhimthari -	0 6 11	0 6 10	0 10 0	0 8 4	207	63	157	5
	Haveli -	0 9 6	0 10 1	0 14 6	0 12 4	91	65	68	4
	Pábal -	0 9 1	0 9 1	0 13 8	0 11 5	76	51	61	3
	Súpe -	0 6 1	0 6 6	0 7 11	0 7 11	60	36	60	32
Sholapur	Madha -	0 5 9	0 6 0	0 9 1	0 7 3	92	74	57	41
	Sholapur -	0 6 8	0 7 3	0 11 10	0 10 3	129	77	96	41
	Pandharpur -	0 5 7	0 6 10	0 11 2	0 9 4	95	76	63	48
	Bárai -	0 8 7	0 8 0	0 11 7	0 10 2	95	62	70	42
	Karmála -	0 6 9	0 6 6	0 7 10	0 7 10	67	32	67	32

STATEMENT showing the AREA of WASTE at various Periods during the Settlement.

Collectorate.	Taluka.	Culturable Area by First Survey.	Area of Waste.							
			In First Year.		End of 1st Decade.		End of 2nd Decade.		End of Settlement.	
Poona	Indapur	ACRES. 238,135	ACRES. 39,000	Per cent. 16	ACRES. 24,550	Per cent. 10	ACRES. 1,800	Per cent. 0.8	ACRES. 230	Per cent. 0.1
	Bhimthari (48 villages)	166,502	43,000	26	74,000	44	2,000	1.2	—	—
	Haveli -	127,610	16,000	13	10,000	8	1,900	1.5	634	0.5
	Pábal -	161,240	35,000	22	25,000	15	5,000	3.1	506	0.3
	Súpe -	147,244	26,000	18	16,000	11	1,000	0.7	1,800	1.2
Sholapur	Madha -	266,932	43,000	16	40,000	15	18,000	6.7	170	0.06
	Sholapur (20 villages)	345,131	28,000	8	35,000	10	9,000	2.6	—	—
	Pandharpur -	84,273	13,000	15	2,000	2	2,000	2.0	—	—
	Bárai -	248,465	50,000	20	30,000	12	30,000	1.2	170	0.06
	Karmála -	271,194	72,800	27	61,000	22	758	0.3	464	0.17
		2,056,726	365,800	18	317,550	15	43,958	2	4,578	0.2

TABLE illustrating the enhancement of Assessment imposed on Villages in Taluka Bhimthari. (Every fifth entry from the list of Villages.)

Taluka and Village.	Old Assessment.	New Assessment.	Old Average Rate.	New Average Rate.	Cultivated Area.	
					Old.	New.
<i>Bhimthari Taluka.</i>						
	RS.	RS.	RS. A. P.	RS. A. P.	ACRES.	ACRES.
Mirwari - - -	820	1,680	0 6 9	0 13 8	1,951	1,963
Bori Aindi - - -	1,375	2,318	0 7 5	0 10 0	2,953	3,721
Wálki - - -	1,545	2,699	0 10 4	1 0 1	2,398	2,526
Panaoli - - -	342	453	0 5 11	0 6 4	913	1,150
5 Khutbar - - -	867	884	0 6 2	0 6 0	2,246	2,368
Bori Pardhi - - -	1,051	1,869	0 7 1	0 11 3	2,371	2,665
Roti - - -	490	658	0 5 5	0 6 2	1,440	1,702
Hingun Gadi - - -	693	1,041	0 3 10	0 4 4	2,899	3,379
Sirsuphal - - -	2,665	4,372	0 3 7	0 4 7	11,999	15,190
10 Pedgaon - - -	1,180	2,138	0 7 9	0 13 8	2,440	2,509
Wedgao Darakar - - -	628	1,031	0 9 10	1 0 2	1,024	1,019
Ambi Khurd - - -	476	601	0 4 9	0 5 7	1,595	1,734
Chopdaj - - -	866	1,231	0 6 4	0 7 10	2,191	2,503
Wálki - - -	669	744	0 6 5	0 6 7	1,668	1,806
15 Murum - - -	2,130	2,911	0 7 9	0 9 5	4,395	4,963
Sonaoli - - -	969	1,458	0 5 6	0 7 11	2,824	2,948
Jalgaou - - -	1,770	2,625	0 7 2	0 10 3	3,941	4,089

TABLE illustrating the enhancement of Assessment imposed on Villages in Talukas Indapur, Sirur, and Haveli. (Every 10th entry.)

Taluka and Village.	Old Assessment.	New Assessment.	Old Average Rate.	New Average Rate.	Cultivated Area.	
					Old.	New.
<i>Indapur Taluka.</i>						
	R.S.	R.S.	RS. A. P.	RS. A. P.	ACRES.	ACRES.
Indapur - - -	4,981	8,226	0 5 0	0 6 9	16,028	19,464
Dhandgaon - - -	1,242	1,854	0 6 11	0 9 11	2,888	2,999
Shetphad - - -	1,394	2,102	0 6 4	0 9 4	3,510	3,607
Indi - - -	469	780	0 5 10	0 8 8	1,286	1,445
pu - - -	533	979	0 6 7	0 10 11	1,288	1,434
a - - -	1,173	1,751	0 5 3	0 6 11	1,636	2,214
- - -	1,261	1,860	0 6 3	0 8 8	3,249	3,429
at - - -	685	898	0 7 11	0 10 0	1,390	1,438
<i>Sirur Taluka.</i>						
alur. - - -	4,177	7,401	0 7 0	0 14 4	7,790	8,279
ikrapur - - -	4,162	5,687	0 6 0	1 0 9	5,333	5,445
untakar - - -	203	373	0 11 0	0 15 4	272	390
<i>Haveli Taluka.</i>						
horpari - - -	890	1,891	1 2 8	2 4 11	764	819
adgao Sheri - - -	473	931	0 7 5	0 12 3	1,027	1,213
shan - - -	1,558	2,454	0 10 9	1 0 7	2,314	2,364
andosi - - -	680	1,037	0 11 3	0 15 7	969	1,064
hursangi - - -	3,153	5,239	0 14 0	1 6 0	3,613	3,817
ulkhed - - -	669	1,008	0 14 6	1 5 7	640	814
olewadi - - -	1,912	3,696	0 9 10	1 0 2	3,123	3,652
mpri - - -	1,689	2,718	0 9 6	0 15 1	2,834	2,897

TABLE exhibiting extreme cases of enhancement of Assessment on Villages in the Poona Collectorate.

Taluka.	Village.	Old Assessment.	New Assessment.	Old Average Rate.		New Average Rate.		Cultivated Area.			
				Rs.	A.	P.	Rs.	A.	P.	Old.	New.
		RS.	RS.	RS.	A.	P.	RS.	A.	P.	ACRES.	ACRES.
Bhimthari	Kasurdi	1,283	2,326	0	8	9	0	14	8	2,343	2,543
	Kedgaon	2,241	3,820	0	7	8	0	12	8	4,672	4,828
	Pargaon	4,086	7,962	0	9	1	0	15	4	7,214	7,637
	Naugaon	2,776	4,892	0	10	6	1	2	1	4,222	4,319
	Khopodi	489	960	0	9	0	1	1	7	873	875
	Dapoli	1,510	3,026	0	9	4	1	2	1	2,588	2,668
	Patus	2,527	3,591	0	7	6	0	11	6	5,391	5,004
Indapur	Banda	6,787	10,528	0	6	3	0	9	1	17,348	18,482
	Warkuta	1,194	2,289	0	4	5	0	7	5	4,322	4,955
	Ajoti	559	1,163	0	6	3	0	11	11	1,438	1,562
Sirur	Talagaon	11,631	19,184	0	11	2	1	1	0	16,691	18,030
	Pimpli	662	1,006	0	10	3	0	14	8	1,037	1,099
	Kotasirur	2,440	4,742	0	4	0	0	6	11	9,610	10,905
Haveli	Bhamburde	1,094	2,459	0	10	9	1	8	3	1,633	1,618
	Hadapsar	3,288	5,599	0	14	4	1	7	9	3,676	3,773
	Nandira	1,041	1,706	1	2	2	1	14	3	915	900
	Balawadi	633	1,129	0	12	11	1	6	3	784	812
	Naugaon	1,693	3,227	0	8	2	1	13	5	3,330	3,849
	Kolewadi	1,912	3,696	0	9	10	1	0	2	3,123	3,652

II.—THE SYSTEM OF REVISION OF ASSESSMENT.

Extract from the Joint Report on the system of Revenue Survey and Assessment, 1847.

39. The object sought to be attained by our system of classification is the determination of the relative values of the fields into which the land is divided during the process of measurement. The circumstances affecting the values of fields within the limits of the same village, where the climate may be considered uniform, are their natural productive capabilities, their position with respect to the village as affording facilities or otherwise for agricultural operations, and, in the case of garden and rice lands, the supply of water for irrigation. In estimating the relative values of fields the whole of these might be considered together, and the resulting estimate of their capabilities recorded by the assessor; or the latter might record his estimate of each particular by itself. The former system, by requiring a judgment to be given on a consideration of many distinct and varying particulars, is evidently dependent for the accuracy of results on the ability, experience, and integrity of the assessor, and to secure anything approaching to uniformity would require a very high standard of qualifications in the agency employed.

40. Such an agency, however, is unobtainable; for it is not possible to collect men of sufficient ability and experience, and even if it were we could not depend on the integrity; so that it becomes a matter of necessity to frame a system of operations sufficiently clear and definite to admit of men being trained for the duty, and to enable us to keep up an effective check upon their proceedings. To accomplish this object, we have been led to separate and define, as far as possible, the various elements which combine to make up the value of a field, and from these to frame such a system of classification as will leave little to the uncontrolled judgment of the classifier. With this view we have found it desirable to estimate separately the intrinsic capabilities of the soil, all extrinsic circumstances affecting its value, and the facilities it may possess for irrigation.

41. With respect to the first of these points in the plan of operations we have to recommend, we have retained the practice of referring every variety of soil to one of nine classes, which experience has proved to afford a sufficiently minute classification for all practical purposes. But, in preference to trusting entirely to the judgment of the classifier for determining to what class any particular soil should be referred, we have framed a set of Rules for the purpose of determining the soils which should fall into each class. To the fertility of a soil in this country, or at least in all parts of it to which our operations have

yet extended, being chiefly dependent on its power of imbibing and retaining moisture, and as this quality is mainly affected by depth, we have chosen the latter peculiarity as the principal regulating influence in the formation of our scale of values.

42. There are numerous varieties of soil known amongst cultivators by peculiar characteristics and distinguishing names; but as many of these differ little, if at all, in fertility, and our classification has reference to the latter consideration alone, it would be out of place to notice in it anything beyond the mere question of value. If all soils of the same depth were of uniform fertility the depth alone would suffice to determine their class, but this is not the case. There are pure soils, that is to say, of uniform texture, and free from any admixture of deteriorating ingredients, which, although of one uniform depth, yet vary in fertility. Such soils are not numerous, however, and we deem it sufficient for the purpose of valuation to range them all under three orders, which again are distributed among the nine classes of our scale, on a consideration of their depth, as will be readily understood from the following table:—

Class.	Relative Value of Class in Annas or 16ths of a Rupee.	Soils of the		
		1st Order.	2nd Order.	3rd Order.
		Of a fine uniform Texture, varying in Colour from deep Black to dark Brown.	Of uniform but coarser Texture than the preceding, and lighter also in Colour, which is generally Red.	Of coarse, gravelly or loose friable Texture, and Colour varying from Light Brown to Grey.
		Depth in Cubits.	Depth in Cubits.	Depth in Cubits.
1	16	1½	—	—
2	14	1½	1¾	—
3	12	1¼	1½	—
4	10	1	1¼	—
5	8	¾	1	—
6	6	¾	¾	1
7	4½	¾	¾	¾
8	3	—	¾	¾
9	2	—	—	¾

43. The first column of this table contains the nine classes of our scale; the second, the relative values of these, estimating the highest at 16 annas, or 1 rupee, which is the mode of valuation most familiar to natives. We have found by experience that a greater depth than 1½ cubits, or about 3 feet, does not affect to an appreciable extent the fertility of soils, and we have therefore adopted this as the maximum in the case of the 1st and 2nd orders. Soils of the 3rd order are rarely found of a greater depth than 1 cubit, which we have made the maximum, as any occasional depth beyond this adds nothing to their value.

44. The depths entered in the table determine the classes to which the several orders of soils belong, wherever they are found free from an admixture of particular substances, or unattended by other circumstances which diminish their fertility. These deteriorating influences, when of sufficient importance to require a soil to be entered in a lower class than indicated by its depth, we denominate faults. Those of ordinary occurrence we propose to distinguish by the following conventional marks as a short and convenient method of recording them in the classer's field-book:—

- ∴ Denotes a mixture of minute fragments or nodules of limestone.
- ∨ " a mixture of sand.
- / " sloping surface.
- × " want of cohesion amongst the constituent particles of the soil.
- ^ " a peculiar mixture more or less impervious to water.
- " liability to be swept over by running water.
- " " an excess of moisture from surface springs.

45. These comprise all the important faults we have hitherto met with, and one such lowers the soil in which it is found a single class; two lower it to two classes; three, three classes; and so on, as will be shown in a subsequent example.

46. Extrinsic circumstances affecting the value of a field but not its fertility, as distance from drinking water, &c. should be noted by the classer in his field book.

47. For the purpose of effecting the classification of a field, the classer, with the aid of the village map, enters an outline of its shape in his field book, which he divides by intersecting lines into a number of equal compartments, sufficiently numerous to give a

fair average valuation of the soil by an examination of its depth and quality in each compartment. These particulars, and the class into which the soil falls, are noted within each compartment of the classer's sketch of the field, as shown in the following example:—

EAST.

7 3 ...	4 1½ ..	1½ 1½ .	1 1½ .	2 1½ .
6 1 ...	5 1 ..	4 1½ ..	3 1½ ..	3 1½ .

The figure in the left-hand lower corner of each square indicates the depth of soil, and the number of dots under it the order of soils to which it belongs, one dot signifying the 1st, two the 2nd, and three the 3rd order. The conventional marks in the right upper corner show the faults, each of which degrades the soil one class; from the order of soil, the depth, and the faults is determined the class of relative value to which the compartment belongs, as indicated by the figure in the left-hand upper corner. To take the instance of the lower compartment on the right of the field, the depth is entered at 1½ cubits, and the soil is of the first order, as shown by the single dot immediately below. This order and depth indicate the 1st class of relative value, according to the table; but the presence of two faults (a mixture of sand and a sloping surface), indicated by the signs √/, requires the soil to be entered in the 3rd class, as denoted by the figure 3 in the upper left-hand corner of the compartment. It will also be seen from the example that a particular fault is occasionally entered twice in the same compartment, which means that it exists in so great a degree as to require the value to be lowered two classes in consequence.

48. When the classification of every compartment is completed, the classer enters in his field-book, below the sketch, an abstract, giving the number of compartments or shares of each class, together with their aggregate value in annas, according to the table; and the sum of these annas, divided by the total number of shares, gives of course the average relative value of the field in the annas of our scale. This abstract for the field, given in the above example, would be entered as follows:—

Class,	Number of Compartments or Shares.					Value of Shares in Annas of the scale.	
1	-	-	-	1	-	-	16
2	-	-	-	1	-	-	14
3	-	-	-	3	-	-	36
4	-	-	-	2	-	-	20
5	-	-	-	1	-	-	8
6	-	-	-	1	-	-	6
7	-	-	-	1	-	-	4½
				10			104½
							10.5 average value.

The average value of the field in this case is thus shown to be 10 annas and 5 picas of the classification scale.

49. The system we have thus endeavoured to describe possesses the following important advantages: it obliges the classer to give his minute attention to every portion of the field, and by requiring a separate estimate of the value of each, his judgment is brought to bear on a very limited number of particulars, and the chance of error thereby greatly reduced. The distinct record of the valuation of each share further admits of the operation being tested in its minutest details, so that any error of judgment, or carelessness on the part of the classer, in the valuation of any one share

in a field subjected to re-examination, may at once be discovered and brought home to him, even if it should not affect the accuracy of his average valuation of the whole. The determinate character of the rules of this system, and the facility afforded for the application of a minute and searching test, must greatly conduce to the promotion of uniformity in the work of different classers, a consideration of immense importance where a trustworthy and experienced agency is not to be obtained.

50. The system we have described is confined to the ascertainment of the intrinsic capabilities of the soil, without reference to external influences affecting its productive powers, such as climate, or water for irrigation.—*Extract from the Joint Report.*

Section 30 of the Bombay Survey and Settlement Act, No. I. of 1865.

It shall be lawful for the Governor in Council to direct at any time a fresh survey or classification of soils or revision of assessment, or all or any of these combined, but the assessment so revised shall not take effect till the expiration of the period of previous guarantee given, as provided in Section 28. Such revised assessment shall be fixed, not with reference to improvements made by the owners or occupants from private capital and resources during the currency of settlement under this Act, but with reference to general considerations of the value of land, whether as to soil or situation, prices of produce, or facilities of communication.

Extract from the Report on the Revision of Assessment in Taluka, Indapur, Poona Collectorate, January 1867.

120. I was hopeful at first that Messrs. Goldsmid and Wingate's classification, which was a new measure and carried out regularly throughout the whole district, would serve as the basis of the new assessment. A careful examination, however, of the work has elicited considerable discrepancies in valuation. These discrepancies are attributable in many cases to the difference in area between the measurement of fields as now made and as originally recorded, adverted to in a previous paragraph. To remedy this defect I tried the plan of re-classifying all fields where the difference in area between the two surveys exceeded a given percentage. But it was found that this plan would not ensure a complete correction of the errors ascribable to this cause, and moreover it involved the rather difficult operation of adjusting the present valuation to the former standard adopted by Messrs. Goldsmid and Wingate.

121. What is here stated will perhaps be better understood if we take as an example the case of a field of which the area has been found on re-survey to be 40 instead of 30 acres, as per former survey. We may suppose the increase to be the result of a change of boundaries. It follows, therefore, that there are 10 acres of which no valuation was made in the former classification, but which have now to be classified, as forming an integral part of the field. Now, if these 10 acres are poor soil and the rest of the field middling good, the former valuation would be incorrect, as we put a fixed average rate on each field based on an estimate of all the different varieties of soil it contains. Suppose, for instance, that the average rate of the 30 acres is 8 annas worked out by 15 shares of 2 acres each, and that 2 annas per acre is the value of the 10 additional acres. Now to arrive at an average value of the whole field, we require to add the corresponding number of shares which these 10 acres represent, which is five, to the aggregate value of the former shares. The following will be the result thus worked out:—

15 shares at an average of 8 annas =	120
Add—	
5 do. at do. 2 do.	10
	<hr style="width: 50px; margin-left: auto; margin-right: 0;"/>
	20)130
	<hr style="width: 50px; margin-left: auto; margin-right: 0;"/>
	6.5
	<hr style="width: 50px; margin-left: auto; margin-right: 0;"/>

122. If, therefore, the former rate of 8 annas per acre were applied to the 40 acres, which is the assessable area of the field according to the re-survey, it would be over-assessed to the extent of $1\frac{1}{2}$ annas per acre, which would be equal to an addition of Rs. 3-12-0 to the assessment of the whole field. Greater discrepancies than this might occur, for I have taken the case of an 8-anna field, whereas a 12-anna one might be subject to the same error in valuation from difference in area. The above, however, shows sufficiently the importance of having the classification based upon all the varieties of soil comprised within a field.

123. But, besides this, Indapur is the first district in which a regular classification of soils was attempted by the Survey Department; and the plan of operations, as may be readily supposed, was rough at first starting. We have been unable to make out, with the accuracy desirable in such matters, the precise standard of valuation adopted. It seems to have been different in the Kallas (where operations were commenced) to that of the Indapur division, subsequently classified. There would have been difficulty, therefore, attended with the risk of inequality of assessment, if we had kept the old classification and endeavoured to adjust our valuation of fields re-classified to the same standard.

124. All things considered, it has seemed to me to be safer and more expedient in several respects to make an entirely new classification of the district, based upon the improved system of operations which, with the experience of the past thirty years, has been introduced into the Survey Department since Indapur was first classified.

125. The work has been carefully tested by an assistant, and both the Superintendent, Major Waddington, and myself have subsequently personally examined it in several villages.

126. Having explained the preliminary measures of the revision operations, I shall next proceed to show how I propose to fix the new rates, their amount, and their effect upon the revenue of the district.

127. The revision of the first of a series of revenue settlements dating back thirty years from the present time must naturally include not merely an adjustment of rates, but a consideration of the general principles upon which they were fixed. Our plan of settlement operations, though rough originally—and, it may be said, perhaps, experimental only in Indapur—has now been fully established; and experience, whilst giving confidence gained from successful results, has enlightened us on many points which seemed to the first projectors of the measure to be beset with difficulties. But, apart from this, the principles to be made specially applicable to the revision operations now yearly to be carried out throughout the Presidency have to be defined.

128. In the first place I think it should be understood that at a revision settlement a new grouping of villages should be made, should circumstances seem to call for such a measure; and the cases will be rare, I think, where the circumstances of the district have not undergone such marked changes during the currency of the 30 years' lease as have materially altered the condition and rateable position of particular villages.

129. The chief points for consideration in the re-grouping of villages will be—the state of present communications as compared with those existing at the time of the original settlement, and the establishment of new markets, or the decline of those which were the principal ones when the first grouping took place. Many changes will be required on these accounts. The railway in some districts has not only opened out new communications, but been the means of establishing new markets; and on the other hand it has changed first-class markets into second-rate ones, as with Panwell and Bhowdy, in the Tanna districts, by the diversion of the traffic and trade to which they were indebted for their prosperity as market towns.

130. No change will probably be required on account of climatic influences, though this point should be fully considered on re-assessing a district, for in the earlier fixed settlements attention was not directed to this important subject to the extent it has been latterly, and to the extent, too, that is essentially necessary for an equitable distribution of rates of assessment.

131. This re-grouping should, in my opinion, be carried out generally according to the rules prescribed under this head in the following paragraph of the Joint Report:—

“In determining, then, upon the extent of the country to be assessed at uniform rates, we are of opinion that the more permanent distinctions of climate, markets, and husbandry should receive our chief attention. We should not think of imposing different rates of assessment on a tract of country similarly situated in respect to these three points, in consequence of the actual condition of the cultivators varying in different parts of it. Were we to do so, we should depart from the principle laid down by the Honourable Court of Directors of assessing land according to its capabilities, and adopt the objectionable one of doing so with reference to the means of the person holding it. The effect of such a system, by creating different rates of profits upon capital employed in agriculture, would interfere with its natural and most advantageous distribution, by diverting it from land actually in cultivation to the lowly-assessed waste of these villages, of which the cultivators happen to be poor. By enabling the latter to meet the Government demand without the application of the same degree of capital and skill required in the case of better cultivated villages, it would foster in the former a slovenly and unremunerative mode of husbandry. By taking into account an element so uncertain and liable to change

as the condition of the cultivators in particular villages, the assessment would become less and less suitable with every improvement in their condition. On the other hand, by basing the assessment on considerations of a durable character, we have the promise of its remaining suitable for a lengthened period, and at the expiration of the term for which it is confirmed require no further alteration than a simple increase or decrease of its amount as the exigencies of the country and Government might demand."

132. But in applying these general principles I am of opinion that we should make some special reduction to meet the circumstances of the case, when inquiry shows that a village in a certain group has not prospered to the same extent as adjoining villages of the same group, though enjoying like advantages from the *ad interim* improvements made during the lease. This should not be done, however, until a searching inquiry has been made, and it has been clearly ascertained that the original classification is correct, and upon the standard adopted in the adjoining villages.

133. If the depressed state of the village is due to the ryots being bad cultivators, and not so careful of their resources as their neighbours, no reduction should be made, but if it should appear that some natural causes have operated in bringing about the result, such, for instance, as occasional flooding from the inundation of a river, I think it would be impolitic to ignore the result of 30 years' experience, and keep such a village in the class to which it would belong by the application of the rule for the sake of preserving a general uniformity of rating.

134. In the Deccan districts cases of the kind will be rare probably, but in the Concan there will, I think, be occasion for the exercise of the exceptional treatment here advocated.

135. Great care will be required of the revising officer in respect to the treatment of improvements made with the cultivator's capital. The survey rules preclude the levy of any extra assessment during the currency of a settlement lease on account of the enhanced value of land resulting from such improvements, and the same ruling has been embodied in the part of the Survey Act relating to revision operations, the following being the provision inserted in the concluding part of section 30:—"Such revised assessment shall be fixed, not with reference to improvements made by the owners or occupants from private capital and resources during the currency of any settlement under this Act, but with reference to general consideration of the value of land, whether as to soil or situation, prices of produce, or facilities of communication."

136. There may perhaps be some difficulty in determining precisely the kind of improvement which is to be exempted from assessment at the revision. There are some improvements which obviously come under the rule; the construction of a new well, and the conversion thereby of dry-crop into garden land, and, in the same way, the repair of an old one during the currency of the settlement. These are both cases to which the rule is clearly applicable.

137. The planting of trees, which in some districts would give an increased value to land, is another proper exemption from enhanced assessment; and, except in cases where rules have been made specially providing for the re-survey of rice lands at the expiration of the lease, or where rice land is held under special conditions, I should consider that new rice land, made out of Jerayet or dry-crop cultivation land at the ryots' expense, is not assessable otherwise than at Jerayet rates, provided the land was so assessed under the original settlement.

141. The foregoing suggestions appear to me to embrace the main principles by which our revision operations should be guided, and I shall now endeavour to show how they should be combined in the revision of the Indapur rates with the other circumstances affecting the question.

142. I shall take up the general question of communications first. A marked change in this respect has taken place during the 30 years. When the settlement was introduced there was not a mile of made road in the district. The first great improvement was in the construction of the present Imperial line of road from Poona to Sholapur, which runs through the centre of the district, passing by the town of Indapur. From its construction till the opening of the railway (to be alluded to in the sequel) this road has been an immense advantage to the district, and is so still indeed, though its importance has been materially diminished by the latter more civilised means of communication.

143. The road has served not merely as the means of bringing Poona, which is the great grain market of this part of the Deccan, and to which all the other markets are more or less subsidiary, within easy means of transport for grain, but it has brought great part of the villages of the district in direct communication with their own great local market. It has also been the means of establishing a regular cart traffic between

Poona and Sholapur, which has enabled the ryots to take advantage of any rise in either of these markets when their own has been glutted or unduly depressed.

144. The opening, however, of the railway line from Poona to Sholapur in 1863 has had a great effect, not merely on the Poona road, but upon markets and prices also. The railway, as was to be expected, has driven the cartman off the road and monopolised his perquisites, and so long as its rates are fairly regulated with reference to the value of produce, as well as its transport cost by road, the company will remain the great market carriers of the produce of this district.

145. The diminution of traffic upon this line of road has considerably affected the importance of Indapur as a market town generally. Situated midway between Sholapur and Poona, dealers exporting produce to either station would naturally try the half-way market. Many a maund of grain and many a cartload of merchandise intended for one or other of the above markets has been disposed of in transit at Indapur, and the return carts laden with some articles of produce which would command a better price in the respective markets. The general business of the place has certainly suffered from the causes here alluded to, though as a local market it is still almost as important as ever, commanding the produce of the district generally. I should consider, therefore, that, as regards our new rates, the market may be said to be as important as it was 30 years since, though it has somewhat declined since the railway was opened.

146. A great revolution has taken place in the price of grain during the currency of the lease. We learn from the reports of the survey officers that jowaree, the staple product of the district, was selling at 66 seers the rupee in the year in which their rates were introduced; the average price of the five years preceding is said to have been 53 seers per rupee. The following table exhibits the average yearly price in the Indapur market during the currency of the lease:—

Year.	Jowaree, No. of Seers per Rupee.	Bajree, No. of Seers per Rupee.	Year.	Jowaree, No. of Seers per Rupee.	Bajree, No. of Seers per Rupee.	Year.	Jowaree, No. of Seers per Rupee.	Bajree, No. of Seers per Rupee.
1836-37	43	34	1846-47	15	13	1856-57	32	28
1837-38	36	44	1847-48	48	32	1857-58	39	37
1838-39	67	30	1848-49	72	56	1858-59	32	28
1839-40	44	30	1849-50	72	56½	1859-60	39	31
1840-41	64	44	1850-51	38	34	1860-61	33	23
1841-42	56	40	1851-52	40	32	1861-62	27	19
1842-43	68	42	1852-53	56	40	1862-63	16	16
1843-44	72	44	1853-54	56	36	1863-64	18	12
1844-45	60	36	1854-55	29	26	1864-65	16	14
1845-46	36	25	1855-56	32	29	1865-66	18	15
10 years' average	56½	37	10 years' average	45½	35½	10 years' average	26½	22

147. During the first 10 years of the lease but little change took place. Prices ranged from 72 seers in 1843-44 to 36 in 1845-46, whilst the average for this decennial period is 56½. The first year in the next decennial series was a most unfavourable season, and grain rose to the rate of 15 seers the rupee. It speedily fell again, and had gone down to 72 in 1849 and 1850. A steady increase set in from this date, and it was selling at 32 in 1855-56. The average for this period is 45½.

148. Beginning with 32 seers in the last decennial period of the lease, but little fluctuation occurred during the earlier years, and down to so late as 1861-62 27 seers was the ruling rate. The general rise of prices which has spread throughout the Presidency dates from this period. Its effect was felt here; 16 seers being the rate in 1862-63, and there has been but little change since. The average price for this period is 26½ seers.

149. We must consider present prices to be exceptional; to be the effect, in fact, of that commercial prosperity which has resulted from the American war. The export of cotton from that country being suspended by the war, India was called upon to furnish the supply required for the English market, and she set herself vigorously to the cultivation of that product. Indapur is naturally not a cotton-growing district, but reports of large profits realized from its cultivation having reached the ryots, they naturally turned their attention to its growth; and from returns obtained from the Mamlutdar, I find the large area of 30,049 acres is under cotton cultivation this year.

A considerable area has thus been diverted from the growth of grain during the last few years. With a diminished supply there has been increased consumption, consequent on the spread of that wealth which has been poured into the country by the large profits realized from cotton. These causes operating together have been mainly instrumental in bringing about the present high prices, which therefore I think it safe to consider exceptional.

150. To sum up the results of the changes affecting the new rates which have taken place during the lease, grain has risen from 66 to 55 seers the rupee; or, taking the average of the last 10 years, the rise will be from 66 to 26, which is equivalent to above 150 per cent. It is difficult to put a special value upon the increased facilities of transport resulting from the *ad interim* improvements. There is no doubt they have aided materially in bringing about the rise in the price of grain, and may therefore be included generally under the advantages which are ascribable to that measure.

151. The climate of Indapur has unfortunately, however, prevented the cultivators from realizing that material wealth which is indicated by the immense rise in price of grain referred to above. The rainfall is most precarious. For two and three consecutive years together it is either insufficient, or the falls so untimely and at such long intervals apart, that no crop is brought to maturity. Such has been the case with part of the Kallas division. A good average crop every other year is too liberal an allowance as an average of the general run of seasons. From the Jamabandi reports it would appear that the cultivators get a good crop about once in three years; that of the other two, one is a year of almost complete failure, and one of middling crops only.

152. It is only within the last few years that pluviometers for gauging the rainfall have been introduced into inland districts. I have been able to get but five years' returns for Indapur, which give the following result:—

	In.	cts.
Year of 1861-62, total fall gauged - - -	2	50
„ 1862-63, no return - - -	0	0
„ 1863-64, total fall gauged - - -	3	18
„ 1864-65 „ - - -	11	40
„ 1865-66 „ - - -	6	95
„ 1866-67 „ - - -	5	24
	<hr/>	<hr/>
	29	27
	<hr/>	<hr/>
Average fall for the five years - - -	5	85
	<hr/>	<hr/>

This speaks volumes regarding the climate; for what can be said of a district which has an average rainfall of somewhat less than 6 inches per annum?

153. But it will be said that the climate is no worse now than it was 30 years ago, and consequently that this point does not affect the question of what the present rates should be. I admit this, but at the same time think it is necessary for me to explain to how great an extent its uncertainty has affected the condition of the people by operating against the benefits which would otherwise have accrued to them from the rise in prices. The problem, then, which we have to solve is this: when, or at what period during the currency of the lease, had the cultivators acquired *that amount of capital* which is essentially necessary for the proper cultivation of the land and their own well-being, and what was the price of grain at that time?

154. I think it has been fully established in the review of the settlement that at the end of the first decennial period the cultivators were not in a position to pay a higher assessment had a revision taken place at that time. The average price of grain for the 10 years is 56 seers per rupee; consequently we may conclude that the assessment was not light when gauged by the prices of that period.

155. In our remarks upon Mr. Green's review, which took place six years after, in 1852-53, we have come to the conclusion that though a decided improvement in the condition of the people was noticeable at that period, no considerable accumulation of capital had taken place. The turning point had been passed, and the steady rise in prices which set in from that date soon made a marked change in the state of the district. The revenue was being regularly paid without remissions, and, as indifferent seasons occurred at that time, its payment shows that the cultivators had some funds to fall back upon, and were not entirely dependent on the crop of the year.

156. I think, therefore, we may fairly assume that towards the latter end of the second decennial period the cultivators had acquired *that amount of capital* and *that well-do position* which we would assign to them as the measure of profit to be left after payment

of the Government assessment. I am consequently of opinion that we may take the average price of grain during the latter half of the second decennial series as the index by which we may estimate from prices what our present assessment ought to be. In other words, the percentage increase which has taken place during the last 10 years will represent generally the percentage addition to the present assessment which may now be made.

157. Applying this rule to the case, I find the average price of grain for the two periods indicated stood as follows, viz. :—

Average for the last five years of the second decennial series, viz.,	
from 1851-52 (dating from the period of Mr. Green's review) to	
1855-56	22
Ditto for the 10 years from 1855-56 to 1865-66	26
	16

We may assume approximately, therefore, that between 50 and 60 per cent. is the addition (considered solely with reference to the price of grain) which may now be made to the present assessment.

158. I find that a maximum rate of one rupee per acre, with a reduction of 2 annas for some villages and a special increase of 2 annas for Indapur itself (details to be explained in the sequel), will give about the required amount of assessment. Twelve annas is the maximum on which the present assessment is based. An increase to a rupee is equivalent to an addition of 33 per cent. only. But it has been shown that according to the new survey a considerable extent of land has hitherto been held in excess of the assessed area. The assessment now placed upon this, and the assessment resulting from the adoption of a comparatively higher standard of valuation for the best soils, form a special fund of increase to our new settlement. And these sources, swelling the general amount, raise the percentage increase higher than is indicated by the difference between a 12 anna and a rupee maximum rate; that is to say, by the application of the latter rate to new measurements and new classification, the assessment will be raised to 53 instead of 33 per cent., which is the actual difference between the two given rates.

159. I have satisfied myself by inquiries, as well as by returns of the state of the crops, that the rainfall is not equable throughout. It is evidently somewhat larger and more certain in the south-east corner of the taluka, extending beyond Indapur, and embracing the country along the banks of the Bheema, than in the western part of the district, extending from beyond Kallas, to the Baramuttee villages. The three last seasons furnish striking examples of this. Round about Indapur, and in the tract of country first indicated, the rainfall, though small, has been timely and sufficient to ensure an average good crop, whilst for the same period there has been almost an entire failure in the villages round about Kallas.

160. It has been suggested to me that the more certain rainfall in the part of the district referred to is ascribable to its position with reference to the Mhadeo Hills in the Sattara Collectorate. The rain-clouds, gathering round their summit in the monsoon, pass off into the plain in a south-westerly direction, which brings them over this corner of the Indapur district; whilst, on the other hand, the Kallas part of it lies too far west to come within the bearing of the south-west wind blowing over these hills. This doubtless is one of the reasons to which this change may be ascribed, but the whole valley bordering on the Bheema river seems to get more late as well as more early rain than the villages near Kallas alluded to above. I may not have indicated the real cause of this difference in the rainfall, but that a difference does exist is beyond doubt, and I consider that it forms good grounds for fixing a lower rate for this part of the district.

161. There are 13 villages thus circumstanced for which I propose a maximum rate of 14 annas only, whilst for the rest of the district my rate is a rupee. Owing, however, to the advantage which the cultivators of Indapur derive from their own market town, I propose an addition of 2 annas to the rate of that village, which consequently will be Rs. 1-2-0.

162. But besides the regular Jerayet or dry crop cultivation for which the above-mentioned rates have been fixed, there is a small extent of land immediately on the banks of the Bheema river which is annually flooded by the flushes of the river during monsoon season. This flooding has a very fertilizing effect, and moreover renders the cultivation of this tract certain and independent of the regular rainfall. Hitherto in the ^{Deccan} districts we have made the rates of this land 4 annas in the rupee, or 25 per cent. higher than the Jerayet rate of the village. Experience has satisfied me that this

is relatively a much lower rate than it should bear. I propose, therefore, to make an addition of 50 per cent. to my Jerayet rate in the present case; that is to say, to make Rs. 1-8-0 the maximum for this flooded land. Even this is below the mark; but I think it politic to let the cultivators have this land at favourable rates, for it forms a small reserve which helps to feed their resources when the crops upon the ordinary Jerayet land fail.

163. I am unable to show the exact amount of the new assessment according to my proposed rates, as owing to the classification of the district having only just been completed, there has not been time to calculate the assessment for each village in the regular way. But the following statement, compiled from the detailed returns, gives an abstract of the approximate result which has been worked out from the rough classification papers:—

	Cultivated Land.	Waste Land.	Total.
Assessment according to proposed rates	124,506	194	124,700
Do. present do.	*81,184	207	81,391
	43,322	13	43,309

* The collection last year amounted to Rs. 83,502, but this includes Rs. 2,318 realised from sundry sources, independent of the irregular assessment, and our comparative statement is confined to the latter account.

According to this statement the new rates will make an addition of 57 per cent. to the present assessment of the district. But with this addition the average rate upon the whole culturable area will still be only 7 annas 8 pies per acre.

160. The rate of increase varies considerably in individual villages. In one case it amounts to 150, in several it is about 100, and in some it is only 17 and 18 per cent. Amongst the rupee class villages it ranges generally from 50 to 100 per cent. The village of Nimbgaum Ketgi, near Indapur, shows one of the smallest increases. This is owing to its having a considerable extent of well-garden land, bearing a special rate for which there is no corresponding entry in the new assessment, as no special rate (as will be shown presently) will be placed upon wells in future.

165. In the 14-anna rate villages the increase varies generally from 25 to 50 per cent. There are one or two places where it is less, and one or two cases where it is more, than the above-mentioned rate. This variation in undivided villages is attributable to the difference between the new and the former survey, and the difference also between the two standards of classification. There can be no doubt of the fairness of charging for land when proved by actual survey to be either in excess of former recorded area, or to have been undervalued originally.

166. With regard to the recent classification, I should here explain that great care has been taken to keep down the valuation of the lower orders of soil. A lower scale of values has been adopted specially for them, and this will have the effect of making them lower upon the rupee than under the former 11-anna scale. During the course of my inquiries about the present rates on different soils, I was frequently asked what I intended doing with the poor burred; for although the cultivators about Indapur seem to be prepared to expect a general increase of about 50 per cent., the prevailing opinion appeared to be that none of this increase should fall upon the poor soils, and such will be the effect of our recent classification operations.

167. There has for some time been a general impression abroad that our survey rates in many of the early settled districts have been pitched proportionately higher on the poor than on the good soils; and experience has led me to think that there are grounds for supposing this to have been the case to some extent. I have borne this in mind in revising the rates of the district, and am satisfied that no complaints of the kind will be tenable against the classification operations as carried out in Indapur.

Extract from Sir G. Wingate's Note on the Revision of Assessment in the Indapur Taluka, 1867.

3. The review of the benefits resulting from the new settlement, contained in the 77th and following paragraphs up to the 107th paragraph of the report, is cautious and discriminative, and calculated to give confidence in the perfect safety of the proposals

for an increase of the assessment, which Colonel Francis proceeds to found upon a consideration of these benefits. It would, however, have added to the interest of his report, and to our confidence in his conclusions, had the statistical information regarding the present condition of the district been more ample. It would be interesting, for instance, to know what proportion of the population is dependent upon agriculture, and what upon trade and manufactures; what is the average size of the holdings of the cultivators; what are their modes of husbandry, and is the land generally well cultivated; what proportion of the land nominally in cultivation is kept untilled for the purpose of affording grazing for the cattle, though subject to the full assessment; what are the ordinary corn and money rents received by the non-cultivating occupiers from their sub-tenants; how does the ryot dispose of his produce; does he sell it chiefly at the local or distant markets, or is it handed over to the village banker in satisfaction of previous advances; what are the castes and religions of the people, and what the numbers of each denomination; what is the state of education, and the number and castes of the scholars; what is the state of crime and civil litigation in the district; what is the condition of the cross roads of the district, and are they generally available for cart traffic, or otherwise. A statistical report for each district brought under re-settlement comprising these and any other interesting items* of information, accompanied with a map indicating the positions and grouping of the general villages of the district for purposes of re-assessment, and showing the course of the nearest great highways and railways, would be an invaluable aid in forming a judgment as to the proper rates of assessment, and form a most important record by which the future progress of the district could be correctly estimated. The information required might be obtained from the Revenue, Judicial, and Educational Departments when not capable of collection by the survey establishments, and for this the assembly of the various survey and other departments at Poona during the monsoon months affords facilities which did not exist when the head quarters of the Survey Departments were scattered over the country.

* * * * *

10. Colonel Francis explains in the 141st and following paragraphs of his report his recommendations for the revision of the Indapur rates of assessment, which he chiefly, and very properly in my opinion, bases upon the alterations that have taken place in the prices of agricultural produce during the last 30 years. He gives a table of these prices in the 146th paragraph of his report, which he divides into three equal decennial periods, showing the average price of jowaree, the staple product of the district, to have been $56\frac{1}{2}$ seers per rupee for the first, $45\frac{3}{4}$ for the second, and $26\frac{1}{2}$ for the third, and he concludes that the assessment at the close of the first decennial period was not light when gauged by the prices of that period, and that the cultivators were not in a position to pay a higher assessment. He infers, therefore, that it was not till "towards the end of the second decennial period the cultivators had acquired *that amount of capital and that well-to-do position* which we would assign to them as the increase of profit to be left after payment of the Government assessment." And he concludes that this average of 42 seers per rupee should be taken as the index or starting-point for estimating the increase which may be made to the present assessment in consequence of the further rise of prices which took place in the last 10 years of the settlement, and which he shows in the 156th paragraph to have been between 50 and 60 per cent., for which he proposes to provide by fixing the future maximum rate at 1 rupee per acre, which will raise by 53 per cent. the present assessment of the district. The increase here proposed seems to me to represent very accurately what is due to the altered circumstances of the district, without taking into account the extraordinary rise in prices during the last five years, due to the American war, and which Colonel Francis, in the 149th paragraph, himself considers to be exceptional. But, while agreeing in the accuracy of his general conclusion, I am unable to assent to the theoretical reasoning by which he supports it, for this requires us to admit that the rates of assessment during the first period of 10 years were too high, which is contradicted by the marked extension of cultivation and amelioration in the condition of the cultivator which took place during that period. There can be no doubt whatever that during that period the district made considerable progress, but as prices did not rise there was nothing to call for an increase of assessment, though there was sufficient improvement in the condition of the district to show that the original survey assessment had not been pitched too high. During the

* Amended returns exhibiting the information here alluded to are being prepared. See Survey Commissioner's letter No. 828, dated 7th October 1867, containing explanation on this point, and also regarding the causes of their not having been submitted with original report.

latter half of the second decennial period, and during the whole of the third, the wealth of the cultivators increased of course more and more rapidly under the influence of the ever rising prices, and this affords valid reasons for increasing the rates of assessment. The true inference appears to be that the original rates were suitable, and we should regard the prices of the time when they were settled as the index or point of departure by which to regulate the increase to be now made, instead of the latter years of the 2nd period, as assumed in the argument of Colonel Francis. If the table of prices be attentively examined without reference to equal decennial periods, it will be found capable of subdivision into three well-marked periods. The first is a period of low stationary prices without any more marked oscillations than may be fairly ascribable to seasons of comparative abundance or scarcity. This period embraces the 14 years from 1836-37 to 1849-50, when the average price of jowaree was 54 seers per rupee, or almost the same that was obtained at the introduction of the settlement, the average price for the five years preceding that event having been 53½ seers. The second period is of 11 years, from 1850-51 to 1860-61, and is one of advancing prices, due probably to the increasing wealth of India arising from the introduction of English capital for the construction of the railways and for suppression of the mutinies, as well as from improvements effected in the internal communications of the country. The average price of jowaree during the whole 11 years of this period was 39 seers, and for the last five years of it 35 seers per rupee. The 3rd period extends over the last five years of Colonel Francis' table, from 1861-62 to 1865-66, during which prices received another extraordinary advance, due to the increased demand for cotton, arising out of the circumstances connected with the American war. The average price of jowaree for these five years was 18 seers per rupee.

11. The last period is of so entirely exceptional a character, and the prices then obtaining are so clearly due to temporary causes, that it would be most unsafe to take them into account in the formation of a basis for a revision of the rates of assessment intended to last for another term of 30 years. The price of cotton, upon which the prices of jowaree and other agricultural products in a great degree depend, has already fallen considerably since Colonel Francis' report was written, and is likely to fall much further. This has already affected the exchanges, and will materially diminish the amount of bullion to be received by India in the present year. This effect, it may be anticipated, will be experienced to a greater extent in future years until prices recover their normal condition, which it would not, I think, be safe to estimate at a higher figure than those obtained during the last five years of the second of the above periods, when jowaree was sold at 35 seers per rupee.

12. The average price of the preceding period being 54 seers, the former indicates a rise of price equivalent to 54 per cent., which is the amount of increase upon the present rates of assessment that may fairly be imposed on taking into account the rise that has taken place in prices since the former settlement was made. This is as nearly as possible the amount of increase which the rates proposed by Colonel Francis will effect, as he states in his 158th paragraph that the increase will be 53 per cent. If there were a prospect amounting to anything like a certainty of the high prices of the American war period continuing, then a very much greater increase than this would be justifiable. The prices of the last five years are 200 per cent. above those that obtained when the original rates of assessment for Indapur were introduced, so that these might be trebled without danger to the prosperity of the district if the American war prices were to continue through the next 30 years; but, as I have said, we have no warrant for concluding that this will be the case, or that prices will certainly range above those immediately preceding the outbreak of the war. It may be that the developing trade and improving condition of the communications of the country will cause prices to rise still further; but, on the other hand, we have to take into account the lowering influence of the heavy tribute India will have to pay to England for the future in the shape of Home Government charges, and interest of capital provided for her railways and other public works. A very large export trade will be necessary to provide this, and if at any time the demand for Indian commodities should fall off to an extent that would make it needful to transmit bullion to England to meet these charges, prices in India would rapidly fall. Prices in India may then be said to be dependent on the capability of its export trade to pay for, not its imports alone, but also the home charges and the interest of borrowed capital, in addition to the annual supply of the precious metals consumed by India in manufactures and coinage. This is a critical state of affairs, and is likely to render prices of agricultural produce unstable. It would not, then, be safe to adopt a high standard of prices in revising the survey settlements, and would be every way better to make the new settlements as liberal as the exigencies of the State will permit.

Colonel Francis' proposals fully meet these conditions, and though it might be urged that they are needlessly liberal—as, independently of the American war, prices would have gone on advancing—still we cannot be certain of this, and an error on the side of liberality is a safe one, as it must be promotive of the prosperity of the district.

Extract from Letter of the Revenue Commissioner, S.D., submitting the Revision Report to Government, dated May 1867.

19. According to the statement embodied in paragraph 163, the amount of the proposed re-assessment exceeds the present assessment by Rs. 43,309, an addition of 57 per cent. on the present assessment of the taluka. Still with this addition the average rate upon the whole culturable area will be only 7 annas 6 pies per acre.

20. This is moderate enough, it must be allowed, at an average rate, but I do not consider it the least too low for Indapur. With reference to existing prices, and probability, if not certainty, of their continuing as high as they are now for years, improved communications, new markets, and such like considerations, if the Indapur Taluka had an average rainfall which could be depended upon, be it more or be it less, the proposed rates might be pronounced too low for a 30 years' settlement; but it must not be overlooked, when considering the question of rates, that Indapur is one of the most unfavourably circumstanced of any of the talukas in the Deccan or Southern Maratha Country as regards its rainfall. In some parts of the taluka rain appears never to fall seasonably, and it is generally, when seasonable, scanty and precarious. Year after year lands are left unsown for want of moisture, and those that are sown produce next to nothing; failures of crops, more or less general and extensive, appear to be the rule, and a good, or even a fair, average harvest the exception.

21. Taking the above *facts* into consideration, and weighing them against the other considerations, the balance is, I submit, greatly in favour of very low rates of assessment. I might go further and say the lowest that can be fixed without unnecessarily sacrificing revenue—if it is intended that the revenue should be realised according to the assessment—as far as I am in a position to judge. I have no hesitation in offering it as my opinion that higher rates could not safely be proposed, and I would therefore respectfully recommend that Lieutenant-Colonel Francis' proposals be sanctioned.

Extract from Resolution of Government on the Revision of Indapur, No. 1211, dated 27th March 1868.

13. The very elaborate details by which Colonel Francis has supported his propositions for the revision of the rates leave no doubt but that he has exercised a very wise discretion in not increasing the assessment further, as he might have done had he been guided solely by the recent prices of produce.

14. An increase of upwards of 50 per cent. is not slight, but it is fully justified by the difference in the circumstances of the district, the increased facilities of communication, and the rise in prices, even taking the average prices much lower than those ruling in the last five years.

15. The Governor in Council therefore confirms the proposed rates for 30 years, and approves, subject to the above remarks, all Colonel Francis' proposals now submitted in these reports.

Extract from the Report on the Revision of Assessment of the Bhimthari Taluka, dated 12th July 1871.

11. Lieutenant Nash, writing in 1838-39, thus describes the condition of the people:—"I am at a loss to convey the idea of poverty and ruin which I have perceived during my few months' residence here. The effects of pillage, plague, and famine are visible in the falling out of cultivation of more than half the pergunna, in the ruin of the villages, in the accumulation of balances, and in the constant necessity for remissions." The almost total absence of remission for the last 16 years (one year being excepted, regarding which I shall remark presently), the fact of there being no outstanding balances, that there is scarcely an acre of land that has not been taken up, the saleable value of land—all these form a contrast so striking to the picture drawn by Lieutenant Nash that it is difficult to realise

Lieutenant Nash's description of the district.

that such a state of affairs actually did exist! By reference, however, to the diagram we shall see that the change has been brought about by degrees, though as far as can be judged by the increase in cultivation and return of revenue, the culminating point of prosperity was almost reached as far back as 1860-61, when the collections were Rs. 74,084, there being a remission of Rs. 1 only.

Extract from the Letter of the Survey and Settlement Commissioner submitting the Revision Report of Bhimthari, dated 28th November 1871.

20. Turning now to the diagram, I find that in the first year of the settlement the cultivated area was, in round numbers, 123,000 acres, the waste 43,000, or about $\frac{1}{4}$ th. The assessment was Rs. 53,007, of which Rs. 1,596 were remitted, and Rs. 51,471 collected. 1st decade
of settle-
ment. No great change took place for the next three years; but in the two following years, 1844-45 and 1845-46, heavy remissions were allowed, being no less than Rs. 22,935 in 1844-45, and Rs. 31,345 in 1845-46, the collections in the latter year being only Rs. 17,724. During the remaining four years of the first decade, the collections were steady at about Rs. 50,000, and the remissions small; the average collections during the first ten years were Rs. 43,407.

21. The second decade commenced with a year marked by the large remission of Rs. 18,632, or 29 per cent. of the revenue; the same year in Indapur the remissions were only $3\frac{1}{2}$ per cent. 2nd decade From this time things began to mend, and cultivation and revenue continued steadily to rise from 96,000 in 1850-51 to 164,000 acres in 1859-60 and a revenue of Rs. 73,650, the remissions having averaged during the last six years only Rs. 161. The average collections were Rs. 57,850, or an increase of 33 per cent. on those of the first ten years.

22. For the last ten years almost the whole of the cultivable land has been taken up, 3rd decade and there may be said to have been no remissions, except in one year, 1866-67, when the large sum of Rs. 20,728 appears to have been foregone. The remarks of the Survey Commissioner on the Revenue Returns of Indapur apply so exactly to the corresponding year's returns in this district (with the exception of the year 1850-51), that they might have been intended for them, and had the settlement of the villages on which I am now reporting fallen in at the same time as that of Indapur, I might have shown that out of a revenue of Rs. 7,46,659 only Rs. 43 had not been collected. The average collections for these ten years were Rs. 72,588, or an increase of 25 per cent. on those of the 2nd decade, and of 67 per cent. on those of the 1st decade.

23. With regard to the remissions in 1866-67, I cannot think that such general remissions should be given under any circumstances short of an actual famine, but, at the most, that the collection of the revenue should be deferred. Remission
in 1866-6 Unlike the remissions granted in 1844-45 and 1845-46, which were attended by a heavy fall in the cultivation (caused, as explained by Colonel Francis in paragraph 70 of his Indapur Report by the ryots having taken up more land than they could cultivate, being succeeded by a bad season), those granted in 1866-67 had been preceded by twelve years in which scarcely a rupee of the revenue had remained uncollected (although many of them had been bad years), and no lands were thrown up, as happened in the former case. Under the circumstances, I consider that so large a remission was unnecessary; and the fact of its having been allowed should not unduly influence us in fixing the new rates of assessment.

24. On making inquiry as to the prices of grain during the term of the present settlement, I found that no record of them is kept in the Mamlutdar's office. I have, however, had a careful inquiry made, and by the assistance of the village Wanees' accounts have compiled a statement showing the average prices of jowari and bajri at Yewat for the last 30 years. I at the same time obtained a similar return for the City of Poona, and on comparing the statements (which were prepared quite independently) I find that they agree in a manner that convinces me of their general accuracy and reliability as a guide in forming an opinion on the subject of the new rates. It is, however, most desirable that regular returns of the price of grain, &c. should be carefully kept in every District Officer's catcherry, and the same published monthly in the "Government Gazette."

Prices of
grain.

25. You will see from Statement C that during the first four years of the present settlement prices varied from 64 to $47\frac{1}{2}$ seers per rupee of jowari, and 48 to $34\frac{1}{2}$ of bajri. 1st decade In the year 1845 they rose to 25 and 23 seers respectively, and the next to $15\frac{1}{2}$ and 15. For the next three years they fell (in nearly the same proportion as in Indapur) to 64 and 52, and in 1850-51, the last year of the 1st decade, they rose to 36 and $37\frac{1}{2}$. The average rate during the ten years was $45\frac{1}{2}$ and $36\frac{1}{2}$ seers per rupee

3d decade. 26. In 1851-52 prices were still maintained, but fell again in the next two years (though not to the same extent as in 1849-50). They then rose to 26 and 21 seers in 1858-59, and in the two concluding years of this decade fell to 40 and 32½, and 36½ and 28 in 1860-61. The average rate was 36 and 29, or an increase of 26 and 29 per cent. respectively on that of the first decade.

4d decade. 27. The last decade commenced with 30 and 23½ seers of jowari and bajri per rupee, but prices rapidly rose (as in other districts) during the next four years. During the closing five years of the lease, they fluctuated in the alternate years, though never falling below 32½ and 29½ in 1868-69, and closed at 18 and 15. The average rates for this period, jowari 19½, bajri 15 seers. This shows an increase of 133 and 143 per cent. on the prices of the 1st decade, and of 85 and 93 per cent. on those of the 2nd decade.

28. Government, in their Resolution No. 2757, of 9th June last, on the introduction of rates into the Mareh Taluka, consider that the average to be deduced from the prices of the five years from 1856-57 to 1860-61 is perhaps the fairest criterion that can be adopted for the determination of the average standard of prices which is likely to be maintained in future. Since, however, during this period the effect of the extension of the railway through the district had not been developed, the knowledge of which is so essential to guide us in forming an opinion as to probable prices in the future, I would, with all deference, suggest that the average of the ten years from 1856-57 to 1860-61 and from 1866-67 to 1870-71 should be adopted as the standard by which to determine the question under consideration. This average is 26 seers of jowari and 20 of bajri. The average rates of the 15 years from 1841-42 to 1855-56 were—jowari 44, and bajri 34½ seers per rupee. The 10 years' average, then, is higher than that of the 15 years by 68 and 72 per cent.

villages east of Patus. 29. From the remarks contained in my 2nd paragraph, it will be seen that the villages to the east of Patus (beyond being nearer to Poona) resemble those of Indapur, and are similarly circumstanced. The present rates of the Kurkumb villages (chiefly on account of their nearer proximity to Poona) were fixed at 10 per cent. in excess of those of Indapur. Inasmuch, then, as both districts have benefited about equally (those under report, if anything, rather more) with regard to means of communication, a similar increase to that which was sanctioned in Indapur will be suitable for these villages. That increase was between 50 and 60 per cent., and a maximum rate of Rs. 1-4-0 for 16 villages, and of Rs. 1-2-0 for 9 others, will give the required result.

villages west of Patus. 30. But with regard to the remaining villages I consider that a larger increase is requisite, partly on account of the undoubted advantage in point of climate which they enjoy, and partly on account of their proximity to Poona. At the last settlement the rates in Pimpalgaon were fixed at 33 per cent. higher than in Indapur; but I do not consider that this fairly represents the difference between the circumstances of a district like Indapur, the nearest point of which is 70 miles from Poona, whilst the more distant villages are over 100 miles away, with a scanty and precarious rainfall, and one the most distant villages of which are not more than 40 miles from that great market, and the nearest less than 20, and in which the rainfall is generally sufficient to ensure a fair crop. I consider that an increase of 50 per cent. on the maximum Indapur rates in villages from 40 to 25 miles from Poona, and of 75 per cent. on those within that distance, to be a suitable rate. This will give a maximum of Rs. 1-8-0 on 22 villages, and of Rs. 1-12-0 on the remaining 7.

31. There are in all 54 villages, which, as above described, I propose to divide into four classes:—

Class I.,	7 villages	-	-	-	Rs. 1 12 0
„ II.,	22 „	-	-	-	„ 1 8 0
„ III.,	16 „	-	-	-	„ 1 4 0
„ IV.,	9 „	-	-	-	„ 1 2 0
	54				

effect of proposed rates.

32. The accompanying map will show the grouping of these villages, and the distribution of the proposed rates. You will see from the following statement the effect of these rates as compared with present payments in the 43 villages to which the diagram relates. The effect of the survey rates on the remaining villages will be seen from the contrasted statement appended to this Report:—

STATEMENT showing the effect of the proposed rates contrasted with the last year's payments in 48 villages of the Bhimthari Taluka.

	Cultivated Land.		Waste Land.		Total.			
	Acres.	Assessment.	Acres.	Assessment.	Acres.	Assessment.		
Assessment according to proposed rates	-	-	186,776	Rs. 1,28,971	2,019	Rs. 871	188,795	1,29,842
Ditto present rates	-	-	164,618	74,222	1,884	*644	166,502	74,866
Increase	-	-	22,158	54,749	135	227	22,293	54,976

* This does not include the amount realised on account of kooruns which are sold yearly by auction.

STATEMENT showing the Average Prices of Jowari and Bajri in Poona (City) and Yewat, from 1841-42 to 1870-71.

Years.	Yewat.		Poona.		Years.	Yewat.		Poona.		Years.	Yewat.		Poona.	
	Jowari.	Bajri.	Jowari.	Bajri.		Jowari.	Bajri.	Jowari.	Bajri.		Jowari.	Bajri.	Jowari.	Bajri.
1841-42	47½	36	80	24	1851-52	36	25½	38	25	1861-62	30	23½	26	19
1842-43	55	34½	82	28	1852-53	37	29	37	29	1862-63	21	18	20	15
1843-44	64	48	80	30	1853-54	57	44½	42	36	1863-64	15½	10	11	9
1844-45	50	38	27	23	1854-55	27½	23	25	22	1864-65	11	10½	12	10
1845-46	25	28	81	18	1855-56	40	31	28	25	1865-66	16	12	13	11
1846-47	15½	15	16	14	1856-57	26	24	25	21	1866-67	23	19½	18	16
1847-48	37	30	81	27	1857-58	33	26	26	28	1867-68	14	12	13	11
1848-49	63½	52½	55	41	1858-59	26	21	27	23	1868-69	32½	19	23	16
1849-50	64	52	47	37	1859-60	40	32½	34	25	1869-70	17	16	16	13
1850-51	36	37½	80	25	1860-61	36½	28	26	21	1870-71	15	13	13	11
10 years' average	45½	36½	32½	26½	10 years' average	35½	28½	30	25	10 years' average	18	15	15	12

22. In discussing the question as to what standard of prices should be taken as the basis of the new assessment, the superintendent refers to the remarks of Government upon the revision settlement of the Mareh Taluka, stating that he is of opinion that the average deduced from the prices of five years from 1856-57 to 1860-61, which Government consider should be adopted as the standard in the case of that district, is not applicable to Bhimthari, because "the effect of the extension of the railway through the district had not been developed, the knowledge of which is so essential to guide us in forming an opinion as to probable prices in future." He proposes, therefore, instead of the five years indicated, to take an average of 10 years, from 1856-57 to 1860-61, and from 1866-67 to 1870-71, as his standard of prices on which the new assessment should be based. And he then shows, taking jowari at 26 and bajri at 20 seers the rupee, that this scale of prices gives an increase of 68 and 72 per cent. respectively on the average price of the first 15 years of the lease.

23. I agree with the Superintendent that we ought to consider the effect that the railway has had upon prices of late years, and I certainly think that he is quite safe in taking 26 for jowari and 20 seers for bajri as the standard for his assessment. It will probably be some years before we shall see bajri and jowari selling at these rates in a district extending to within 20 miles of Poona. The stocks of grain are everywhere low. The present has unfortunately been a bad season in many parts of the Deccan, and grain will have to be imported into some districts to furnish the ordinary food supply. A succession of several good seasons will be required to replace the stock ordinarily kept in the country; and when we consider that the population is steadily increasing in the Deccan,—39 per cent. having been added to it in this district in 30 years—and that there can be no corresponding increase of produce by the spread of cultivation, as every acre of arable land has for some years been under tillage, we may safely calculate on the continuance of a high range of prices.

24. The amount of increase to be imposed is, after all, a matter to be regulated not by actual calculation of results only, but by considerations of State policy. Supposing, for instance, that our deductions from the data taken for estimating the range of future prices had shown an increase of 130 to 140 per cent. to be the difference resulting from this mode of calculation,—and such would be the case were the comparison made on the difference between the prices of the first and last decade to be taken,—I certainly should

not have thought of proposing an assessment equivalent to this scale of increase. It would be far too great a strain upon the resources of any of our districts to levy at once an increased demand of 130 per cent. upon the former revenue. There will be cases of individual villages in which the assessment may be raised to this extent, under the scale of rates that we propose to adopt, but this is the result of the low valuation adopted at the first settlement, and the increase is only what is required to place such villages on a par with the other villages of the district.

25. There are remarkable instances of this kind of inequality in the cases cited by the superintendent in paragraph 34. In one village the assessment will be raised 120 per cent., and in another only 16. It so happened that I was out with the late Acting Superintendent (Mr. Grant) in the field when examining the classification of the village of Khutbhawch, in which this 16 per cent. increase occurs, and I was forcibly struck with the comparatively high standard of rates adopted at the first settlement, which was from 30 to 40 per cent. in excess of that obtaining generally in the district. This great difference led to a reference to the former classification papers, and we there found a remark in English by Lieutenant Nash to the effect that the work was not correctly done, but that he thought it better to leave it, as the upsetting of it would tend to disturb confidence in the survey operations. The result is that for 30 years this village has been paying an assessment of above 30 per cent. in excess of the ordinary rate for similar soils in adjoining villages.

26. And this disparity of rating is not confined to villages, but will be found to extend to whole districts, owing to a want of uniformity of system in the original classification. I may mention here that the reason for the increase (78 per cent.) in the Madeh Taluka being greater than that adopted in Indapur (58 per cent.) is due entirely to the observance of a lower scale of valuation in the classification of the lands of the former district as compared with that followed in Indapur. This circumstance was not mentioned by the Acting Superintendent in his report, which is to be regretted, as it would have served to remove the misgivings felt by Government and the Revenue Commissioners as to the expediency of applying an increase to the district in question apparently so much in excess of the scale sanctioned for Indapur.

27. I may here explain that this disparity in the classification of different districts in the early settled collectorates is due chiefly to the plan then in force of entrusting both the measurement and classification to the same assistant, instead of having, as in the present organisation, a separate department for each branch of the survey operations, which ensures a general uniformity. Whatever increase is due to this irregularity forms a separate item of addition, as it were, being extra to the general scale of increase adopted for the district; and for the same reason, where over-valuation is met with, as in Khutbhawch, the village or district, as it may be, must have the benefit of it in the general adjustment of rates at the revision settlement.

28. What I am anxious to explain by the foregoing remarks is, that instead of endeavouring to work out in each district the precise amount of increase which should be made in consideration of the rise in prices, it will, I think, be better, considering the difficulty of procuring accurate data of the kind, to take from 50 to 60 per cent. as the general scale of increase for the Deccan districts on this account, subject to such special increase or decrease as may be found necessary in consequence of a high or low scale of classification having been originally adopted. It must not be understood from this that I recommend the discontinuance of the plan of giving returns of prices and showing their effect, but that I advocate a limit of 50 to 60 per cent. as the extent to which we should be guided by considerations of the kind. If a rise to that extent has not taken place, a scale of increase below the limit would of course be imposed.

29. Irrigated cultivation under wells is to be left untaxed, the land being subject only to the payment of the highest Jerayet rate; but in cases of wells constructed or repaired during the currency of the lease, the ordinary Jerayet rate according to the quality of the soil, and not the maximum, as in the former case, will alone be imposed. This is in accordance with the principle approved of and sanctioned for the March Taluka. The superintendent has been called upon to submit a return showing the area and assessment of well cultivation under the existing settlement, as also of the area found to be under this irrigation at the recent survey. This return will be forwarded hereafter.

Extract from Memorandum of Revenue Commissioner, S.D., on the Revision Report of Bhimthari, dated 3rd January 1872.

3. The views expressed in Colonel Francis' 24th paragraph the undersigned considers particularly deserving of attention. It would be a most unsafe doctrine to announce

and apply in practice that because the staple agricultural produce had increased by a certain percentage, the assessment would bear an increase by the same percentage. That an increase, if thereby rendered admissible, is desirable, is doubtless established, but the measure of increase should be regulated by a number of considerations to which the experienced Survey officers address themselves. At the same time Colonel Francis (paragraph 8) fully recognises the necessity of furnishing ample information regarding prices in districts under re-assessment, which is one of the most effectual guides, though not the only one, for testing the capacity of a district for taxation for land revenue. Government may therefore look to the subject always receiving the due attention enjoined by Government orders in the settlement proceedings in progress and shortly to be undertaken.

* * * * *

5. Adverting to paragraph 20 of Colonel Francis' memorandum, and paragraph 33 of the Report of the Superintendent, the undersigned cannot altogether endorse the reduction of percentage enhancement claimed on account of the 22,293 acres held in excess of recorded area. Confined to the question of survey nominal rates, the conclusion is, of course, correct, but in an extended view of the operation of the re-assessment on the whole area concerned, it would appear that the resources of the district in currency and capital receive no augmentation from the new cultivation being brought to account, and that, as regards this part of the question, the same resources only which were available to meet the 100 rupees per cent. of the 30th year of the guaranteed period will be available to meet the 173 per cent. of subsequent years. The general capital of the district may indeed have benefited by the proportion of under-assessment intermediately enjoyed, but this has been separately taken into consideration in the statistical records furnished. It should also be noted that a further enhancement of about 10 per cent. on the former assessment is derived from the local cess of 6.25 per centum and the proportionate percentage on the increment of taxation imposed. That proportionate percentage will add 4 per cent. to the figures already quoted.

6. The undersigned would also deprecate too wide an application of the results of purchases and mortgages of land adduced in Colonel Waddington's 12th paragraph. They afford a most gratifying evidence of the value acquired by land under survey tenure in a number of cases, and of the complete success of the measures of our Government in creating rights in land which are, in their extended influence, valuable to the State as well as to the individuals concerned; but it would be very unsafe to assume that land of all quality, and in every locality of the area under review, would command a sale-value of anything like 27 times the old assessment. The subject is one of great interest and importance, and will no doubt receive the attentive consideration of Revenue and Survey officers during the operation of the new leases. It appears probable that, in exceptionally favourable positions, where the profits are, from various causes, inordinately large, the enhancement of assessment will not very materially affect the profits on the transactions entered into under the former assessment, and it is possible that Colonel Francis' anticipations regarding the purchase-value of land in Indapur and Bhimthari may be fulfilled, but there is yet one contingency in connexion with the proposed re-assessment for which the peculiar climate of that part of the Deccan demands careful consideration.

7. The comparative statements furnished by the Survey officers show that at least during the later years of the period of 30 years' guarantee, notwithstanding the scarcity of the rainfall in Bhimthari, the district was so prosperous that hardly any remissions were required, except in the very bad season of 1866-67, when upwards of 25 per cent. of the revenue of the 48 villages included in the diagram and statements was remitted. Colonel Waddington raises doubts whether it would not have been better to allow the revenue to stand over as balance, to be recovered in the succeeding year. The undersigned had no personal connexion with the district at the time, but he shares the conviction expressed by the Collector of Poona, and "is not prepared to hold that there was "no necessity for the remissions of 1866-67, which were sanctioned by Government "after full consideration." The season was an extraordinarily unfavourable one, and the exceptional circumstances doubtless required exceptional treatment.

8. But it would be probably admitted, even by an officer who, seeing the very light incidence of the taxes generally, advocates an outstanding balance of one year being levied in the next, that this operation is, even with a very light assessment, only practicable when the next season shall be a good one, and that the measure of indenting on the harvest of next season would be one of very doubtful humanity and justice, after

the assessment, under which the district has advanced from the lowest state of poverty and agricultural depression to the solid prosperity established in these papers, has been raised about 75 per cent.

9. From the above remarks it will be perceived that the undersigned is by no means convinced the new assessment, giving an average of 11 annas per acre, can be regarded as a light one in the point of view from which Survey settlements have been hitherto regarded in Bombay. It is not intended to dispute the conclusion in paragraph 37 of Colonel Francis' memorandum, that the rates will generally, in a district so near the Poona market and the railways as Bhimthari, leave a liberal profit to the cultivators in ordinary years, or that there will be any want of keenness to obtain possession of land offering special advantages, but the undersigned thinks all the authorities concerned in advocating the new rates must be prepared to anticipate difficulty about collection in a season of failure, and to find the occupancy of the land not always the ample security it has proved of late years, under the low rates in force, for recovery of an instalment in arrears. These remarks in no way impugn the justness of the assessment. As will be seen from paragraph 20 of Colonel Waddington's report, even with the former low assessment, large remissions were necessitated in the first few years of the 30 years' period when the seasons were bad. The extreme severity of the drought in years of scanty rainfall will always necessitate concession of this kind in the Deccan in a really bad year, and the recent general prosperity of the district, though it may fully justify the enhancement of the assessment now proposed, should be forbearingly treated, and should be carefully protected against such a violent strain on its progressive vitality as the retention of a last year's balance of irrecoverable revenue on a large scale would assuredly impose.

10. There is no point of more essential importance in our revenue system, as established under the survey, than to withhold so severe a pressure as should compel even a small number of occupants to relinquish their holdings without other persons coming forward to pay more than the Government balance due. The readiness with which anything like default has been compensated by the biddings of outside purchasers of late years has been remarkable. If once the popular sentiment which has in this manner sprung up received a check by forced sales for arrears without purchasers, a reaction and depression would certainly follow, the mischievous effects of which it would be difficult to calculate. The Revenue Commissioner would therefore emphatically lay before Government his objection to the notion, which appears to be growing in favour of the Survey officers, that when a Deccan district has been re-assessed with considerable enhancement of rates, the revenue found irrecoverable in a year so bad as to necessitate remissions should be held as an outstanding balance to be recovered hereafter. He would strongly urge that, as sanctioned in Indapur in 1868-69, the remission should, at least until some experience has been gained of the effect of the revision, be absolute and final.

11. Passing to the 29th paragraph of Colonel Francis' report, the Revenue Commissioner finds great pleasure in inviting attention to the application in the villages under report of the rules for assessing only at the Jerayet rate, calculated according to the quality of the soil, the area under all wells which have been constructed or restored during the currency of the lease. If any new illustration were required of the enormous benefit to the Deccan villages derivable from the encouragement of sinking wells, it would be seen at every mile of the Revenue Commissioner's tour through the drought-stricken talukas of Ahmednagar during the past few weeks. It has often happened that the only vestige of crops over miles of good soil, ordinarily at this season covered with a fine growth of jowari, wheat, and gram, is derived from well cultivation, the remaining lands not being even sown. Where also a scanty growth is visible in better localities, the stunted stalk and withering ear are here and there, to a few acres in extent, turned into a growth which will enrich the Patel or fortunate cultivator who can command a few floodings of water from his well. Unfortunately in the Deccan the benefits of well cultivation will always be limited, because of the uncertainty of finding water, and because in years of deficient rainfall, when the well is often liable to partial failure, the irrigation so desperately needed can only be at that time imperfectly supplied; but still, as an inexpensive mode of securing to a certain extent the population and the cattle from starvation in a bad season, encouragement to well-sinking by the beneficent orders recently issued by Government in Resolution No. 4,050, dated 22nd August 1871, which appear to have been cordially carried out by Colonel Francis in the area under review, will be regarded with hopeful gratitude by the people.

Extract from Resolution of Government No. 385, dated 26th January 1872.

RESOLUTION.—These papers show that the revision of the assessment in the 54 villages* of the Bhimthari taluka of the Poona collectorate has been very carefully conducted, and the subject has been very fully discussed in the reports submitted to Government.

* Less one, named Dhond.

2. His Excellency in Council quite agrees in the views expressed in paragraphs 29, &c. of Colonel Francis' report relative to irrigated cultivation and to Pathusthal lands, but he cannot, without further consideration, sanction permanently the introduction of compulsory rates on lands irrigated by the Kassurdi tank. As an experiment, however, he is willing to sanction it for one year, when a full report should be made by Colonel Francis through the Revenue Commissioner, S.D. With this exception, Government are pleased to sanction the introduction of the rates proposed for the usual period of 30 years.

III.—THE PRESSURE OF THE REVISED ASSESSMENT.

Extracts from Letter of the Revenue Commissioner, S.D., No. 149, dated 14th January 1874, on the Revision of Karmala Taluka.

11. In connexion with this subject, the undersigned begs to invite attention to the following extracts from paragraphs 8 and 11* of Mr. Bosanquet's accompanying report.

* Paragraph 8.—“It is only lately that I have become aware that, while the rates on the good soils were left very nearly as they were before, the rates on the very inferior soils were much enhanced.”

Paragraph 11.—“Persons who have spoken to me regarding the new rates in other talukas have said that no discontent would have arisen had the rates been raised proportionately all round, instead of having been left nearly the same on superior land, and raised so heavily on inferior land.”

of the lower classes, which has been the expressed object of the Survey Officers. But it is difficult to avoid giving some degree of credence to the general opinion of practical cultivators opposed to that of the official theory, which now finds expression in the opinion of the Collector of Sholapur.

13. It is quite comprehensible that, owing to errors in the previous classification of the Talukas of Mareh, Sholapur, Pandharpur, and Barsi in Sholapur, and of Bhimthari in Poona, which did not exist in Karmala, the proportions of enhancement which would arrive by the increase of maximum are more rarely exceeded in Karmala than in the other districts mentioned; but the Revenue Commissioner believes, from recent personal inspection, that there have been a great many cases of over-assessment in fields in the Barsi Taluka, and from general information that there are many similar instances in the other talukas above named. It should, however, be clearly understood that the enhancements in the cases referred to, as having been necessary in Sholapur and certain adjoining villages, in paragraph 19 of Colonel Francis' Report No. 436, dated 30th March 1872, are recognized as quite exceptional, and not liable to the general criticism now submitted for consideration of higher authority.

* * * * *

23. The question to be solved is, apparently, this:—why, when the survey designed to increase the rate on superior soils and lower it on the lowest, the collector, his assistants, and the ryots of Sholapur say that the rates have been left nearly the same on superior land, and largely raised on inferior lands. The question is certainly not soluble without a careful examination of the new system of classification and its practical application to a number of fields compared with the old classification, which has been superseded, and its application to the same fields. The solution which is suggested in the absence of a single opportunity as yet obtained for the comparison is that there has been an increase in the highest class, and that there may have been, though this is very problematical, a decrease in the lowest, which corresponds with the theory, and that the application of the revised classification at too high a rate on the former unculturable, and

on the lands generally lower than the highest to which the former unculturable is often attached, has unduly raised the medium and lower lands, and brought about the abnormal state of things, which in the opinion of the Revenue Commissioner demands further inquiry.

29. It is represented that in many instances the old defect of the survey settlements has not been remedied by lowering the classification of the worst soils, though the classification of the superior soils has been raised, and that in fact the assessment of the land formerly classed as "krab" or unculturable, added to the enhancement of the rates on soils not of the lowest, but also not of the highest, and which may be conveniently called the middling class, has had the effect of raising the rates of the middling and bad soils in a greater proportion than the best soils, and that the assessment is in many cases oppressive, and such as cannot be paid on the average of good and bad years without undue pressure.

30. Complaints of this kind have been for some time pressed on the notice of the Revenue Commissioner, and he has lately, in a tour through the revised district of Barsi, come upon several instances of assessment which appear to support the complaints. The Revenue Commissioner is aware how difficult it is to test complaints of this kind, and he would not venture to give them his official support in a representation to Government without first conferring with the Commissioner of Survey and Settlement, were it not that in order to do this effectively the fullest technical information needs to be held available; the Revenue Commissioner therefore begs that the question may as yet be regarded as under consideration, and solicits attention to the application in his 24th paragraph regarding details of assessment, including classification.

Extract from Resolution of Government No. 707, dated 7th February 1874, on the Revision of Karmala Taluka.

9. Mr. Havelock has, in reviewing the proposals in respect to Karmala, taken the opportunity of stating at great length, and with much moderation and care, the grave doubts he entertains regarding the suitability of the rates, especially on the poor soils, which have been imposed in the other talukas of the Sholapur and Poona collectorates lately brought under revision. He states his participation in the general belief that whereas the valuation on the better soils has been left very much as it was, that on the poorer has been unduly and disproportionately enhanced.

10. His Excellency the Governor in Council has not failed to be much struck with the marked difference between the results of the last revision proposals and those that were first sent in. The Karmala and Supa revised assessment gave an average increase of 38 and 42 per cent. respectively, while the prior ones of Mareh and Sholapur resulted in an increase of 77 per cent. The Commissioner of Survey, Colonel Francis, attributes the comparatively small amount of increase observable in the proposals now submitted to the fact of a higher and more correct system of classification having been adopted at the first settlement of the Supa and Karmala villages than was observed when the survey operations were first commenced. If this is the correct explanation, it is somewhat remarkable that so sudden and marked an improvement should have characterised the work of the early survey officers within a period of two years from the commencement of the operations.

11. If, on the other hand, the true explanation is, as Mr. Havelock implies, to be found in the valuation scale having been lowered, in order to comply with the policy of moderation recently inculcated by Government, then it becomes a serious question how the rates in the other and earlier revised talukas can best be assimilated and equalised. That this is the case is clearly contradicted by Colonel Francis in the 24th paragraph of his forwarding memorandum, in which also he promises to prove his assertion in a report about to be submitted with regard to the Mareh settlement, but as an officer occupying the responsible position of a Revenue Commissioner is fully entitled to have his apprehensions in a matter of such importance set at rest, Mr. Havelock is at liberty to call for such information and to take such steps as he may deem necessary to obtain the particulars referred to in paragraph 24 of his Report. It will probably be the best and most convenient plan if he can arrange to meet the Survey Commissioner, and personally satisfy himself as to the principles on which the classification has been arrived at. A copy of the Revenue Commissioner's report should in the meanwhile be forwarded to Colonel Francis for any remarks he may have to make on this particular point.

Extract from Letter No. 444, dated 20th March 1874, from the Survey and Settlement Commissioner, N.D., to the Revenue Commissioner, S.D.

2. The first regular classification scale, adopted by the survey officers, and which was in use in the Sholapur districts, comprised nine separate classes, ranged under three main heads or orders, known as Black, Red, and Barad. Each of these orders had its own three separate classes, called 1st, 2nd, and 3rd; and in making the classification all soils were recorded under these several heads of 1st, 2nd, or 3rd, Black, Red, or Barad, as the case might be. But this arrangement by colours was not adhered to in practice; for if a soil was considered to be more or less valuable than the class to which it would naturally belong according to its colour, it was raised or degraded by putting it into the next higher or lower class, irrespective of colour; and hence it will be found that soils recorded as red are black in colour, and *vice versa*. The colour arrangement, in fact, was made subordinate to a classification by values.

3. The following is the scale of values of what is known in the survey papers as the Indapur classification scale, shown in juxtaposition with the joint-report scale:—

Distinguishing terms.	Value in Annas.		Value upon a rupee maximum.		Joint-Report Scale.		—	
					Class.	Value in Annas.		
	1	2	3	4				
	AS.	P.	RS.	A.	P.	1st	AS.	} <i>Vide paragraph 10.</i>
1st Black	12	0	1	0	0	1st	16	
2nd do.	9	8	0	12	10	2nd	14	
1st Red	8	0	0	10	8	3rd	12	
3rd Black	6	9	0	9	0	4th	10	
2nd Red	5	2	0	5	11	5th	8	
1st Barad	4	0	0	5	4	6th	6	
3rd Red	3	0	0	4	0	7th	4½	
2nd Barad	2	5	0	3	2	8th	3	
3rd do.	1	4	0	1	10	9th	2	

This comparison shows that whilst the values of the Indapur and joint-report scales correspond almost exactly in all the lower classes of soil, those of the joint-report are considerably higher in all the upper classes; and this serves to explain, to some extent, the cause of the lower rates placed upon the better soils under the early settlements, as compared with those of the present established scale of valuation.

4. But the great difference between the two systems is in the manner of carrying out the classification in the field. Under the *modus operandi* followed at the first settlement, the classer walked over each field, digging here and there, and taking a general superficial examination of it, and on completing this inspection he was required to make up an estimate of the extent of each kind of soil. He was not furnished with any sketch of the field, but had to trust entirely to his eye for arriving at an estimate of the proportion of each kind of soil contained in the field, the average rate being worked out by shares, as on the present system, from the estimate made in the foregoing manner.

5. But this plan of working, which was carried out pretty generally in regard to all the better kinds of soil, was not generally followed with the lower orders. Large tracts of such land were waste at the time, and they were generally considered to be unfitted for cultivation. In classing them, a man merely took a casual examination of the whole number, and if he saw no cultivation, would enter a large proportion as unarable, putting the lower class rates on the remaining part of it. If a Barad number of the kind happened to be under cropping at the time, it would be more carefully gone over, and less "kharab" given; and to this cause I attribute the variation to be met with in many cases in the proportionate extent of land deducted as unculturable. There is an entire absence of any guiding rule in the matter, the deduction being made in the most capricious manner.

6. This description of the manner in which the classification of the poorer soils was effected, is not merely the result of information obtained at various times from the old

employés of the survey, but I can also testify to its general correctness from my own personal observation, for, on first joining the Survey Department in 1844, I was sent to learn classification in the Nasik districts under Captain Davidson, and I then found the plan of deducting a large proportion of the area of poor soils to be in force. I adopted the same plan in the Southern Maratha Country Survey at first, and Colonel Anderson informs me that he finds the deductions as unarable in some of the first villages of the Hubli Taluka, which were classed under my supervision, to be greatly in excess of the actual quantity properly deductible, as ascertained by classification according to our present system.

10. Reverting, however, to classification, no well-defined system of operations, as you are aware, was generally introduced in the Survey Department, until the joint-report was drawn up in 1847. The system and rules then framed were generally introduced, though Captain Davidson continued to work in the Ahmednagar districts by his original scale of values, which differed somewhat from that prescribed in the joint-report. There has, however, been no departure in the department under my control from the joint-report system until the revision work was commenced, when, with the express object of putting a lower rate upon the poor classes of soil, I made the following reduction in the values assigned to the lower classes by that scale, viz. :—

For the 7th class I fixed 4 annas in place of 4 annas 6 pies,
„ 8th do. „ 2 do. do. 3 do.
„ 9th do. „ 1 do. do. 2 do.

I made no alteration in the scale values of the best soils, or of those of any of the other classes.

11. The reduction shown above is considerable and most important, amounting, as you will perceive, to 20, 33, and 50 per cent. in the values of the 7th, 8th and 9th classes respectively, as fixed in the joint-report, and it is nearly this much also lower than the original Indapur scale given in a former paragraph.

12. It is to be regretted, perhaps, that this point was not noticed before, as it would have served to explain an important part of our proceedings, with which you yourself and the revenue officers of the collectorate have not been made acquainted.

Extract from Letter No. 1,466, dated 20th April 1874, from the Revenue Commissioner, S.D., to Government.

97. To resume: it will not, I think, be assuming too much to submit that under the opportunity kindly afforded me by Government, a very strong case has been established for reconsideration of the assessments in the revised talukas of Sholapur.

98. There has been for some time an outcry against those of the rates which had come into actual operation in Madch; the Sholapur Taluka ryots also evinced much dissatisfaction and unwillingness to pay up last year. In both cases the firmness of the authorities, and preparation for rigid enforcement of distraint and eviction, had the effect of inducing the payment in full of the Government demand, with some, not numerous, exceptions, the details of which were duly considered in Government Resolution No. 421, dated 26th January 1874.

99. But Government are, I know, desirous that the assessment shall be moderate, and such as the cultivators can pay without risk of crippling their small resources in good years, and bringing them to the verge of ruin with the ever-increasing necessity for remissions in an unfavourable season.

100. Under this view, I trust Government will be pleased to consider favourably my representation regarding the complaint of the Collector, Assistant Collector, and the ryots of Sholapur (*vide* paragraph 23 of my Report No. 149, dated 14th January 1874), that the rates have been left nearly the same on superior lands and largely raised on inferior lands.

101. It is, I think, proved beyond a doubt in this report and its accompaniments that the 33 villages of the Pandharpur Taluka have been assessed at an average rate so very much higher than the average rate of the villages of an adjoining tract, which were

adduced by both the Commissioners of Survey and Settlement as a criterion by which to judge of the assessment in the 33 villages, that, making some allowance for difference of prices, the rate is too high.

102. In my opinion the average rate is also too high for Barsi and Sholapur, and I only except Madeh because of its being strongly urged by Colonel Francis that this district was under-assessed at the former survey. Regarding Madeh, the same objections exist as in the three first-named talukas. Regarding Karmala, even though the average rate is low and suitable, I do not think the assessment will be found in practice free from the objections stated in paragraph 100.

103. There is a conspicuous feature in the Karmala settlement, that considerable deductions of "kharab," at least in some cases, have been effected by the Survey officers, at their discretion, after the field calculations had been completed. Colonel Waddington, when questioned by me on the subject before Colonel Francis, informed us that it had been done by him in certain cases where he found by the papers that a good deal had been allowed at the former survey. Colonel Waddington did not think the deductions would be found sufficiently considerable to affect the assessment.

104. I have, however, found by inspection of the papers that in the village Nimbhore, of Karmala, deductions of "kharab" or unarable had been made at discretion subsequent to the settlement, as follows:—

1.	2.	3.	4.
Number of Survey Fields.	"Kharab" or Unarable as by the Fields Papers.	Additional Unarable as by Discretionary Correction.	Assessment foregone on Unarable in Column 3.
108	Acres goontas. 50 39	Acres goontas. 115 25	Rs. a. p. 45 12 1

From this it may be concluded that the assessment is in some cases affected, and there need be no insuperable difficulty in the way of similar corrections in other talukas, if so desired by Government.

105. But though opinions may vary regarding the effect of the average rate, I hold that it is mathematically proved that the revenue officers and the ryots have grounds for their complaints. A comparison of the classification of fields in groups according to the former and present survey, and a detailed comparison of the classification and rates applied to different sections of fields, which are, in my opinion, after personal inspection, excessively over-assessed, as set forth in this report and its appendices, establish the following:—That there has been a judicious increase in the highest class of land, but that, notwithstanding a most salutary and well-designed reduction of the two lowest classes of the joint-report scale and a slight reduction in the 7th class, the new scale has not suited the special circumstances of the revision; that the application of the revised classification at too high a scale on much of the former unculturable and on the lower and medium lands has caused the assessment to be high on such lands. Also that this grievance is intensified by the fact that it will not allow of recognising, with regard to the former unculturable, the undoubted claim to consideration for the capital or labour expended on those lands which have, since the former survey, been reclaimed and brought under the plough at the expense of the ryots.

106. It may fairly be inquired, if this state of things is admitted to be correct, what remedy is the best that I can propose. It has been suggested to me that a temporary percentage reduction in the new assessments all round, while prices are below a minimum, would be a means of relief, and so it would be, but then the faults, if there be such, of the settlement would be maintained.

107. There is, I believe, a theory that the settlements of which Mr. Goldsmid and Captain Wingate are generally regarded as the founders were so adjusted as to leave an equal share of produce of all lands to the cultivators. The theory may take its rise from the criticism of Captain Wingate, or his Lieutenants, on Mr. Pringle's unfortunate settlements in the Deccan, and from certain statements given in illustration in the correspondence.

108. It is true that at page 129 of the Government Selection CVII. on Indapur, there will be found a comparative statement showing how the survey rates might have been fixed so as to render the profit of cultivating every description of land nearly equal; but in practice, the scale there shown was greatly modified. It will be seen, by comparison of the actual rates applied to the nine different classes of land at page 123 of the same compilation, that the highest rate is reduced from Rs. 1-12-1 of the imaginary standard, to 12 annas, and that the other classes were reduced from the imaginary standard, more or less, though not in strict proportion: also—which is the main point as between Captain Wingate's successful settlement and Mr. Pringle's utter failure—that Captain Wingate's rates* were rather more than half Mr. Pringle's rates† in the three highest classes, rather less than one half in the succeeding four, and less than one third in the two lowest classes.

* Page 123.

† Page 129.

109. Captain Wingate was, no doubt, far too well versed in the laws of production and distribution of wealth to suppose that any theoretical classification could affect at the settlement an adjustment of values which should remain in equilibrium. Such an equilibrium, even if attainable at the settlement, which is practically impossible, would be disturbed by liability to change in prices of produce and labour, and other economic conditions. This able settlement officer knew that the assessment had been generally pitched too high, that the pressure was greater on the middle class, and greatest on the lowest soils; and he modified his classification and rates accordingly, with the entire success which has been recognised on all hands.

110. But this settlement, which fixed a kamal, or highest demand, on the complete area, of Rs. 84,000 instead of Rs. 2,03,000,—the kamal of Mr. Pringle's settlement, which it superseded—could not prevent, during the prevalence of very low prices, a portion of the land remaining waste, and even many thousands of acres being thrown out of cultivation intermediately, on account of their not yielding the net profit over and above the cost of cultivation, which would suffice to defray the rent charge to Government, and yield such benefit to the ryot as met his requirements. Neither, on the other hand, could the settlement prevent a large economic rent accruing at a later period, as, with rising prices, not only was the small area of waste then remaining brought under cultivation, because the high value of its produce, small though the latter might be, sufficed to defray the rent charge to Government, and to yield such benefit to the ryot as met his requirements, aptly termed in a recent paper by Mr. Pedder, his "standard of comfort."

111. Under these circumstances, the well-known laws of the establishment and increase of landlord rent followed their course. The better lands passed from time to time out of the hands of the cultivators to capitalists, who enjoy the economic rent without any personal concern in the cultivation. This is the class who, under the name of middlemen, get many hard words on paper from those who think that a ryotwari system can be devised which shall be so balanced as to secure to Government the full economic rent of every acre of land, at the same time that it shall secure to the peasant cultivator or ryot a subsistence according to his requirements or "standard of comfort." Such an object is simply unattainable; for, as soon as a district begins to acquire sufficient prosperity to bring all the lower class land into cultivation, the local outward signs of which are, increase in wages of ordinary labour, and the price of food, grains, and fodder, a landlord's rent accrues on the better land, which will either place the ryot himself in the higher position of a renter instead of a cultivator, or he will be ousted by some capitalist whose money is always ready for the opportunity.

112. I believe that I am in agreement with Captain Wingate, and with the theory of the present Survey Commissioner, N.D., that the best way of securing the nearest approach to the Government rights, is to place a high relative rate on the best soils—such as the first two, or at most, three classes of the scale. These cannot only yield extraordinary profits in a good season, but they have, especially the first two, a preponderating capacity to resist the effects of prolonged drought, which in the arid Deccan immensely increases their relative capacity over a series of changing seasons.

113. The soils next in degree of capacity should be liable to an assessment rapidly diminishing to the worst lands. The latter are barely susceptible of successful cultivation at all, unless improved by outlay of capital when prices are moderately high. It stands to reason, then, that they should be very lightly assessed. This object was facilitated at the former survey by much inferior land being left unassessed altogether.

114. The recent method of bringing these formerly unassessed lands to account has, for the reasons stated in detail in this report, placed them in a false position as regards the question of compensation for expenditure of labour and capital; it has also brought the inferior lands generally to so high a rate, that it is doubtful whether under the high prices of a few years ago, the assessment could have been easily paid; and it is now, in my opinion, certain that at present prices the revised rates are beyond the capacity of the districts to bear over a series of years without large remissions, and the evils attendant thereon.

115. I have stated in paragraph 106 an evident objection in principle to a percentage deduction from the revised rates. Two methods of re-adjustment suggest themselves: the one to re-class and re-assess on a third classification, the other to re-assess on the recent classification.

116. There can, I think, be no reason to doubt that the new classification in the field is more consistently accurate than that of the former survey. I have been informed by the Survey Commissioner and the Superintendent that, in many instances—especially in Sholapur villages in the neighbourhood of Sholapur itself—there have been frequent instances of the most palpable under-assessment. I can add my testimony in regard to a field close to the town of Sholapur, which was assessed under the old survey at Rs. 3, and under the revision at Rs. 18. There is no doubt in my mind that the new assessment is not inordinately high as regards the capacity of the field in that locality. I have seen the former and present classification, and am quite prepared to believe that the former classification and assessment must have been obtained by fraud on the part of a subordinate.

117. It appears to me, with deference to higher authority, that we are not likely to improve by doing the field classification over again, but that the survey authorities might be able to suggest to Government such a modification of the scale of class values on a rupee maximum which shall suit the conditions described when adjusted to the maximum for the village or group. The most difficult point to get over is that of the former unculturable, which ought to be admitted at so low a rate as would allow compensation for expenditure on capital and labour. But some at least of the unculturable, and chiefly, I believe, those portions gained by encroachment, are said to be above the very inferior average which this class would generally represent. I believe these difficulties might, by judicious treatment, be all met; but much must depend on the view of this subject taken by Government and the Commissioner of Survey and Settlement. The facts stated in my paragraphs 103 and 104 show that the difficulty about deduction of unarable, when deemed desirable, is not insuperable.

118. Before closing this report, which has cost me much time and labour, I beg earnestly, in the spirit of moderation inculcated by Government, to deprecate any very large general increase of the assessments.

119. I go so far as to recommend Government to be satisfied with a minimum of 25 per cent. increase on the whole area in all the talukas of the Sholapur Collectorate, though I would, of course, not object to more if it can be obtained without over assessment. I would also recommend that in any scheme of revision a limit of 50 per cent. increase should not be exceeded in any one village, and 100 per cent. not exceeded in any one field, without suitable explanation. This would leave room for correction of previous glaringly erroneous or fraudulent classification and assessment, which in some villages will, I believe be found sufficiently numerous.

OLD CLASSIFICATION of the Village of Alipur, in Taluki Barsi, Zilla Sholapur, in contrast with those of the Revised Settlement.
(Appendix to Letter No. 1,466, dated 20th April 1874, from the Revenue Commissioner, S.D.)

According to Revision Survey Settlement.							According to former Survey Settlement.						According to Revision Survey.		Per-centage Increase.
CLASSIFICATION RATES.	Survey Numbers.	Pot Numbers.	Area.	Deduct Unarable.	Remainder Arable.	Amount of Assessment according to Classification Rates.	Classification Rates.	Survey Numbers.	Area.	Deduct Unarable.	Remainder Arable.	Amount of Assessment according to Classification Rates.	Decrease.	Increase.	
1.	2.	3.	4.	5.	6.	7.	7A.	8.	9.	10.	11.	12.	13.	14.	15.
FIRST CLASS LANDS.															
14 annas to 15 annas 6 pies -	2	—	A. O. 37 8	A. O. 0 9	A. O. 36 39	RS. A. P. 33 7 8	RS. A. P. 0 11 6	2	A. O. 36 10	A. O. 0 11	A. O. 35 39	RS. A. P. 26 0 0	RS. A. P. —	RS. A. P. 7 7 8	29
14 annas to 1 rupee -	2	—	39 38	—	39 38	37 8 0	0 12 6	2	40 11	0 5	40 6	31 0 0	—	6 8 0	21
15 annas 6 pies -	2	—	44 36	—	44 36	48 7 11	0 13 0	2	45 13	0 1	45 14	36 0 0	—	7 7 11	21
15 annas 6 pies to 1 rupee -	4	—	61 38	—	61 38	60 11 6	0 13 6	3	65 20	—	65 20	55 0 0	—	5 11 6	10
	10	—	184 0	0 9	183 31	175 3 1	—	9	187 16	0 17	186 39	148 0 0	—	27 3 1	18
SECOND CLASS LANDS.															
10 to 12 annas -	2	—	30 25	0 10	30 15	20 8 2	0 7 0	1	30 13	1 19	28 24	13 0 0	—	7 3 2	53
7 to 10 annas -	3	—	74 32	0 8	74 24	88 5 4	0 7 6	2	73 24	2 11	71 13	84 0 0	—	4 5 4	13
7 annas 6 pies to 15 annas -	4	—	59 29	0 8	59 21	39 3 10	0 8 0	2	63 32	0 36	62 36	31 0 0	—	8 5 10	24
7 annas to 11 annas -	3	—	62 16	0 6	62 10	37 3 1	0 8 6	2	60 28	0 39	59 39	32 0 0	—	5 3 1	16
10 annas 6 pies -	1	—	27 38	0 4	27 34	18 4 5	0 9 0	1	27 39	0 21	27 18	15 0 0	—	3 4 5	23
6 annas 6 pies to 13 annas 7 pies -	3	—	160 15	0 24	159 31	119 7 3	0 9 6	5	169 14	1 19	167 35	99 0 0	—	20 7 8	21
11 to 14 annas -	3	—	60 15	0 14	60 1	43 9 9	0 10 0	2	66 26	0 6	66 20	41 0 0	—	2 9 9	6
12 annas to 14 annas 6 pies -	2	—	24 37	0 7	24 30	19 12 1	0 10 6	2	24 8	0 36	23 12	15 0 0	—	4 12 1	22
10 annas 6 pies to 13 annas -	3	—	51 24	0 7	51 27	36 9 0	0 11 0	2	52 9	0 33	51 16	36 0 0	—	0 9 0	3
	29	—	553 1	2 8	550 23	372 9 11	—	19	569 2	9 20	559 23	316 0 0	—	56 9 11	18
THIRD CLASS LANDS.															
6 annas -	1	—	3 21	—	3 21	1 12 2	0 4 0	1	3 25	—	3 25	1 0 0	—	0 12 2	76
5 annas 6 pies to 10 annas 6 pies -	3	—	86 1	0 16	85 25	44 13 10	0 4 6	2	86 11	0 18	85 23	25 0 0	—	19 13 10	79
6 annas 6 pies to 11 annas -	3	—	50 2	0 7	49 35	28 12 6	0 6 0	2	50 18	0 12	50 1	19 0 0	—	9 12 6	51
	7	—	139 24	0 23	139 1	75 6 6	—	5	140 19	0 30	139 29	46 0 0	—	30 6 6	67
Total agreeably to Survey Papers	46	—	876 25	3 0	873 25	623 3 6	—	—	—	—	—	—	—	—	—
Deduct— More in Colonel Francis' statement -	—	—	0 10	—	0 10	—	—	—	—	—	—	—	—	—	—
Add— Less in do. -	—	—	—	—	—	0 1 3	—	—	—	—	—	—	—	—	—
GRAND TOTAL	46	—	876 15	3 0	873 15	623 4 9	—	33	896 38	10 27	886 11	509 0 0	—	114 3 6	23
Total Jorajet assessment, vide note below						637 1 0									

NOTE.—The amount according to classification rates under the old survey settlement shown in column 12 represents the actual survey assessment of the former settlement. But the same is not the case with the amount of classification rates under revised survey settlement shown in column 7; because, in addition to the increase caused by revised classification, there has been another percentage increase agreeably to what are called sanctioned rates. These are liable to enhancement in the proportion of one rupee and one rupee six annas, the maximum scale for this village. They thus amount to Rs. 857-1-0, vide entry below classification rates of new assessment.

OLD CLASSIFICATION RATES of the Village of Dahitneh, in Taluka Sholapur, in Sholapur Collectorate, in contrast with those of the Revised Settlement.
(Appendix to Letter No. 1,466, dated 20th April 1874, from the Revenue Commissioner, S.D.)

According to Revision Survey Settlement.							According to former Survey Settlement.						According to Revision Survey.		Percentage Increase.	
Classification Rates.	Survey Numbers.	Pot Numbers.	Area.	Deduct Unarable.	Remainder.	Amount of Assessment according to Classification Rates.	Classification Rates.	Survey Numbers.	Area.	Deduct Unarable.	Remainder.	Amount of Assessment according to Classification Rates.	Decrease.	Increase.		
1.	2.	3.	4.	5.	6.	7.	7A.	8.	9.	10.	11.	12.	13.	14.	15.	
There are no first-class lands at all, according to old survey.																
SECOND CLASS LANDS, that is, Lands assessed from Annas 6½ to Annas 11.																
RS. A. P.	RS. A. P.		A. G.	A. G.	A. G.	RS. A. P.	RS. A. P.		A. G.	A. G.	A. G.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	
0 8 0	to 0 10 0	2	—	28 9	0 18	27 31	15 6 8	0 6 6	1	35 8	2 17	32 31	13 0 0	—	2 6 8	18 9 5
0 10 6	to 0 12 6	3	—	82 13	—	82 13	56 1 7	0 7 0	2	85 4	0 12	84 32	87 0 0	—	19 1 7	51 9 10
0 14 0	to 1 2 0	3	—	23 4	0 5	22 39	22 14 11	0 7 6	2	22 35	0 24	22 11	10 0 0	—	12 14 11	129 5 2
		7		133 26	0 23	133 8	94 7 2	—	5	143 7	3 18	139 34	60 0 0	—	34 7 2	57 6 7
THIRD CLASS LANDS, that is, Lands assessed at 1 to 6 Annas.																
0 5 0	- - -	1	—	44 38	4 5	40 33	12 12 1	0 2 0	1	45 7	—	45 7	6 0 0	—	6 12 1	112 9 4
0 4 6	to 0 10 0	3	3	96 0	2 8	94 6	83 4 2	0 2 6	2	95 8	1 9	93 39	14 0 0	—	19 4 2	137 9 2
0 4 0	to 0 9 0	4	3	161 34	0 21	161 13	59 2 1	0 2 0	3	166 7	6 34	159 13	30 0 0	—	29 2 1	97 1 7
0 4 6	to 0 10 0	5	1	216 19	2 28	213 31	97 2 1	0 3 6	5	219 10	7 34	211 16	46 0 0	—	51 2 1	111 2 5
0 4 0	to 0 14 6	16	6	311 9	3 36	307 18	184 3 10	0 4 0	8	307 23	13 3	294 20	75 0 0	—	109 3 10	145 10 5
0 5 6	to 0 14 6	12	3	358 26	3 9	355 17	143 10 5	0 4 6	7	364 32	4 2	360 30	74 0 0	—	69 10 5	94 1 11
0 7 0	to 0 14 6	23	6	409 3	10 0	399 3	281 8 1	0 5 0	14	407 4	19 21	387 23	121 12 0	—	159 12 1	131 3 5
0 8 0	to 0 11 6	8	—	235 31	3 20	232 11	138 13 10	0 5 6	6	235 7	4 17	230 30	79 0 0	—	59 13 10	75 12 5
0 7 0	to 0 12 0	6	—	140 16	0 29	139 27	78 8 8	0 6 0	4	142 20	1 5	141 15	53 0 0	—	25 8 8	74 9 7
		78	22	1,874 25	30 31	1,843 34	1,028 12 3	—	50	1,882 38	58 5	1,824 33	498 12 0	—	530 0 3	106 4 3
GRAND TOTAL		85	22	2,008 11	31 14	1,976 37	1,123 3 5	—	55	2,026 5	61 18	1,964 27	558 12 0	—	564 7 5	101 0 4
Agreeably to Col. Francis' statement		54	10	2,012 18	31 14	1,981 4	1,121 0 0	—	54	2,023 38	61 27	1,962 11	558 0 0	—	563 0 0	101 0 0
Add— Left out in Col. Francis' statement by mistake and by discarding fractions.		31	12	—	—	—	2 3 5	—	*1	2 7	0 9	2 16	0 12 0	—	1 7 5	—
Deduct— More in ditto		—	—	4 7	—	4 7	—	—	—	—	—	—	—	—	—	—
		85	22	2,008 11	31 14	1,976 37	1,123 3 5	—	55	2,026 5	61 18	1,964 27	558 12 0	—	564 7 5	—
Total Jeraat assessment, vide note No. 2						1,544 0 0	* This is the area of old No. 68 inadvertently omitted from Colonel Francis' return.									

R 2

127

NOTE No. 1.—This statement relates to Government land only. There are 85 Government survey numbers, and, although their land has been brought to account in subsequent columns, still the insertion in the Survey Commissioner's Office of the number of survey fields at 54 in column 2 was evidently a mistake.

NOTE No. 2.—The amount according to classification rates under the old survey settlement, shown in column 12, represents the actual survey assessment under the former settlement. But the same is not the case with the amount of classification rates under revised survey settlement, shown in column 7; because, in addition to the increase caused by revised classification, there has been another percentage increase agreeably to what are called sanctioned rates. These are liable to enhancement in the proportion of one rupee and one rupee six annas, the maximum scale for this village. They thus amount to Rs. 1,544-0-0.

OLD CLASSIFICATION RATES of the Village of Miri, in Taluka Sholapur, of the Sholapur Collectorate, in contrast with those of the Revised Settlement.

(Appendix to Letter No. 1,466, dated 20th April 1874, from the Revenue Commissioner, S.D.)

According to Revision Survey Settlement.							According to former Survey Settlement.						According to Revised Survey.					
Classification Rates.	Survey Numbers.	Pot Number or Sub-share.	Area.	Deduct Unarable.	Remainder Arable.	Amount of Assessment according to Classification Rates.	Classification Rates.	Survey Numbers.	Area.	Deduct Unarable.	Remainder Arable.	Amount of Assessment according to Classification Rates.	Decrease in Acres.	Increase in Acres.	Percentage Increase in Acres.	Decrease in Assessment.	Increase in Assessment.	Percentage Increase in Assessment.
1.	2.	3.	4.	5.	6.	7.	7A.	8.	9.	10.	11.	12.	13.	14.	15.	16.	17.	18.
FIRST CLASS LANDS.																		
RS. A. P.	RS. A. P.		A. G.	A. G.	A. G.	RS. A. P.	RS. A. P.	A. G.	A. G.	A. G.	RS. A. P.	A. G.	A. G.	RS. A. P.	A. G.	RS. A. P.	RS. A. P.	
From 0 13 6 to 0 14 0	3	—	84 11	—	84 11	73 4 3	0 11 6	2	81 1	0 12	80 29	58 0 0	—	8 22	—	—	15 4 8	—
0 15 6	1	—	10 27	—	10 27	10 5 6	0 12 0	1	11 15	0 13	11 2	8 0 0	0 15	—	—	—	2 5 6	—
0 14 6	1	—	37 26	—	37 26	34 1 11	0 13 0	1	35 35	—	35 35	29 0 0	—	1 51	—	—	5 1 11	—
From 0 14 6 to 1 8 0	1	1	40 14	—	40 14	36 12 11	0 14 0	2	40 5	—	40 5	34 12 0	—	0 9	—	—	2 0 11	—
" 1 2 0 " 1 3 0	1	2	2 21	—	2 21	2 14 11	0 15 6	2	2 11	—	2 11	2 8 0	—	0 10	—	—	0 6 11	—
	7	3	175 19	—	175 19	157 7 6	—	8	170 27	6 25	170 2	132 4 0	0 15	5 88	8 8	—	25 3 6	19
												Net increase		5 17				
SECOND CLASS LANDS.																		
From 0 11 6 to 0 14 6	4	—	122 19	1 6	121 18	101 9 1	0 6 6	4	117 39	18 9	101 29	41 0 0	—	19 24	—	—	60 9 1	—
0 12 6	1	—	32 38	1 15	31 23	24 10 8	0 7 0	1	32 32	3 13	29 19	13 0 0	—	2 4	—	—	11 10 8	—
From 0 12 0 to 1 4 0	2	1	38 32	0 8	38 24	29 14 4	0 7 6	3	34 15	0 11	34 4	16 8 0	—	4 20	—	—	18 6 4	—
0 11 6 " 0 14 0	3	—	122 19	0 16	122 3	94 14 1	0 8 0	3	116 3	0 27	115 16	58 0 0	—	6 27	—	—	26 14 1	—
" 0 14 0 " 1 1 0	2	3	8 1	—	8 1	7 9 4	0 8 6	3	8 13	0 34	7 19	3 12 0	—	0 22	—	—	3 13 4	—
0 12 0 " 0 14 0	4	—	128 28	0 10	128 18	106 8 10	0 9 0	3	126 16	—	126 6	71 0 0	—	2 12	—	—	35 8 10	—
0 10 6 " 0 11 6	2	—	67 15	0 14	67 1	45 6 2	0 9 6	2	71 15	0 10	71 5	42 0 0	4 4	—	—	—	3 6 2	—
0 13 0 " 0 14 6	3	2	57 12	0 9	57 3	49 4 4	0 10 0	7	59 10	0 17	58 33	36 8 0	1 30	—	—	—	12 12 4	—
0 10 6 " 0 14 6	2	—	80 33	0 11	80 24	63 3 8	0 10 6	2	82 5	0 8	81 37	54 0 0	1 13	—	—	—	11 8 8	—
	23	6	638 39	4 9	634 30	525 0 6	—	28	648 17	22 9	626 8	335 12 0	7 7	83 29	4 22	—	122 4 6	56½
												Net increase		28 22				

OLD CLASSIFICATION RATES of the Villages of Islwar-Watar, in Taluka Pandharpur, of the Sholapur Collectorate, in contrast with those of the Revised Settlement.

According to Revision Survey Settlement.							According to former Survey Settlement.					According to Revised Survey.								
Classification Rates.	Survey Nos.	Plot Nos.	Area.	Deduct Unarable.	Remainder Arable.	Amount of Assessment according to Classification Rates.	Classification Rates.	Survey Nos.	Area.	Deduct Unarable.	Remainder Arable.	Amount of Assessment according to Classification Rates.	Decrease in Acres.	Increase in Acres.	Percentage Increase in Acres.	Decrease in Assessment.	Increase in Assessment.	Percentage Increase in Assessment.		
1.	2.	3.	4.	5.	6.	7.	7A.	8.	9.	10.	11.	12.	13.	14.	15.	16.	17.	18.		
FIRST CLASS LANDS, that is, Lands assessed from 11½ Annas to 1 R. per Acre.																				
15 annas - - -	1	1	A. G. 5 36	A. G. —	A. G. 5 36	RS. A. P. 5 8 6	11 annas 6 pies	1	A. G. 5 37	A. G. —	A. G. 5 37	RS. A. P. 4 0 0	A. G. 0 1	A. G. —	—	—	RS. 1 8 6	—		
15 annas - - -	2	—	15 2	—	15 2	14 1 9	12 annas 6 pies	2	12 5	—	12 5	9 0 0	—	2 37	—	—	5 1 9	—		
Total - - -	3	1	20 38	—	20 38	19 10 3	—	3	18 2	—	18 2	18 0 0	0 1	2 37	16½	—	6 10 3	53½		
													Net increase -		2 36					
SECOND CLASS LANDS, that is, Lands assessed at 6½ to 11 Annas per Acre.																				
18 annas to 15 annas 6 pies - - -	8	—	162 30	2 21	160 9	141 12 8	6 annas 6 pies	6	168 21	7 39	160 22	65 0 0	0 13	—	—	—	76 12 3	—		
10 annas to 15 annas - - -	9	8	153 21	1 2	152 19	123 2 1	7 annas -	8	149 28	1 30	148 8	60 0 0	—	4 11	—	—	57 2 1	—		
10 annas to 15 annas 6 pies - - -	13	—	282 23	1 19	281 4	250 15 10	7 annas 6 pies	9	271 31	0 12	271 19	127 0 0	—	9 25	—	—	123 15 10	—		
10 annas 6 pies to one rupee - - -	10	1	200 11	0 26	199 25	170 2 6	8 annas -	8	195 5	2 14	192 31	96 8 0	—	6 34	—	—	73 10 6	—		
18 annas to 15 annas 6 pies - - -	10	1	196 13	0 15	195 38	174 0 1	8 annas 6 pies	10	189 30	0 18	189 12	102 0 0	—	6 26	—	—	72 0 1	—		
13 annas 6 pies to one rupee - - -	9	—	113 24	0 9	113 15	101 11 9	9 annas -	6	113 30	0 15	113 15	64 0 0	—	—	—	—	37 11 9	—		
13 annas 6 pies to 15 annas - - -	4	—	89 30	0 18	89 17	81 8 7	9 annas 6 pies	3	92 31	0 6	92 25	54 0 0	3 8	—	—	—	27 8 7	—		
14 annas 6 pies to one rupee - - -	2	—	22 18	—	22 18	20 18 5	10 annas -	2	22 31	—	22 31	14 0 0	0 18	—	—	—	6 18 5	—		
15 annas 6 pies - - -	2	—	50 15	—	50 15	48 12 10	10 annas 6 pies	1	50 20	—	50 20	36 0 0	0 5	—	—	—	15 12 10	—		
Total - - -	67	5	1,271 25	6 25	1,265 0	1,112 15 4	—	68	1,254 27	13 4	1,241 23	821 8 0	3 39	27 16	1½	—	491 7 4	79		
													Net increase -		23 17					
THIRD CLASS LANDS, that is, Lands assessed from 1 to 6 Annas an Acre.																				
1 anna 6 pies - - -	1	—	25 12	0 29	24 23	6 14 7	3 annas -	1	24 31	19 8	5 28	1 0 0	—	18 35	—	—	5 14 7	—		
3 to 14 annas - - -	6	—	110 18	1 1	109 17	84 11 10	4 annas 6 pies -	5	118 4	4 20	108 24	31 0 0	—	0 38	—	—	53 11 10	—		
8½ to 14 annas - - -	4	—	88 13	0 16	87 37	58 15 4	5 annas 6 pies -	2	98 20	2 16	96 4	33 0 0	8 7	—	—	—	25 15 4	—		
8 to 15 annas - - -	7	—	125 15	0 33	124 22	104 1 1	6 annas -	5	118 21	2 29	110 32	42 0 0	—	18 30	—	—	62 1 1	—		
Total - - -	18	—	349 18	2 39	346 19	254 10 10	—	13	349 36	28 28	321 8	107 0 0	8 7	38 18	7½	—	147 10 10	138½		
													Net increase -		25 11					
Agreeably to Survey Papers -	88	6	1,642 1	9 24	1,632 17	1,387 4 5	—	69	1,622 25	41 32	1,580 33	741 8 0	—	51 24	8½	—	645 12 5	87½		
According to Colonel Francis' statement.	87	5	1,615 25	9 15	1,606 10	1,365 14 0	—	67	1,601 19	41 31	1,559 28	731 8 0	—	46 22	—	—	634 6 0	—		
<i>Add—Less in Colonel Francis' statement, owing to discarding of fractions, &c.</i>	1	1	26 16	0 9	26 7	21 6 5	—	2	21 6	0 1	21 5	10 0 0	—	5 2	—	—	11 6 5	—		
GRAND TOTAL -	88	6	1,642 1	9 24	1,632 17	1,287 4 5	—	69	1,622 25	41 32	1,580 33	741 8 0	—	51 24	—	—	645 12 5	87½		
Total Jersey assessment, vide footnote 2—Rs. 1,560 10 11																				

NOTE 1.—This statement relates to Government land only.

NOTE 2.—The amounts, according to classification rates under the old survey settlement shown in column 12, represents the actual survey assessment of the former settlement. But the same is not the case with the amount of classification rates under revised survey settlement shown in column 7; because, in addition to the increase caused by revised classification, there has been another percentage increase agreeably to what are called sanctioned rates. They are liable to enhancement in the proportion of one rupee and one rupee and two annas, the maximum scale for this village. They thus amounted to Rs. 1,560-10-11; vide entry below classification rates of assessment.

Extract from a Note, "Leading Points regarding Revision Settlements," by Mr. W. G. Pedder, C.S., 1874.

I will now proceed to notice briefly some of the most important facts to which the information above summarized appears to point, and of the inferences which may be drawn from them.

The most important considerations are those which are connected with the relations between prices, rates of assessment, and the extent of land cultivated, the latter being a good test of the prosperity of the people.

Putting out of sight temporary fluctuations due to good or bad seasons (which are sometimes very extraordinary, e.g., the price of jowari in Indapur was 12 seers in 1825, 64 seers in 1827, 9½ seers in August 1871, 50 seers in September 1874), it is evident that the wave of prices has risen and fallen twice since the beginning of the present century, as the following diagram will show:—

DIAGRAM, showing Fluctuations of Price of Jowari, the staple grain, in Indapur.

	1.	2.	3.	4.	5.	6.	7.	8.	9.
Seers per Rupee.	A. D. 1800 to 1816.—Average 28 seers.	A. D. 1819 to 1829, 11 years of Kamal rates.—Average 34½ Seers.	A. D. 1830 to 1837, 7 years to Pringle's Settlement.—Average 45 Seers.	A. D. 1837 to 1844, first decade of Survey Settlement.—Average 54 Seers.	A. D. 1847 to 1856, second decade of Settlement.—Average 45½ Seers.	A. D. 1857 to 1866, in third decade of Settlement.—Average 35 Seers.	A. D. 1861 to 1866, last five years of Settlement.—Average 18 Seers.	A. D. 1870 to 1874, new Settlement.—Average 27½ Seers.	A. D. 1874, September.—50 Seers.
10									
20									
30									
40									
50									
60									
70									
80									

N.B.—I have taken the Indapur prices because they are the only ones which I have complete from 1809. Fluctuations in the Indapur market have probably been exceptionally great, and prices generally have of course been lower than in larger markets. But a comparison with the prices for other talukas given in the paper will show that the Indapur figures represent pretty fairly the general course of prices, and may, I think, be accepted merely as illustrative of the arguments I employ. Prices in Indapur between 1866 and 1870 are not forthcoming. But the figures for the 4½ years 1870-74 show that a tendency to fall was checked by the occurrence of the very bad season of 1871-72.

Seers for a Rupee.

1870-71	-	-	-	-	20	0
1871-72	-	-	-	-	13	36
1872-73	-	-	-	-	19	39
1873-74	-	-	-	-	36	32
1874-7 months	-	-	-	-	46	66

Assuming, which I think it is fair to do, that the course of prices in Indapur is representative of the course of prices in the Presidency generally, this diagram shows that prices were high—about 28 seers—for the 10 years immediately preceding the introduction of British rule in that taluka. From that date they fell steadily and continuously till about 1850, when they reached the lowest point of depression, 72 seers. They then

began to rise, for 15 years slowly and steadily, for the next 5 years violently, to 18 seers. And for the last 4½ years they have again fallen, at first slowly, but in the present year, in which a remarkably good harvest has given an impetus to the tendency, suddenly and considerably, to a rate little higher than the average of the worst portion of the series, 1837 to 1846.

The main reason to which these fluctuations are due has been much disputed. It appears to me to be a simple one; alterations in the ratio between the quantity of the circulating medium and the number and amount of transactions in which it has to be exchanged for goods or labour, *i.e.*, in technical language, its "duty." It is a commonplace in political economy that price is in the long run regulated by the relative quantities of the circulating medium and of the articles for which it is exchanged. If there are a lakh of rupees to be exchanged for a lakh of maunds of grain, the price will be a rupee a maund; if half a lakh of rupees only, the price will be 8 annas.

But the argument on which this theory is questioned is this. If, it is said, there were reason to believe that an actual diminution in the quantity of the circulating medium has taken place coincident with a fall in prices, there could be no doubt that the former circumstance has caused the latter. But there is no reason to believe that this has occurred. India does not export treasure; she imported it all through the long fall in prices from 1819 to 1850, and she has been importing it since 1867, though not nearly to the same amount as in the decade before that year.

A little consideration will, however, I believe, show that these facts do not really make against the theory.

It must first be borne in mind that it is not so much an alteration in the absolute quantity of the circulating medium which affects prices, as an alteration in its quantity relatively to the "duty" it has to do.

In India at least a certain proportion, probably rather a large proportion, of the circulating medium is withdrawn from circulation every year by being hoarded or being converted into ornaments. And India, not producing the precious metals, must obtain silver to replace the amount thus withdrawn from circulation in exchange for her exports.

Now India has to pay England yearly, in public and private remittances, a large sum, conveniently though very inaccurately termed the "Indian Tribute." She does not pay this sum in bullion—not being a treasure-producing country she cannot do so—but in produce. That is, whereas if she formed no part of the British empire, if her public creditors, stock and railway shareholders, pensioners, &c. did not live in England, she would receive in return for her exports to England such quantity as she might require of English goods and the balance in silver, she now receives so much less silver as is required to pay her "tribute," and receives advantages of a different kind, instead of this amount of silver in return for so much exported produce.

Of course these advantages may be—I believe are—far more *valuable* to India than the silver she would otherwise get. A railway is quite worth the money paid yearly to its English shareholders. The British army, if once in a century it prevents such an invasion as that of Timur or Nadir Shah is well worth its cost. But I am not speaking of the value of what India receives from England, but of the economic effect on prices of her connexion with England, a very different thing.*

If the theory here stated is correct, the fluctuations in prices which have occurred are not difficult to explain.

Before the introduction of British rule in the Deccan there was little trade. Much of what trade there was was carried on by way of barter, and a considerable portion of the receipts and disbursements of the Government was in kind, not in cash. Hence, if the circulating medium was limited in quantity, its "duty" was still more limited, and prices were high. After that event a heavier "duty" was thrown on the circulating medium by the extension of trade, by the greater demands of the revenue for cash, by the system of the British Government of paying its army and its officers in money. The expansion of the circulating medium which this altered state of affairs demanded

* An illustration of what I mean may be drawn from the Bombay Gas Company. This company which has nothing whatever to do with Government receives yearly from the city of Bombay, I think, about 40,000*l.* Of this sum about 35,000*l.* is remitted to England, partly to pay for the coal used to make gas, partly to pay dividends, the shares being held in England. Consequently India is poorer in silver by 3½ lakhs a year. But it is evident that the public of Bombay think the gas worth the money, or they would not buy it. It is also clear that Bombay capitalists think they can do better with their money than by investing in the Gas Company's shares, or the shares would be held in Bombay, not in England.

was checked by the cause pointed out above. Importation of bullion was probably not sufficient to make up the amount annually withdrawn from circulation; at any rate it was not enough to increase the circulating medium in proportion to the greater "duty" thrown upon it. Hence prices steadily fell. Then at last came the sudden increase of demand for Indian raw produce for export, and the high prices it fetched, and the transmission of English capital to India for railways, &c., which caused a very large influx of bullion. The effect of this influx, theoretically, should have been to raise prices greatly, and in reality this was what took place. But as soon as this abnormal influx ceased, the other causes resumed their operation and with increased force, for the amount of the "tribute" had grown with the raising in England of railway capital and of Government loans; increasing trade threw a heavier "duty" on the circulating medium; and the area of its employment had widened by the demand for money in native states and in remote parts of the country. There are, for instance, tracts in Central India in which money was hardly known till a few years ago, revenue being paid in kind, cowries being the coin generally used, and trade being chiefly carried on by barter. Indeed, the effect of the sudden importation of bullion resembled that of a stone thrown into a pond. Where the stone fell (that is, in the districts which first received the bullion, either in payment for high priced exports, or where railways and other works were being constructed, and especially in this Presidency), the wave of prices rose high; but as the circle widened and extended over the whole surface of the water, the height of the wave diminished in proportion to its extent. A comparison of ordinary prices in Upper Bengal and in Bombay will illustrate what I mean.

The fall of prices of Indian produce, especially cotton, in the English market (which prices are of course in no way regulated by the causes which govern prices in India), also seems to me to have helped to pull down prices in India. If the Indian producer ceases to get so good a price for the article he raises for export (say cotton) as for the article he raises for consumption in India (say grain), he forthwith grows less cotton and more grain. The effect of this is twofold. First, the larger quantity of grain produced, its increased supply, immediately lowers its price. The immense variation in the price of grain between years of good and of bad harvests, and even between different months of the same year, shows that the grain market is very sensitive; that a comparatively trifling variation in the quantity of grain makes an enormous difference in its price. Secondly, if the cotton required to pay India's remittances to England in produce is not raised, India must pay those remittances by the export of bullion, which, as shown above, would at once cause a general decline of prices in India. Hence it appears that as it is necessary, in order to pay her remittances, that India should export certain products to England, and as the price of those products is what they will fetch in England, the price of other products in India must fall till it is worth the Indian producer's while to raise the products required for export.

From all these causes, prices have fallen again almost as rapidly as they rose.

Indeed, it might be expected that prices would soon fall as low as in 1850, but that other circumstances may, and is to be hoped will, partially counteract the causes which produce a decline. A more general use of a paper currency will practically add to the quantity of the circulating medium. There is every hope that exports from India will increase, and that her own manufactures will partially take the place of the foreign goods she now imports. The profits on capital in different countries tend, with good government and increased facilities for communication, to become more equal, and if ordinary profits in India fall to more nearly the level of profits in England, it is likely that a much larger proportion of Government and railway stock will be held in India than at present. All these circumstances will increase the importation of bullion, or at least the amount of the circulating medium.

Still, the inference that I draw from the facts I have stated is, that we should not calculate on the inflated prices of 1861-66 being maintained.

Nor is this, I think, altogether to be regretted. High prices are beneficial to Government, in so far as they reduce the burden of a public debt contracted, and to the agricultural classes in so far as they diminish the pressure of assessments fixed when prices were low. But they are injurious to all persons with fixed incomes; they bear hardly on the poor, whose wages seldom rise in the same ratio as prices; and they increase the cost of administration generally. On the whole, it is, I conceive, better that prices in India should tend slowly and gradually upwards towards the general level of prices in Europe than that the sudden and unnatural increase of 1864 should be maintained.

The following table will illustrate the connexion between prices, rates of assessment, and extent of cultivation. It is, as will be seen, very imperfect, but it is sufficiently accurate to serve as an illustration:—

Price Period.	Prices according to Diagram at p. 12—Seers of Jowari per Rupee.	Taluka.	Average Rate of Assessment per cultivated Acre.		Cultivated Area.	REMARKS.
			Nominal.	According to Realisation.		
			RS. A. P.	RS. A. P.	ACRES.	
I.—10 years before British rule.	28	Indapur -	0 15 9	0 9 8	182,000	The average of cultivation is incorrect, being more than it really was during the 3rd period. Where I could I have given the real average, in other cases the area cultivated in the 1st year of the Survey Settlement.
		Barsi -	0 13 6	0 13 6	221,000	
II.—Period of "Kamal" rates.	36½	Indapur -	0 15 9	0 7 2	151,000	
		Pabal -	1 0 0	—	—	
		Sholapur -	0 13 3	0 11 0	—	
		Barsi -	0 15 6	0 12 0	183,000	
III.—Period of Pringle's Settlement.	43	Nasik -	0 14 6	—	77,000	
		Indapur -	0 13 11	0 5 6	134,000	
		Haveli -	1 4 0	0 10 6	108,000	
		Pabal -	0 15 0	0 10 9	107,000	
		Supa -	0 13 0	—	40,000	
		Sholapur -	0 11 6	0 9 3	216,000	
		Barsi -	1 0 8	0 13 9	123,000	
		Karmala -	0 12 0	0 6 4	189,000	
IV.—Period: Introduction of Survey Settlement.	56½	Nasik -	0 15 0	—	—	
		Indapur -	0 5 0	—	—	
		Haveli -	0 9 1	—	—	
		Pabal -	0 9 3	—	—	
		Supa -	0 6 1	—	—	
		Sholapur -	0 6 7	—	—	
		Barsi -	0 8 11	—	—	
		Karmala -	0 6 6	—	—	
VII.—Period: last five years of Settlement.	18	Nasik -	—	0 11 9	124,000	
		Indapur -	—	0 4 7	260,000	
		Haveli -	—	0 8 8	142,000	
		Pabal -	—	0 8 1	181,000	
		Supa -	—	0 5 10	157,000	
		Sholapur -	—	0 6 5	370,000	
		Barsi -	—	0 7 2	278,000	
		Karmala -	—	0 5 10	293,000	
VIII.—Period: 1870-74 and	27½	Nasik -	1 3 10	—	—	
		Indapur -	0 7 4	—	—	
		Haveli -	0 15 1	—	—	
		Pabal -	0 12 10	—	—	
		Supa -	0 8 3	—	—	
		Sholapur -	0 11 9	—	—	
IX.—Period: September 1874.	50	Barsi -	0 11 11	—	—	
		Karmala -	0 8 0	—	—	

Imperfect as they are, these figures speak for themselves. The mean average rate of assessment during the third price-period I have taken was Rs. 1-0-6. This rate was lowered by the survey to a mean average of Rs. 0-8-4, or very nearly one-half. But in addition to this great reduction of rates, prices rose between 1835 and 1865 by more than one-half, so that in reality the pressure of the assessment in the last years of the original survey settlement was less than *one-fifth* what it was in 1830-36. The result was an enormous extension of cultivation, the cultivated area increasing in these eight talukas alone by more than 700,000 acres during the term of the settlement—from less than 1,094,000 acres to 1,805,000. And an actual and very considerable increase of revenue also resulted, realisations at the end of the term of the original settlement being Rs. 7,77,000 against about (I have not the exact figures) Rs. 6,50,000 during the third period I have taken.

The argument, however, that this great increase in cultivation and in revenue was caused by a reduction in the pressure of the assessment must not be pushed too far. It is certain that a much smaller reduction in the pressure of assessments than one of four-fifths would have been quite sufficient to produce the results aimed at; and this is shown by the fact that cultivation had almost reached its limit, that almost all arable waste had been taken up at the commencement of the third decade of the settlement, 1857-61, when the price of jowari in Indapur was 35 seers.

The revised rates of assessment then were, as will be shown below, not too high for the inflated prices of 1861-66. But the question is, are they likely to prove too high now that it is clear that those prices will not be maintained?

The following table, illustrative of the comparative pressures of the assessment at different periods, may perhaps assist us to answer this question:—

TABLE showing the Pressure of Assessment at different Rates of Prices and of Assessment, assuming the Mean Produce of Jowari in the Deccan to be 5 maunds = 200 seers, the acre.

Price Period as per Diagram at page 12.	Price, Seers per Rupee.	Produce worth per Acre.	Mean Assessment Rate per Acre.	Percentage of Assessment to Produce.
III. - -	43	RS. A. P. 4 13 5	RS. A. P. 1 0 6	$\frac{22.17}{100}$
IV. - -	56½	3 8 7	0 8 4	$\frac{14.70}{100}$
V. - -	45½	4 6 4	0 8 4	$\frac{11.82}{100}$
VI. - -	35	5 11 5	0 7 5	$\frac{8.11}{100}$
VII. (a.) - -	18	11 1 9	0 7 5	$\frac{4.17}{100}$
VII. (b.) - -	18	11 1 9	0 11 9	$\frac{6.18}{100}$
VIII. - -	27½	7 5 5	0 11 9	$\frac{10}{100}$
IX. - -	50	4 0 0	0 11 9	$\frac{18.75}{100}$

This table must be taken as merely illustrative of the varying pressure of assessments. I have not the materials necessary to frame a really accurate table, and am somewhat doubtful if it would be possible to compile them. The following points should be borne in mind:—

1. Five maunds of jowari is perhaps rather too high an average mean yield per acre for the Deccan. But the value of the straw has not been included, and the Indapur prices are rather lower than the real average of the Deccan prices, so that the proportions of assessment to produce given are not very far from the truth.

2. The mean assessment rate given for period III., Rs. 1-0-6, is the nominal rate. The mean rate of realisations is much lower, about Rs. 0-10-6 or Rs. 0-11-0. It must, however, be remembered that during this period the people paid large sums, in addition to the revenue realisations, as direct "haks" and in all sort of illicit exactions.

3. On the other hand, the people are now paying the local fund cess of 1 anna in the rupee, or about 6½ per cent. in addition to the Imperial assessment.

4. For the seventh period, or close of the original settlement, I have shown the pressure of the revised as well as original rates.

5. It will be seen that in the sixth and seventh periods the mean survey rate fell from Rs. 0-8-4 to Rs. 0-7-5, owing to the cultivation of unassessed land.

This table shows:—

(a.) That the revised rate of assessment with prices at 18 seers, and including local fund, is about one eighth lighter than the old rate of assessment was at the beginning of the third decade of the settlement with prices at 35 seers; which rate has been proved to be low enough to produce all the benefits which a moderate settlement causes.

But (b) the revised rate with prices at 27½ seers is about one fifth higher than the old rate at the beginning of the third decade of the settlement, and, allowing for Local Fund, is very nearly as high as the old rate during the second decade of the settlement with prices at 45½ seers, when the condition of the country was improving indeed, but only slowly.

And (c) if prices keep as low as in the present year the revised assessment will be heavier, not only than at any period during the original settlement, but than (allowing for Local Fund now and for remissions during period III.) even during the period of Mr. Pringle's settlement, when assessments were notoriously oppressively heavy, and the country in a most depressed state.

Other arguments also seem to me to show that an unduly large increase has been made in the revised assessments.

A sudden increase of as much as 50, 75, or 100 per cent. in the assessment of a taluka or group of villages, though it may bring assessments only up to a pitch with which the people were perfectly satisfied 10 or 20 years before, must still produce considerable inconvenience, and perhaps hardship, for it not only diminishes suddenly the amount which a ryot has become accustomed to spend on his living—in other words, his “standard of comfort”—but it causes a great change for the worse in his relation with his sowkar, a matter of no small importance. This consideration seems to me to have been somewhat overlooked.

I myself hold very strongly the theory of the Bombay settlements as opposed to that of a permanent settlement. It appears to me essential for the good financial administration of India that the State revenue from land shall rise in some proportion to the natural “unearned increment” of rent which occurs in all progressive states, and no one can study the discussions on this subject which are now going on in England without perceiving that modern economists all admit this theory, though it is also generally admitted that in Great Britain the State has parted with its claim to participate in this increase, which is not the case in the Bombay Presidency; but then it is equally clear that the increase of State revenue should not at any rate exceed the ratio of the natural increment of rent. Now an increase of 25 per cent. at the close of each 30 years’ settlement amounts to an increase of more than 90 per cent. in a century. I doubt if the natural increment of rent will be in a greater ratio than this. I have not been able to find in any book to which I have access an estimate of the ratio of the increase of agricultural rents in Great Britain, but I should doubt if they have trebled in the last century, and this includes the large increase due to improvements, which our survey law wisely excludes from consideration in deciding on enhancement of State assessment.*

It cannot, I think, be questioned that on a revision villages or tracts of country which during the term of the settlement have been specially benefited by the construction of railroads and roads, or by proximity to large markets, should bear a proportionately higher assessment in consequence. But it seems to me that this has been overdone. In Haveli Taluka, for instance, the maximum dry-crop rate in outlying villages was raised from Rs. 1-6-0 to Rs. 1-8-0, but in the villages close to Poona to Rs. 3-8-0. Difference of prices and markets cannot surely account for so very large a difference of rate, and I cannot but think that there has been some confusion between the agricultural value of land near large markets and its possible building value.

Finally, in comparing the results of our revised settlements made on the “field assessment” principle with those of other provinces settled on the “Mahalwar” system, or system of assessment of an estate in the lump, I would point out that the assessment in the first year, not in the last year, of the original settlement should be taken for purposes of comparison, for on the “Mahalwar” system the revenue does not rise during the term of settlement from the cultivation of waste land; on our system it does rise, and very considerably. In the eight Deccan talukas examined in this paper, revenue rose from the cultivation of waste during the term of settlement from Rs. 6,44,000 to Rs. 7,77,000, or 22 per cent. This increase alone, putting out of sight all enhancement of rates, is, I believe, as large as the enhancement usually made of late years on a revision of settlement in the North-West Provinces.

The conclusion to which an examination of this question has on the whole led me is that, though a great deal of nonsense has been talked about the exorbitant amount of our assessments, though the Survey officers, looking at the inflated prices of 1860-70, had much justification for the enhancement of rates they proposed, and though the distressed condition of the agricultural population generally, which undoubtedly exists, is due, not to over-assessment, but to another cause—their lamentable indebtedness; yet the enhancements of assessment already made have undoubtedly been far too great, and that Government might with advantage lay down as a general rule that the enhancement on a revision of settlement in the total demand on any taluka should not exceed 25 or 30 per cent.

* It is fair, however, to say that the agricultural rental of Scotland is said to have risen from two millions sterling to 5½ during the 20 years of the great French war, 1795 to 1815.

POONA COLLECTORATE.

RETURN showing the Result of Revenue Processes issued for the recovery of Government Revenue from defaulting Ryots in the last three years.

Talukas.	Years.	No. of defaulting Ryots.	Amount due.		Property attached, and the sale proceeds at auction.			REMARKS.		
					Area of land.	Assessment.	Sale-proceeds.			
Indapur	1872-73	31	RS. 845	A. 15	P. 0	ACRES. 1,127	RS. 395	RS. 653	A. 12	P. 0
	1873-74	170	4,146	9	8	6,589	2,966	1,805	2	10
	1874-75	82	1,057	5	3	2,722	1,499	1,186	4	6
Haveli	1872-73	8	70	9	0	173	75	94	3	0
	1873-74	39	277	12	9	606	530	86	11	3
	1874-75	88	2,097	1	4	2,455	2,758	274	13	0
Sirur	1872-73	2	38	12	0	138	38	49	0	0
	1873-74	53	856	6	3	1,840	1,295	788	7	3
	1874-75	27	756	2	6	1,112	1,040	444	14	0
Bhimthari	1872-73	—	—	—	—	—	—	—	—	—
	1873-74	4,341	82,421	5	10	200,519	1,35,646	1,510	10	2
	1874-75	148	1,976	2	9	3,825	2,401	686	13	0

STATEMENT showing the Lands and other Moveable Property attached and sold for recovering the Arrears of Land Revenue in the disturbed Villages of Taluka Bhimthari, Poona District, in 1873-74.

TALUKA BHIMTHARI.

Name of Village.	No. of Khatas.	Outstanding Balance.	Survey Numbers attached and the Amount recovered from their Sale.				Amount recovered from the Sale of moveable Property.	REMARKS.					
			Survey No.	Area.	Assessment.	Amount recovered from the Sale of Land.							
1. Sapa	51	RS. 444	A. 5	P. 0	83	ACRES. 2,174	RS. 955	RS. 67	A. 6	P. 0	Of these 76 Nos. measuring 2,045 acres, assessed at Rs. 910, have been purchased by Government at a nominal price of 1 anna. Of these 203 Nos. measuring 5,024 acres, assessed at Rs. 2,917-14-0, have been purchased by Government at a nominal price of 1 anna. Of these 288 Nos. measuring 4,111 acres, assessed at Rs. 3,085-12-0, have been purchased by Government at a nominal price of 1 anna. Of these 143 Nos., measuring 3,254 acres, assessed at Rs. 3,426-6-0, have been purchased by Government at a nominal price of 1 anna. Of these 111 Nos., measuring 3,019 acres, assessed at Rs. 1,273-3-0, have been purchased by Government at a nominal price of 1 anna. Of these 487 Nos., measuring 8,396 acres, assessed at Rs. 8,686-12-0, have been purchased by Government at a nominal price of 1 anna. These holdings have been purchased by Government at a nominal price of 1 anna.		
2. Dhond	87	1,689	13	8	215	5,351	25	3,042	14	124		4	0
3. Khedgaum	94	1,859	12	8	288	4,110	39	3,085	12	18		0	0
4. Dahitue	86	1,886	9	7	144	3,275	33	3,438	6	22		3	0
5. Ambikhard	1	4	4	0	1	26	13	4	0	4		8	0
6. Karkamb	48	780	13	2	114	3,079	6	1,318	3	34		14	0
7. Warwand	187	5,012	6	0	488	8,400	17	8,692	12	40		15	2
8. Kolwadi	15	54	13	6	17	386	10	133	4	1		1	0
9. Rowangaum	42	728	12	2	94	1,868	21	1,098	7	5		14	0
10. Babardi	11	157	12	11	18	544	35	260	8	1		2	0
11. Rahi	134	4,549	13	6	405	9,343	35	7,359	6	25		5	0
12. Girim	49	696	10	2	301	1,470	19	1,250	0	18		13	0
13. Padyi	78	864	3	2	239	4,626	28	1,598	3	14		15	0
14. Sarsupal	310	2,474	2	3	562	4,751	3	4,151	13	35		2	0
15. Khaugaum	134	3,184	11	4	380	5,247	57	5,312	8	23		12	0
16. Jalgaum	3	50	13	2	9	150	37	66	12	0		9	0
17. Pimpalgaum	68	2,552	2	0	154	4,324	14	4,049	12	9		10	0
Total	1,318	27,048	7	8	3,312	59,108	30	46,016	2	445	5	2	

IV.—REDUCTION OF ENHANCED ASSESSMENT BY THE GOVERNMENT.

Resolution of Government, No. 5,739, dated 29th October 1874.

The attention of His Excellency the Governor in Council has for some time past been anxiously directed to the effects of the revised rates of assessment introduced into certain parts of the Poona and Sholapur Collectorates.

2. The published reports on which these revisions have been sanctioned by Government show that the revised rates were not, taken as a whole, otherwise than moderate at the time they were imposed.

The following is an abstract of the results obtained :—

Name of Taluka.	No. of Culturable Acres under Old Assessment.	No. of Culturable Acres under New Assessment.	Total Old Assessment.	Total New Assessment.	Average per Acre under Old Assessment.	Average per Acre under revised Assessment.	Percentage Increase on the Whole.
			RS.	RS.	R. A. P.	R. A. P.	
Indapur - -	238,135	270,076	81,391	1,24,700	0 5 5	0 7 4	58
Sholapur - -	381,882	433,572	1,74,915	3,09,630	0 7 4	0 11 4	77
Madhe - - -	—	—	1,00,580	1,78,050	—	0 9 4	77
Bhimthari - -	190,410	212,708	86,464	1,46,596	0 7 8	0 11 0	69
Pandharpur - -	84,273	90,798	36,048	63,979	0 6 10	0 11 8	77
Barsi - - -	248,465	278,509	1,24,658	2,07,174	0 8 0	0 11 11	66
Haveli - - -	127,610	146,745	80,965	1,34,768	0 10 2	0 14 7	66
Pabal - - -	161,240	192,411	1,02,228	1,52,108	0 10 1	0 12 7	49
Supa (Petta) - -	147,244	159,227	59,926	78,788	0 6 6	0 7 11	36
Karinala - - -	271,194	299,242	1,10,824	1,46,890	0 6 6	0 7 6	32

3. Owing to the very remarkable fall in prices that has taken place of late, Government have within the last two years not failed to enjoin on the officers of the survey a policy of moderation. The time has, however, now arrived when it is due to those officers to lay down more precise instructions for their guidance, and to decide the extent to which it will be right to modify past revisions so as to bring them into accord with the limited increases that will be obtained by future revisions.

4. Before proceeding to determine the limits of the increases to be henceforth imposed in Deccan Collectorates, His Excellency the Governor in Council will record briefly the reasons which make it imperative that the right to revise past settlements should not be foregone.

In the first place it must be borne in mind that the original assessments were imposed at a time when the country was in an extraordinary state of depression, when prices were extremely low, and when there were hardly any facilities of communication in the shape of wheeled carriage. It is unquestionable that in all these respects the condition of the country has materially improved. On these grounds alone, it would not, in the general interests of the State, be just to waive the claim to the enhancements which are rightly due, and the liability to pay which has long since been anticipated by the people themselves.

But there is another important consideration which must not be overlooked. The earlier original settlements were effected before the survey system had been matured and organised, and before the officers and their establishments had acquired the necessary knowledge and experience. The work was consequently exceedingly imperfect as regards measurement and valuation. Without, therefore, abandoning the equitable principles which are the essence of the survey system, it is necessary to correct obvious errors in measurement and valuation, and by this means to place the earlier settled districts on the same footing as those in which original settlements have been more recently introduced.

5. His Excellency in Council will now proceed to lay down the following precise rules as to limitation of increase. In doing so he has been influenced mainly by the consideration that it is not probable the higher prices which ruled during the last decade of the original settlements will be maintained :—

1st.—The increase of revenue in the case of a taluka or group of villages brought under the same maximum dry-crop rate shall not exceed 33 per cent.

2nd.—No increase exceeding 66 per cent. should be imposed on a single village without the circumstances of the case being specially reported for the orders of Government.

3rd.—No increase exceeding 100 per cent. shall in like manner be imposed on an individual holding.

6. It is desirable here to state the principles which should be adopted in dealing with the last description of increases. Putting fraud or obvious error in the calculation of the original assessment out of the question, these excessive increases in individual cases will be found to be due to one of three causes:—

1st.—To the assessment of land which was deducted by the original survey as unarable and unassessed, but nevertheless included within the limits of the original assessed number.

2nd.—To enlargement of the original assessed number by portions of neighbouring lands unassessed at the original settlement having been, with or without permission, encroached upon by the ryots, and cultivated together with the original assessed numbers.

3rd.—To the alterations that have been made (1) by the adoption of a different valuation scale, and (2) by putting a higher value on the soils themselves.

7.* A consideration of the first cause turns mainly on the construction to be put on Section XXX. of the Survey Act, and on what are to be held to be improvements. It is well known that the practice in making these deductions was exceedingly lax, and that much land really arable was deducted as unassessed, simply from its being then uncultivated and covered with bushes and grass. It is further well known that in the great majority of cases the only outlay that has been incurred by the cultivator in bringing such pieces of land under the plough has consisted in the labour of breaking them up. But, on the other hand, the Survey Act does not prescribe that the expenditure from private resources should be more than a particular sum, while in very many cases it would be impossible to say that the reclamation had not cost more than was at first sight apparent. His Excellency in Council, on the whole, attaches such great importance to maintaining strictly the principle enjoined by law of non-assessment of improvements made by private enterprise, that he is pleased to direct that the same area shall be deducted from each number as unassessed as was allowed at the original settlement.

8. As regards the second cause, His Excellency in Council is of opinion that lands so appropriated must be regularly valued and assessed by the Revision Survey, no matter what increase in assessment may thereby result.

9. As regards the last cause, it must be borne in mind that the officers employed in the infancy of the survey worked on varying scales of valuation, and that the systems they severally adopted were consequently more or less tentative or experimental. It was not till after the lapse of a few years that the then Superintendents of Survey were able to fix upon a uniform system of valuation, which was subsequently embodied in the joint report. However much, therefore, His Excellency in Council would wish to avoid extreme increases in the assessment on individual holdings, there can be no doubt about the superiority of the joint-report system, and of the absolute necessity for determining and upholding a classification of soils based as far as possible on correct and uniform data.

10. It is understood that the joint-report system was generally adopted a very few years after the introduction of the early assessments, and that consequently no alteration will be required to be made at future revisions. Explanation on this point should, however, be clearly given in future, and also for each future revision in respect to the extent to which it has been found necessary to alter and depart from the classification value originally fixed on the different descriptions of soils. The smallest extent of variation from the old valuation, consistent with the principle laid down in the last paragraph, should be permitted, and the greatest care should be taken to keep the valuation of the poorest and lighter soils low.

11. If the above rules are adhered to, the cases in which the enhancement of the assessment in individual holdings will be found to be in excess of the prescribed limit, will probably be very few. In order to prevent excessive individual increases, the fixed standard of valuation must not be abandoned. It will always be optional with Government to remit wholly, or in part, or for a particular period, such proportion of the increase in excess of 100 per cent. as may seem necessary; but the correct value of the land must be carefully ascertained on a uniform basis, and the proper assessment thereon duly calculated and recorded.

12. Lastly, it remains to be considered how the revised assessments that have already been introduced in certain parts of the Poona and Sholapur Collectorates can best be assimilated with the rates that will probably be introduced elsewhere in these Collectorates under the above instructions. In dealing with this question, the fact must not

* This paragraph was subsequently cancelled under orders of the Government of India.

be lost sight of, that the work of the earlier settlements was characterised by greater defects in respect to both measurement and classification than that done after some experience had been acquired. It was, therefore, to be expected that larger proportionate increases would be obtained by the first than by subsequent revisions; and the progressive decreases observable in the figures shown in the table in paragraph 2 are understood to be due chiefly to this cause.

After very careful consideration, His Excellency in Council is pleased to authorise the requisite reductions being made on the following principles:—

1st.*—Portions of cultivated numbers, hitherto unassessed, are to be deducted as laid down in paragraph 7 above, where it is practicable to do so.

3rd.—When this has been done, the maximum rates of the taluka are to be so reduced as to bring the increase in the total revenue demanded of a taluka or group of villages within the limits of 50 per cent. This having been done, any case in which the increase in a village is still above 75 per cent. or an individual holding above 100 per cent., should be specially reported for orders, with distinct recommendations from the survey officers whether further alterations are necessary, and if so, how they should be effected.

His Excellency in Council is of opinion that, for the reasons given in paragraph 12, this reduction will, in the cases alluded to, be sufficient.

13. His Excellency in Council hopes that in talukas settled subsequent to 1848, little or no field operations will be required, and that the revision of the assessment by a mere re-adjustment of the maximum rates will be found to be all that is necessary.

Resolution of Government, No. 4,515, dated 11th August 1875, directing a Reduction of Assessment in Taluka Mádha.

Resolution.—By Government Resolution No. 2,757 of 9th June 1871, the revision of the original settlement introduced in 1839–40 in the Mádha Taluka of the Sholapur Collectorate was sanctioned. The increase in demand caused by this revision was about 74 per cent., and for reasons fully stated in the Resolution, it then appeared to Government by no means excessive.

2. Since the issue of that Resolution, however, various considerations—the principal of which are the steady fall since 1871 in the prices of agricultural produce, and the probability that prices will range lower during the currency of the revised settlements than was anticipated from their course during the decade 1860–70, when the new rates for Mádha were sanctioned—have determined Government, as far as Poona and Sholapur were concerned, both to limit the increase of assessment to be made in future revisions, and to modify revisions already effected, so as to bring them into accord with those hereafter to be made. Resolution No. 5,739 of 29th October 1874 laid down rules to effect these objects, and by paragraph 12 of that Resolution it was directed that the rates imposed in talukas hitherto revised should be so reduced as to bring the increase over the old assessments within the limit of 50 per cent.

3. The new settlement of Mádha has therefore to be revised in accordance with this principle, and Government have now to determine the extent to which the reduction shall be carried, and the method in which it may most equitably and conveniently be effected.

4. After careful consideration, His Excellency the Governor in Council is pleased to decide as follows upon these points:—

1. The maximum rates per acre imposed by the original settlement were Rs. 0-13-2½ for one portion of the taluka, and Rs. 0-12-7¼ for the other portion. The maximum rates sanctioned for the revision were Rs. 1-4-0 per acre for a group of 15 villages, with special facilities for railway communication, and Rs. 1-2-0 per acre for the remaining 62 villages. These maximum rates must be lowered to Rs. 1-2-0 and Rs. 1-0-0 respectively.

2. The reduction thus effected will, in the opinion of Government, be quite sufficient for the more fertile lands. But there is reason to believe that in the classification of Mádha the medium and lower soils have generally been valued somewhat too high in proportion to the better soils. A modification of the valuation scale to meet this defect has therefore been arranged, and should be adopted throughout the taluka.

* This clause was subsequently cancelled.

5. The effect of these alterations will be as follows :—

Cultivated Area by New Measurement.	Old Assessment.	Revised Assessment originally sanctioned.	Assessment now fixed.
ACRES. 303,655	RS. 1,00,631	RS. 1,74,448	RS. 1,42,208

6. The percentage increase of demand on the whole taluka will thus be lowered from 74 per cent. to 41 per cent., 15 per cent. of the difference being due to the reduction of valuation of the poorer soils, and 18 per cent. to the alteration in the maximum rates.

Of the gross increase of 41½ per cent., about 19 per cent. is due not to increase of rates, but to the assessment of lands left unassessed at the original settlement but appropriated by the cultivators during its term. Such addition, it has been already decided (*vide* paragraph 8 of Government Resolution No. 5,739 of 29th October 1874), must be now assessed.

The average rate of assessment per acre will be annas 7-6, against about annas 6 under the original settlement, and annas 9-4 by the revised rates at first sanctioned.

And the rates of assessment will vary from Rs. 1-2-0 per acre on the best and most favourably situated lands to pies 9 per acre on the poorest soils capable of cultivation.

7. For the following reasons His Excellency the Governor in Council is of opinion that the rates now imposed are extremely moderate, and the increase in assessment the least that in justice to the rest of the country can be made.

8. Before the introduction of the original settlement in 1839 the nominal average rate of assessment was about 12½ annas an acre; the realisations, deducting remissions, averaged about 7½ annas an acre, to which must be added haks and illicit exactions to a considerable amount. The price of the staple, jowari, for the five years preceding 1839 was about 65 seers the rupee. For the first 10 years of the original settlement, during which period the taluka increased rapidly in prosperity, the average price was about 55 seers, the average assessment rate being 6 annas. During the last decade of the original settlement the price averaged 25 seers, but for the last year or two it has fallen to from 35 to 40 seers. Assuming that the average price for the future will be as low as 40 seers, the weight of assessment will be much less than half that of the old nominal rate before 1839, about 30 per cent. less than that of the actual realisations, and considerably lighter than that of the original survey assessment when introduced.

9. Independently of prices, the increase in the population, material wealth, and value of land in Mádha during the last 30 years would justify an increase of assessment. Population has increased 26 per cent., plough cattle 15 per cent., ploughs 38 per cent., wells 65 per cent., carts 204 per cent., cultivation has increased 35 per cent., and the amount of arable waste land is only 170 acres out of over 300,000. And whereas at the introduction of the original settlement it was stated that ordinary Government land had no saleable value, such land was found at the revision to be selling at 12 to 15 times its assessment.

10. At the introduction of the original survey the means of communication were extremely defective. The railway of course did not exist, and there were hardly any roads passable for carts. The railway now passes through a portion of the taluka, and it is traversed by several good roads; the enormous increase in the number of carts shows the improvement in communications, which means of course a better market for produce.

11. It has been estimated by the Revenue and Survey Commissioners that, taking into consideration the bad seasons common in this part of the Deccan, the average output per acre of jowari, the staple of the taluka, is at least lbs. 160, or 2 maunds, and some authorities put it at double this. At this very low estimate the value of the produce of the taluka at 40 seers the rupee would be (Rs. 2 × 300,000 acres) about 6 lakhs of rupees. But as the straw, which is valuable, has not been included in this computation, and as about ½ of the arable area is under crops—sugar, rice, cotton, &c.—more valuable than the staple grains, at least 3 lacks should be added to the above estimate. According to this, the revised assessment now fixed represents only between ¼ and ½ of the gross produce of the taluka. Again, if the whole taluka was let out by the landowners at a grain rental of ½ the produce, which is the usual rate, the assessment would amount to less than ¼ the rent.

12. On the whole, then, the settlement now sanctioned must be considered an extremely light one. It only remains to inquire whether these rates will cause an inadmissible increase in particular villages.

13. The chief doubt is regarding the 15 villages placed in the higher or Rs. 1-2-0 group. These were formerly the villages worst off in point of facilities for communication, and were consequently very lowly assessed by the original settlement. They are now close to railway stations, and for this reason have properly been assessed at a special rate somewhat higher than that of the rest of the taluka. Hence in them the increase in assessment is 61 per cent., against 41 per cent. in the taluka generally, and two of them have been raised as much as 152 and 110 per cent. respectively. This is partly due to the assessment of encroachments. But the valuation of some of these villages is very high. The average classification of some, for instance, appears to be 13 or 14 annas out of 16, and though it is understood that the land of these villages consists almost entirely of alluvial soil of remarkable fertility, yet this valuation for the Deccan is unusually high. Colonel Francis should, if he has not already done so, specially inquire into and report on the classification of these villages. If it is wrong, it must be corrected; but if, on the other hand, it is accurate, an average rate of 14 or 15 annas cannot be considered as other than very moderate for land of such fertility as this classification indicates. Government will decline to make any further reduction, and the people should consider themselves very fortunate in having enjoyed their land so long at wholly inadequate rates.

Resolution of Government, No. 4,980, dated 30th August 1875, directing a reduction of assessment in Taluka Bhimthari.

RESOLUTION.—The Survey and Settlement Commissioner, N.D., now submits proposals regarding the reduction of the revised assessments of Taluka Bhimthari of the Poona Collectorate, sanctioned by Government Resolution No. 5,918 of 30th November 1872, in accordance with the principles laid down by Government Resolution No. 5,739, of 29th October 1874.

2. It will be well, before considering the proposals of the Survey Commissioner, to recapitulate briefly the facts connected with the revenue history of this taluka which guided Government in deciding on the revised rates of assessment sanctioned in 1872.

3. The original survey settlement was introduced in 1839 and 1840. At that time the condition of the taluka was represented as most deplorable. "I am at a loss," says Lieutenant Nash, the settlement officer, writing in 1838, "to convey the idea of poverty and ruin which I have received during my residence here." Several causes—the ravages of Holkar's army in the beginning of the century, the dreadful famine which followed that campaign, and was repeated two or three times in the next 20 years, the violent epidemic of cholera which raged about 1820, the heavy fall of prices after the introduction of British rule, and the consequent oppressive weight of the old Mahratta rates of assessment—were assigned by the settlement officers as having all contributed to produce this lamentable result. More than half the arable land of the taluka was waste, and much of it covered with thick thorny jungle difficult to eradicate. The average rate of Government assessment was about $13\frac{1}{2}$ annas an acre, in addition to "haks" and illicit exactions to a considerable amount, but so utterly pauperised were the people that the realisations of revenue averaged hardly half of the nominal assessment. In the ten years immediately preceding the settlement the actual annual collections averaged only Rs. 26,661; not less than Rs. 13,567 were annually remitted, and in addition nearly a lakh of rupees were outstanding, and were finally written off on the introduction of the settlement.

4. To remedy this state of things Government determined, on the introduction of the Survey Settlement, which gave the peasantry generally for the first time the advantages of fixity of tenure and of Government demand, to reduce very considerably the existing rates of assessment. The maximum rates adopted varied in the two divisions of the present taluka from $13\frac{1}{2}$ annas to 15 annas an acre, to allow for climatic differences; but they gave an average rate on the area then cultivated of annas 7 per acre against the old nominal rate of annas $13\frac{1}{2}$, and the people were still further relieved by the abolition of direct "haks" and cesses in 1844.

5. The effect of the settlement, both financially and on the condition of the people, was most satisfactory. Nearly half the waste land was taken up in the first year, and the actual annual collections for the first decade of the term averaged Rs. 43,407, for the second decade Rs. 57,850, and for the last decade Rs. 72,588, against Rs. 26,661 for the decade immediately preceding the settlement. The assessment of cultivated lands in the last year being Rs. 81,475, the effect of the settlement has been to more than treble Government revenue.

6. The condition of the people improved equally with the Government revenue. In 1838 more than 50 per cent. of arable land was waste; in 1871 only 1 per cent. Population increased during the term of the settlement 39½ per cent., agricultural cattle 19 per cent., ploughs 22½ per cent., carts 270 per cent., and wells 40 per cent. Government land was unsaleable in 1838; during the last five years of the settlement, examination of the registration records showed that it fetched from 10 to 52 times its assessment. Thirty years ago there were no made roads, and communication was costly and difficult; the taluka is now traversed by the railway and by several excellent roads, and the increase in the number of carts indicates the extent to which the people avail themselves of the new facilities of communication with markets.

7. The staple products of the taluka are jowari and bajri. In the first decade of the settlement the prices of these grains at Yewat, the principal local mart, averaged 45½ and 36½ seers per rupee respectively, having been for three years of that period as low as 64 and 52 seers. In the second decade, 1851-60, they averaged 36 and 29 seers, and from 1861 to 1870 only 19½ and 15 seers. Prices, therefore, more than doubled, and the pressure of the assessment originally imposed was reduced more than one half during the term of the settlement.

8. Looking to the great increase in the prosperity of the district, to the immense rise in prices, to the greater demand for and consequently enhanced value of land, and to the improvement in means of communication with markets, Government were of opinion, when the term of settlement expired, that the taluka could well bear a considerable enhancement of assessment. The measurement and classification of the taluka having been revised, the 53 villages which are comprised in it were arranged in four groups with reference to the climate of each village (the rainfall in the eastern portion of the district being scantier and more uncertain than in the western) and to its proximity to markets, and for each group a maximum dry-crop rate of assessment of Rs. 1-12-0, Rs. 1-8-0, Rs. 1-4-0, or Rs. 1-2-0 was fixed in lieu of the original maximum rates of annas 15 and annas 13½.

9. The result was to raise the total assessment from Rs. 81,475 to Rs. 1,33,131, or about 63 per cent. About 22,000 acres were found, however, on re-measurement, to be held in excess of the old measurements, and the real increase of rates was thus about 53 per cent. The old nominal average rate was annas 7-3 per acre, but the real rate, including land held unassessed in excess of the recorded area, was annas 6-6, and this was raised to an average of annas 10-8.

10. The revised rates were approved on the assumption that the average price of the two staple grains during the currency of the revised settlement would not be lower than 26 and 20 seers per rupee respectively,* or about 25 per cent. below the average prices for the last decade of the original settlement. For reasons given in paragraph 23 of the Survey Commissioner's Report No. 1,636 of November 28th, 1871, it appeared reasonable to anticipate that a greater fall in prices than this would not occur, and if this anticipation had proved correct the revised rates would not, in the opinion of his Excellency in Council, have been by any means excessive, since, taking prices alone as the criterion, and leaving out of sight all other considerations which might justify an increase of demand, the pressure of the new rates would have been about 20 per cent. lighter than that of the original rates, under which the district so greatly improved during the first 10 years of their currency.

11. Experience has, however, shown that the effect of the economical causes which now tend to produce a fall in prices was under-estimated. Recent local prices in the Yewat market are not forthcoming, but they appear to average about 10 per cent. lower than at Poona, and the prices of jowari and bajri in the Poona market for the last 18 months have averaged 30 seers and 23 seers respectively. The incidence of the assessment is consequently about 20 per cent. heavier than in 1872 it was calculated that it would be.

12. His Excellency the Governor in Council is of opinion that the estimate of probable average prices of produce during the term of the revised settlement on which the rates were based is likely to prove too high, and he therefore considers it right that the new assessment shall be largely reduced.

13. As there seems to be no reason to question the correctness of the grouping of villages according to their maximum rates, Colonel Francis proposes to effect the reduction in the following manner, on the same principle as has been adopted for the taluka of Madha, in Sholapur:—

(a.) The maximum dry-crop rates to be reduced by 2 annas all round, being fixed at Rs. 1-10-0 to Rs. 1-0-0, instead of at Rs. 1-12-0 to Rs. 1-2-0. This

measure will lower the revised assessment from Rs. 1,33,131 to Rs. 1,22,527, and will reduce the percentage increase over the old assessment from 63 per cent. to 50 per cent. This, Government concur with Colonel Francis in thinking, will afford sufficient relief to the better soils, but there is some reason to believe that by the scale of classification adopted for the revised settlement, the medium and poorer soils have been valued somewhat too high in proportion to the more fertile lands, and Colonel Francis therefore proposes—

(b.) A modification of the valuation scale such as has been sanctioned for Madha to meet this difficulty. This measure will further lower the new assessment to Rs. 1,11,468, and will reduce the percentage increase on the old assessment to 37 per cent., the new average rate being thus annas 8-11 per acre, against annas 6-6.

14. This increase, it will be observed, is much less than that which was declared to be generally permissible by paragraph 12 of the Government Resolution No. 5,739 of 29th October 1874, and even supposing prices to remain as low as they are at present, the pressure of the revised assessment will be considerably less than that of the original settlement at its introduction. But Government concur with Colonel Francis in considering that the extreme uncertainty of the rainfall in Bhimthari renders it advisable to treat this taluka with special liberality. Even with the extremely moderate rates now imposed, the financial results of the Survey Settlement in Bhimthari cannot be considered other than satisfactory, since the annual realisable revenue will have more than quadrupled in 40 years.

15. On none of the four groups of villages will the increase in assessment be higher than 46 per cent., and in one village only is it as high as 69 per cent. The special measures contemplated in paragraph 12 of the Resolution of 29th October 1874 will not, therefore, be required, but Colonel Francis should report any instances of excessive increase on individual holdings which may appear to him to call for special treatment. On the other hand, there are two villages in which the old rates will be reduced by 28 per cent. and 10 per cent. respectively; but with regard to the first of these villages Colonel Francis has formerly reported that, owing to a manifest error in the original survey valuation, it has been hitherto assessed nearly 40 per cent. higher than it should have been in comparison with neighbouring villages.

16. In sanctioning these proposals, his Excellency the Governor in Council desires that Colonel Francis will use his utmost efforts that the corrected rates may be brought into operation in as many of the revised talukas as possible at the ensuing Jamabandi. Government will be glad to sanction any increased establishment that may be required for this purpose.

Resolution of Government No. 5,200, dated 11th September 1875, directing a reduction of assessment in Taluka Indapur.

RESOLUTION.—These papers contain the proposals of the Survey Commissioner, N.D., for the correction of the revised assessment of the Indapur Taluka in accordance with the principles laid down in Government Resolution No. 5,739 of 29th October 1874.

2. Indapur was the first taluka to come under the revision settlement, and all points connected with the past revenue history, past and present condition, and revenue-paying capacities of the taluka, were fully and exhaustively discussed in the correspondence ending with Government Resolution No. 1,211 of 27th March 1868, which sanctioned finally the revised assessments. It is not, therefore, needful to recapitulate the considerations which led the then Government to decide on the rates of assessment now in force. Suffice it to say that the Secretary of State (paragraph 3 of his Despatch No. 47 of 25th June 1868) approved of them in the following terms:—

“No room is left to doubt that the new rates have been fixed at an amount fully justified by the improved circumstances of the district, and even below that which the average prices of the last few years may have seemed to require.”

3. Since the revised settlement was introduced, and the above-cited despatch was received, prices have fallen greatly, and it is the strong probability that they will, during the term of the settlement, range lower than was anticipated when the rates were fixed that has induced his Excellency the Governor in Council to determine on a reduction of assessment originally by no means excessive.

4. During the long discussion which ended with the Resolution of October last, it appeared to be the general opinion of the revenue officers most competent to form a judgment that the maximum rates imposed in Indapur are not too high, even with the lower prices now prevailing, but that the medium and poorer soils have been valued too

high in comparison with the best lands. Colonel Francis, in his present proposals, has adopted this view. The maximum rates sanctioned for Indapur were, for the Kasba town itself, Rs. 1-2-0 per acre, and for the rest of the taluka Rs. 1-0-0 or Rs. 0-14-0, according to the climate or situation of each village. These rates are 2 annas lower than the corrected maximum rates lately sanctioned for the Mádha Taluka of Sholapur, which in climate has a slight advantage over Indapur, and than those recently adopted for that portion of the Bhimthari Taluka of Poona, the average rainfall of which is little better than that of Indapur, and they may stand; and to these maximum rates the reduced scale of valuation for the lower and medium soils already approved for Mádha and Bhimthari may be applied.

5. The result will be as follows :—

The original survey assessment of the 78 villages now included in the taluka was Rs. 81,184, and the average rate per acre annas 4 pies 10. The assessment was raised by the revision to Rs. 1,25,845, and the average rate to annas 7 pies 7, an increase of 55 per cent. By the modification now sanctioned, the total assessment is reduced to Rs. 1,13,142, and the average rate per acre to annas 6 pies 9, the increase over the original assessment being reduced to 39 per cent.

6. Colonel Francis, however, explains that for three villages, Nos. 34, 40, and 59, he has lowered the valuation scale one class all round, instead of reducing the classification of the medium and lower soils only. Unless the Survey Commissioner had reason to believe that the standard of classification generally in these villages was high, Government do not approve of this, as it clearly amounts to valuing them unduly low as compared with other villages of the taluka. But Colonel Francis states that he can personally answer for the correctness of the classification of these villages, and this being the case Government see no reason for assessing them lower than the rest of the taluka.

MISCELLANEOUS PAPERS.

Extract from a Note by Mr. W. G. Pedder on the Experiments made to ascertain the Average Value of the Produce of different sorts of Land.

The following is an abstract of the results of the experiments in all the Collectorate :—

Collectorate.	Crop.	Average Value of Produce per Acre.	Average Rate of Assessment per Acre.	Proportion of Assessment to Produce.
		RS. A. P.	RS. A. P.	
Broach	Jowar	30 13 0	4 7 0	$\frac{1}{8}$
	Wheat	29 10 0	4 7 0	$\frac{1}{8}$
Poona	Bajri	10 10 0	0 11 5	$\frac{1}{10}$
	Jowar	20 12 0	1 1 0	$\frac{1}{10}$
Nasik	Bajri	11 5 0	0 10 8	$\frac{1}{10}$
	Wheat	22 5 0	0 14 10	$\frac{1}{10}$
Nagar	Bajri	8 5 0	0 10 4	$\frac{1}{10}$
Sholapur	Jowar	25 14 0	0 11 9	$\frac{1}{10}$
	Wheat	15 3 0	0 10 0	$\frac{1}{10}$
Kolaba	Rice	24 8 0	3 3 5	$\frac{7}{8}$
Dharwar	Rice	49 1 0	2 4 10	$\frac{1}{10}$
	Dry crops	25 14 0	0 9 6	$\frac{1}{10}$
Canara	Rice	51 6 0	3 5 0	$\frac{1}{10}$
	Dry crops	23 7 0	0 8 3	$\frac{1}{10}$

In Poona, Nasik, Nagar, Kolaba, and Dharwar the rates of assessment given appear to be those fixed by the original settlement; in Canara and Sholapur the revised rates seem to have been given, and in Broach the rates are the new ones in some of the experiments, and the old ones in others.

I will now make a few remarks upon various points which have occurred to me in looking through these papers:—

1st.—All the officers concerned very justly observe that these experiments are not on a sufficiently extensive scale to be at all conclusive. The induction from the ascertained produce of perhaps $\frac{1}{30}$ part of a field to the produce of its whole area is not to be depended on; still less is the induction from the produce of one field estimated in this manner to the average produce of many thousand fields. At the same time these experiments have been made, evidently with great care by experienced officers, who are able to judge whether they have taken for the trials crops and prices which do represent a pretty fair average of the district or tract of country selected; and they appear to me to be far from valueless. They at any rate show that, making all the allowances and corrections which the Revenue Commissioner, Southern Division, has shown should be made on a considerable number of fields selected as representing a fair average of a good many districts, the proportion of assessment to produce is hardly ever more than $\frac{1}{3}$, and generally very much less; and they at least refute the random assertions which have been lately made that Government assessment in this Presidency represents $\frac{1}{3}$ or $\frac{1}{2}$ of the gross produce. I may also mention that the results for Brouch (making allowance for what I believe to be a fact, that the pitch of assessment in Brouch has always been exceptionally high) agree very closely with estimates which I once made while a settlement officer in Guzerat, and which were published in early numbers of the "Indian Economist." And I would also notice that the general results are very fairly corroborated by the statements made in the 2nd chapter of the pamphlet recently published by the "Poona Sarvajanic Sabha." In that chapter, inquiries made from the ryots themselves as to the value of produce and rates of assessment in different parts of the country are summarised. The examples given are of course selected to show instances of over assessment. But, making the allowances taken by the authors themselves for bad seasons, the average proportion in all seasons of assessment to produce is only $\frac{1}{3}$.

The suggestion of the Revenue Commissioner that these experiments should be continued for a number of years should, I think, be approved. This will enable us after a few years to make an annual estimate of the value of the agricultural produce of the Presidency. I may mention that this is done in the central provinces, the mode of calculation being as follows:—At the time of settlement the average produce per acre of different crops was estimated as carefully as possible, by actual experiments and by minute inquiries of the people, by the settlement officers for each district, and the results were recorded as a standard. Each year the native revenue officials and collectors submit careful estimates of the proportion (in annas of a rupee) by which each crop of the season exceeds or falls short of the recorded average. The Commissioners apply the information thus obtained to the areas of land cultivated with each crop, which areas, as in Bombay, are given in the annual revenue report of each collector. The average wholesale prices of the year being applied to the quantities of produce thus obtained, a rough, but not altogether untrustworthy, estimate of the total annual value of agricultural produce is arrived at.

2nd.—Several officers remark on the want of any proportion between the quantities of produce given by these experiments and the survey valuation of the fields. The survey officers, however, appear to be quite right in holding that the establishment of any such proportion was not to be expected. The fact is that the survey classification can but give the comparative valuations of different soils on an average, and on the presumption that they are cultivated with similar conditions of tillage, of manuring, of season, &c. Not only, as Colonel Waddington and Colonel Prescott point out, do greater skill and care in the cultivation of poor land often pull its returns up to those of good land, but also it is notorious that, especially in tracts of scanty rainfall, the mere fact of rain falling, favourably or otherwise, with reference to the time of sowing a particular crop, affects its outturn very much. A curious illustration of the effect of a favourable monsoon on produce is given in these very experiments. Karmala, in Sholapur, is represented as generally inferior in productiveness to Barsi, yet the experiments, which have been conducted with the greatest care, show the proportion of assessment to produce (jowar) as $\frac{1}{8}$ in the former taluka as $\frac{1}{4}$ in the latter. The explanation is clearly that the season in Karmala was the best that has been known for 40 years.

It would be a great mistake to infer from these experiments that the produce of different qualities of soils does not vary much, and that the survey classification is

of little or no value. In the opinion of the people, on the contrary, as is noticed in these papers, the survey valuation is apt to err by making not too much, but too little, difference between the better and the poorer soils.

3rd.—Some of the officers who have written in this correspondence seem to have an idea that if the settlement were a perfect one, the proportion of produce which represents the Government assessment would on an average be the same on all soils and in all different districts. It is thought that as our predecessors took, and the chiefs of Kattywar still take, from the cultivators produce rents of $\frac{1}{3}$ or $\frac{1}{4}$ the produce, we have nothing to do but to fix our cash assessment at a proportion to the average value of produce of $\frac{1}{4}$, $\frac{1}{5}$, or $\frac{1}{4}$, and we are extremely moderate and quite safe in our demands. Certainly the notion that the assessment should represent a small and uniform proportion of the produce has great vogue at present in the native press and among native politicians, and it is so entirely erroneous, so completely opposed to the leading principle of the Bombay settlement, and so very mischief, that I hope the Chief Secretary will pardon my taking up some of his time in discussing it.

So far from any uniformity in proportion of assessment to produce being either desirable or practicable, it is the fact that on one soil or in one district a proportion of $\frac{1}{5}$ or $\frac{1}{5}$ may be heavier and more burdensome than a proportion of $\frac{1}{4}$ or $\frac{1}{6}$ on another soil or in another district, and the "reason why" I hope to make clear below.

In the first place a money rent calculated on a fixed share of average produce is not the same thing as a produce rent. The *métayer* or "Battai" system, with many disadvantages, has one great advantage, that it is self-adjusting within the agricultural year. If the ryot has a poor crop, he pays but a small rent; if prices are low, the rent he pays, estimated in money, is proportionately low. This is evidently not the case if the share of produce has been commuted for a fixed money payment. That payment may on an average amount to only $\frac{1}{5}$ of the produce, but in a bad year it may be equal to $\frac{1}{3}$, and in reality, therefore, the landlord (or Government, as the case may be) takes from the cultivator a larger proportion of the produce in years in which he can least afford to pay it.

But, secondly, a produce or customary rent differs essentially from what political economists mean by rent. The latter rent "is greatest on the most fertile land, and decreases on worse soils till we come to the worst which can be cultivated, when the cost of cultivation absorbs the whole produce, and no rent can be paid at all." The theory is so well known, and has been so often explained in standard works on Political Economy, that I will not waste time in expounding it, but I would refer to Sir G. Wingate's admirable paper on the Original Settlement of the Indapur Taluka (published in No. CVII., New Series, of Bombay Selections), which ought to be studied by every revenue officer. In that paper Sir George shows the essential difference between the

* Sir George very clearly explains the difference between net produce, as understood by Mr. Pringle, and rent.

principle of Mr. Pringle's Deccan settlement, by which a fixed and uniform proportion of the net produce* of all qualities of soil was taken as assessment, and the principle of the settlement which he and Mr. Goldsmid first applied. Mr. Pringle's settlement entirely broke down; we know how successful the Wingate settlement has been.

Before applying the theory explained by Sir G. Wingate to the facts of the present experiments, I will first point out what the economic effect of a money assessment calculated on a fixed share of produce must be. It must operate in one of two ways. If the whole land of the country belong to Government and is treated in the same way, and if there is no large importation of food, an assessment equal to $\frac{1}{5}$ the produce of all soils simply raises the price of agricultural produce by $\frac{1}{5}$; the assessment is no longer a rent or a rentcharge; it is a tax on produce. If this is not the case, if there is a competition in the market of lands not assessed in this way, the worst soils then, which will only just support their cultivators, are kept out of cultivation, for, *ex postulato*, they cannot afford to pay any part of their produce as rent. This partly explains the great increase of cultivation which in tracts containing much waste has followed the introduction of the Survey Settlement. I myself have settled many villages in Khandesh in which the old rate was a uniform one of 4 or 8 annas a bigha. The people did not complain of this rate on the better lands which they already cultivated, but that they could not afford to cultivate the poorer soils, and immediately began to take up the latter lands on the imposition of a properly graduated assessment.

The difference, very broadly stated, between the Pringle and the Wingate system is this:—Pringle took an equal proportion of the net produce of all soils for Government;

Wingate left an equal return from the net produce of all soils to the cultivators. I will apply the two principles to the cases of Broach and Poona as shown by these experiments.

Assuming the experiments to be trustworthy, the gross produce of an acre of jowari, the food staple of Broach, is worth Rs. 30-13-0; that of an acre of bajri, the food staple of Poona, is worth Rs. 10-1-0. We will assume that in each case Rs. 5 is required

to replace seed, agricultural implements, &c.* Then in Broach, the net produce is worth Rs. 25-13-0, in Poona only Rs. 5-10-0. If $\frac{1}{10}$ of gross produce is taken in each case, the Poona cultivator will have Rs. 4-9-0 per acre left

for his subsistence and profit, the Broach cultivator will have Rs. 22-12-0. As it is, the Poona cultivator, who pays about $\frac{1}{3}$ of his gross produce as assessment, has Rs. 4-14-6 left; the Broach cultivator, who pays $\frac{1}{7}$, has Rs. 21-6-0. It would thus appear that the Poona district is really assessed more than four times as heavily as Broach. But then another consideration comes in—the different pressure of the population on the land in the two districts. Broach is much more densely peopled than Poona, and I imagine that the average area of a holding in Broach is about 10 acres, in Poona about 30. If so, the Broach cultivator, paying about Rs. 44 assessment, has about Rs. 213 for his subsistence; the Poona cultivator, paying about Rs. 22, has about Rs. 145. If the differences of cost of cultivation could be ascertained, it is likely that the real pressure of the assessment in the two districts would be found to differ less than this. Besides, the standard of comfort is probably higher in Broach than in Poona.

Put in another way, it is correct to say that assessments are higher in Broach than in Poona because rents are higher, and that rents are higher because there is a greater demand for land.

But it may of course be said that the rents paid by peasants cultivating for subsistence, as in India, are regulated quite differently from rents paid by capitalist farmers cultivating for profit, as in England. Mr. Mill explains the difference very clearly: "The worst land," he says, "which can be cultivated as a means of subsistence is that which will just replace the seed and the food and necessaries of the labourers employed on it. This supposition leaves nothing for profits, nor anything for the labourers except necessaries; it can therefore be cultivated by the labourers themselves, or at a pecuniary loss; *a fortiori* it cannot afford a rent. The worst land which can be cultivated as an investment for capital is that which not only replaces the seed and pay the wages of the surplus labourers, but leaves for those who have advanced the wages a surplus equal to the profit which they could have expected from another employment of their capital;" *i.e.*, what regulates the capitalist farmer's rent is the ordinary rate of profit; what regulates the peasant cultivator's rent (not being a customary but a competition rent) is the ordinary cost of his subsistence—in other words, his ordinary "standard of comfort"; and the means of at least supplying him with a subsistence at this ordinary standard of comfort is what Wingate's principle of assessment leaves him.

This leads me to the most important portion of this argument.

The conclusion with which Mr. Knight's vigorous writings have made us all familiar,—that the rates of Government assessment should increase in proportion to a general and permanent rise in the prices of agricultural produce,—is based on the assumption that Government assessment is, or should be, a fixed and definite proportion of the gross or net produce. Granting this assumption, the argument cannot be refuted. If the assessment in 1840 averaged in a particular district Rs. 1 an acre, and this was equivalent to $\frac{1}{10}$ the produce with grain at 1 rupee a maund, it being assumed that $\frac{1}{10}$ the produce is a fair assessment, it is perfectly clear that when, in 1870, grain has risen to Rs. 3 a maund, the assessments should be raised to Rs. 3 an acre. Differences in rates of wages, &c. &c. have nothing to do with the question; if the $\frac{1}{10}$ produce is a fair assessment, it is equally fair whatever the price of grain may be.

But the case is entirely altered if we consider the assessment not as a tax of a certain proportion of the produce, but as a rent regulated and determined by the ordinary standard of comfort among the peasantry at a particular time. If in 1840 the ordinary subsistence of a peasant was represented by the then equivalent of 10 maunds of grain, but in 1870 it is represented by the equivalent of 20 maunds, it is evident that (assuming the efficiency of cultivation to have remained the same) the assessment of Rs. 1 an acre with grain at Rs. 1 can only rise to an assessment of Rs. $1\frac{1}{2}$ with grain at Rs. 3, unless the standard of comfort among the peasantry is to be lowered.

Now to raise the standard of the peasant's subsistence was the main object of Wingate's settlement. Its success must be judged of chiefly by whether it has attained this end; and there is very strong evidence indeed that it has attained it. No one, I think,

can doubt that the cultivators generally are better off, live in greater comfort, and possess more household utensils, money, stock, and moveable property generally, than in the days when their authors wrote "The Deccan Ryot" and the earliest settlement reports. This indeed is demonstrable. The cultivated area has increased in a larger proportion than either population or revenue, and each cultivator must therefore have a larger quantity of produce. If so, we should surely be very careful how we run the risk of again pulling down this standard of comfort, still low enough, by raising our assessments in some theoretical proportion to the increase in the price of produce.

It may of course be said that the legitimate conclusion of this argument is that the cultivators should be altogether freed from liability to assessment, or that the assessment should be permanently fixed. I do not think so. Other sets of considerations come in here, too long for me to deal with, but which I may just indicate. One set of questions regards the State, whether it is for the interest of all classes to part with the rent of land, now belonging to the State, as a source of revenue. Another regards the cultivating classes themselves whether, if the State make them a present of this rent they would be able to retain it and to add it to their means of subsistence; whether the right to buy it would not pass into the hands of other classes; if so, of what character these classes would be, and what is likely to be the nature of their relations with their tenants and with the land; and whether a rack-rent, levied by private landlords, would not be more burdensome than a moderate rent-charge levied by the State.

*Extract from the Report of the Committee of the Poona Sarvajanic Sabha,
Chapter III.*

Before proceeding to summarise the evidence on this head, it is necessary, for a clear understanding of the subject, to fix accurately what is the nature and character of the State demand on land. It is owing to a confusion of thought upon this preliminary point that the interminable controversy regarding the land question originates, and so long as this confusion lasts the controversy can lead to no good. It is useless in this connexion to cite the precedents of the old Hindoo and Mahomedan despotisms. The rule of the British Government has lasted sufficiently long in this country to have founded a policy and precedent of its own, and its action must be judged by its own deliberately made professions and guarantees. With regard to this question of land revenue, the late Court of Directors on two different occasions enunciated their views in language which leaves no room to doubt what their opinion on the subject was. As early as 1844 the Court of Directors, in a despatch dated 27th March 1844, observe that the right of Government consists in its title to receive from the "Mirasdar" a share of the produce of the land, or, more strictly, "a share of the surplus produce after payment of the expenses of cultivation." The despatch lays down rules to regulate the relations between Inamdars and their tenants; and, as the Inamdar is the assignee of the Government interest in land, what the Court of Directors observed with regard to the title of Mirasdar as against the Inamdar holds equally good as against the Government, whose alienee the Inamdar is. In another despatch of the year 1856, which Sir Bartle Frere quoted in his evidence before the Parliamentary Select Committee on Indian Finance, the Court of Directors state the official view as to what the land revenue should be in the following terms:—"The officers engaged in the duty of fixing the assessment should always bear in mind that the right of Government is not a rent, which consists of all the surplus produce after paying the cost of cultivation and the profits of agricultural stock, but is a land revenue only, which ought, if possible, to be so lightly assessed as to leave a surplus or rent to the occupier, whether in fact he lets the land to others, or retains it in his own hands." This despatch of the Court of Directors accurately represents, to use Sir Bartle Frere's words, "the received official view in India as to what the land revenue should be." The ryots in this country have therefore every right to appeal to these solemn guarantees, and to ask to be judged by them.

That these same principles guided the action of the founders of the Bombay system of settlement will be seen from the following extract, paragraph 17 of the Joint Report:—

"From the difficulty of ascertaining the true rent of different descriptions of land, we have not assumed any theoretical proportion of this for the standard of our assessment; but we fully coincide in the justice of the principle of limiting the Government demand to a portion of the true rent, and believe 50 to 80 per cent. thereof, as laid down by the

Board, would form a liberal assessment, and that this principle, if capable of being carried into practice, would prove an invaluable blessing to the agricultural classes of India, and introduce a new era in their history. And we further ascribe to the fact of a portion of the rent having been seldom, if ever, left to the proprietor or cultivator in India the characteristic wretchedness of its agricultural population, rather than to any peculiarities marking its different systems of revenue management."

The information summarised under the last chapter leaves no room to doubt that, if this definition of the rights of Government and of the cultivating ryot be accepted, the assessment on Government land should be a portion of the rent, large or small, for which the land would let if farmed out by the owner to another person; or in other words, the assessment should consist of a portion of the net profits of land after deducting the expenses of cultivation, including the wages of the cultivator and his family, and the charges for the purchase and renewal of agricultural stock. It has been shown before that the present assessment of the Government and the charge of the Khote profits in the Konkan districts absorb from one-half to one-third of the gross produce, which by all accounts means that the Government assessment is a rack-rent, in the worst sense of the term. In the Desh districts also it has been shown that the ryot is enabled to continue the cultivation of land from year to year, not because he receives any fraction of the proprietor's rent, or true farmer's profits, but chiefly, if not solely, because he earns the wages of himself and family in its cultivation. In fact there is no surplus produce left after paying the costs of cultivation (including his wages and the charge for the renewal of agricultural stock) and the assessment of Government. No surplus produce is left, and therefore there can be no rent. In many cases the ryot has to provide for the payment of the assessment from other sources, and his only remuneration consists in the wages of his own labour. These results cannot be gainsaid by any one who accepts the Court of Directors' views to be the correct ones on the subject of land revenue.

Of course, in contrast with this moderate view, there are two extreme views. In order to avoid all cause for confusion, it is necessary to state them here. There is the view, which is now gaining in favour with the ruling classes, which takes its stand upon the old Mahomedan notion that by the fact of conquest the rulers of the country have become the absolute proprietors of the land, in the same sense in which private individuals are owners of their moveable or immoveable property, and that, as such owner, Government is entitled to demand the whole of the rent proper of the land. As there is no intermediate class of farmers in this country, and the holdings are mostly in small plots, the extreme limit of Government demand would include all the produce of the land after deducting the actual cost of cultivation, not however including in this last item the wages of the cultivator and his family labouring on the farm. The other view regards land to be the absolute property of private individuals, and as such liable to assessment along with all other property. Both these views are stated here only to be rejected, for, as has been shown before, they are opposed to the intermediate position taken up by the Supreme Government, which alone can be taken into account in judging of the pressure of the existing assessments in this Presidency.

*Note on the Revision of the Survey Settlement in the Deccan by Mr. A. W. Kryser,
Assistant Collector of Sholapur.*

1. By ignoring all former assessments the revised rates must tend to revolutionise the value of land, which for years past has changed hands freely by sale and foreclosure of mortgages, and must press hardly on recent purchasers, who can never have anticipated such an alteration in the value of their property. The assessment not being based on any inquiry into the letting or selling value of land, but on a scientific basis whose accuracy, as it relates to those values, has never been tested, and is almost incapable of such a test, it presses unequally on those who pay it. If A has a field assessed at Rs. 10, the selling value of which is Rs. 100, he pays a land-tax of ten shillings in the pound (supposing land to be worth 20 years' purchase); while B, whose land is assessed at the same amount, and whose land when put up to auction scarcely fetches sufficient to pay the current assessment, pays the full rent of his land as taxation. This is no imaginary case, but one which might be exemplified in any village, and is in fact frequently so exemplified on sale of land in default of payment of the revenue.

2. It is perhaps too much to say that the basis of the revised settlement is the comparison of the state of the people and the county, with that of 30 years back; but

this appears to be the main element of calculation. Now for several years after the introduction of the survey the rates were collected with difficulty, large remissions had to be given yearly, and much land remained unoccupied (*vide* Survey Reports *passim*). It is only during the second decade of the old settlement that this state of things ceased, and it is on a comparison with this period that the new settlements should, in my humble opinion, be made.

The old rates (though of course often faulty in detail, owing to the youth and inexperience of the department) had this advantage over the new, that according to Captain Wingate's statement (*vide* papers relating to the introduction of revised rates of assessment into part of the Niphar and Chandor Talukas of the Nasik Collectorate, 1872) they were framed in consultation with the people and accepted by them as just; and probably custom in such matters is as sure a guide as to the value and fertility of land as a scientific calculation regarding the depth and quantity of the soil. The capricious character of the rainfall in the Deccan, as it affects different localities in the same taluka, must often make such calculations lead to indifferent results. I am of course aware that the climate and rainfall is one of the principal elements in the survey calculation, but based as it must be either on uncertain information coupled with the records of the few rain gauges in a collectorate, it must be a quantity that is difficult to allow for, while its influence on the producing power of the land is so great that a timely shower may double the value of the crop.

4. A large portion of the increase is due to the assessment of land formerly denominated "kharab," and in Survey Reports and Government Resolutions the mere fact of this land being now assessed is thought a sufficient reason for a large part of this increase, as if it caused no hardship to any one. I notice in one Resolution it is stated that 19 per cent. of the increase is due to "encroachments," which can only be another way of saying—to cultivation of this kharab land, which every occupant was free to cultivate if he could. Universally in the newly surveyed districts the complaint is that the bad lands are over-taxed, while the Survey officers profess to have made a greater difference between the best and worst soils than under the old survey. They stand condemned either of the failure of their system to carry out desired results, or rather of not foreseeing the inevitable results of their system (why inevitable I shall state directly), by large quantities of these inferior soils having been thrown out of cultivation, or being thrown into the market and rarely finding purchasers at more than a nominal sum, consequent on the introduction of the new rates. Simply increasing the difference between the value-standards of the lowest and highest classes of soils would not have the desired effect, when actually a lower class of soil is now assessed than was taken into their calculations before. The present lowest class, perhaps the lowest two classes (the soil is divided into nine classes), are formed chiefly of land formerly held as unculturable; the land formerly in the lower class is now, therefore, *ex necessitate* pushed up a class or two, and so a general levelling up ensues. Class A* before was 16 annas, and Class H, 2 annas 6 pie; the present Class H is now, it is true, lowered to 1 anna, but the old Class II is moved up to Class G or F, and assessed at a correspondingly higher standard.

* To represent the nine classes by the letters A. to H.

Mr. Grant, the officer who superintended the first revision at Nasik, says, indeed, in his report, "Soils from the third class downwards are entered fully two classes too low in the former valuation, and the eighth and ninth orders of soil were very commonly entered as bad or unculturable." Why too low? I believe the purchase or letting value test would give exactly an opposite result. The officers have drifted into this error, for such I firmly believe it to be, by really trying to force one or two additional classes from below into the old nine classes, instead of forming two new ones, and what I have called levelling up has been the only possible result. I believe that if the worst land culturable, which probably bears no economic rent, were left free, and the next worst assessed at a 6-pie standard, it would be found that the present surveys would not differ so much from the former, and the general discontent they have called forth would be allayed.

Thus, while on Jerayet lands generally the increase is far more than 42 per cent. (which is the increase on the old Survey rates as modified by the recent Government Resolutions), I believe that on the inferior classes of Jerayet, taken as a whole, the increase will be found to be far higher than on the better. In Barsi I tested this point for my own satisfaction in three villages. Unfortunately I have not kept the papers, but I know that in nearly every case the lands now assessed at the lowest rate were the same as those in the lowest rate under the old survey, and that, as a rule, the result of the new survey had been about to double the assessment on these lands. Government

has partially remedied this state of things by lowering the classification on the worse lands, but I am sure that what I have written will bear any test. It must be remembered that numbers where the old *kharab* is found in the largest patches are generally those where the rest of the soil is very bad.

5. Is it sufficiently taken into account that the commencement of the latter half of the old surveys, or perhaps the whole second decade, when they first began to work smoothly, was a period of unusual prosperity? The railways under construction caused capital to flow into the country, making money cheap and corn and labour dear. The American war came to give an additional filip to prices, and it is therefore scarcely just that the new rates should be modelled on years which include such abnormal sources of property. The permanent benefits of the railways remain, but now that capital has ceased to flow into the country, and the normal state of things has set in, with a drain on this country for interest on debt and railway loans and home charges, money is again dear; or, in other words, corn and labour are cheap.

RETURN showing Prices (number of seers per rupee) of Jowari and Bajri in Indapur from 1866-67 to 1874-75.

Year.	Indapur.	
	Jowari.	Bajri.
1866-67	25½	17½
1867-68	37½	24½
1868-69	27½	21½
1869-70	26	20½
1870-71	27½	25½
1871-72	22½	19½
1872-73	29½	24½
1873-74	48½	30½
1874-75	44½	35½

TABULAR STATEMENT of the Original and Revised Rates of Assessment in the Village of Kheirgaum.

New No.	Sub-division.	Old No.	Names of Khatedara.	According to Old Survey.		According to Revision Survey.			Per cent. Enhancement.		Actual Years uncultivated.
				Area.	Assessment.	Area.	Assessment at the Time of the Introduction of Revised Rate.	Assessment reduced according to Government Resolution.	Original.	As reduced by Government.	
1	—	250	Amrit Vithal	A. G. 9 31	RS. A. 1 0	A. G. 7 28	RS. A. 3 4	RS. A. 2 0	225	100	
			Rowji Mayaji	1 5	1 14	0 36	1 7	1 4	—23	—33	
			Narayan Sakharan	5 8½	10 2	5 1	7 14	7 4	—22	—28	
			Mhapa Kusa	0 39½	1 11	0 33	1 6	1 4	—18	—25	
			Rama Hasu	0 39½	1 11	0 33	1 6	1 4	—18	—25	
			Krishnaji Khande- row.	2 39½	5 1	2 21	3 15	3 10	270	241	
			Tukaram Vithu	0 39½	1 11	0 33	1 6	1 4	—18	—25	
			Dewji Shivram	4 19½	7 7	3 31	5 14	5 7	—21	—26	
			Gopala Dhondi	1 5	1 14	0 35	1 7	1 4	—23	—33	
			Kusa Dhondi	1 5	1 14	0 34	1 7	1 4	—23	—33	
			Gopala Govind	1 5	1 14	0 34	1 7	1 4	—23	—33	
			Hanmanta Hari	2 39½	5 6	2 34	3 15	3 15	—26	—26	
			23 38	40 9	20 5	31 8	29 0	—22	—28		
3	—	2	Chaturbhus Laxman	39 39	21 8	32 39	22 0	25 0	84	16	
			Masu Sodu	5 32½	1 6	0 2	0 1	0 1	—95	—95	
			Nagu Shiwa	5 32½	1 7	0 16	0 8	0 8	—65	—65	
			Sakharan Nimba	4 14½	1 1	0 23	0 11	0 8	—35	—52	
			Sambhu Mahadu	4 14½	1 1	0 32	1 2	1 0	5	—5	
4	—	—	Panda Dhondi	8 28½	2 1	3 4	2 8	3 8	21	21	
				29 1	7 0	3 37	4 14	4 9	—30	—34	

New No.	Sub-division.	Old No.	Names of Khatedars.	According to Old Survey.		According to Revision Survey.			Per cent. Enhancement.		No. of Years uncultivated.	Actual Years uncultivated.	
				Area.	Assessment.	Area.	Assessment at the time of the Introduction of Revised Rate.	Assessment as altered according to Government Resolution.	Original.	As reduced by Government.			
5	1	4	Masu Shiwa - -	3 85 ¹ / ₂	5 3	3 33	5 8	5 0	6	-2	6	1843 to 1849	
	2	—	Nagu Shiwa - -	6 35 ¹ / ₂	5 3	5 5	7 8	7 0	44	-34			
	3	—	Pandu Dhondi - -	10 13 ¹ / ₂	16 5	1 10	2 0	2 0	-87	-87			
	4	—	Sakharam Nimba - -	3 17 ¹ / ₂	5 7	0 11	0 7	0 7	-91	-91			
	Out of 5	—	Sambhu Mahadu - -	2 23 ¹ / ₂	4 1	0 5	0 3	0 2	-95	-96			
	Out of 5	—	Bhagai Santu - -	2 23 ¹ / ₂	4 1	0 5	0 3	0 2	-95	-96			
	6	—	Sakharam Nimba - -	—	—	1 15	2 4	2 0	—	—			
	7	—	Sambhu Mali - -	—	—	0 28	1 2	1 0	—	—			
	Out of 7	—	Bhagai Santu - -	—	—	0 27	1 2	1 0	—	—			
	8	—	Pandu Dhondi - -	—	—	0 18	0 11	0 11	—	—			
	9	—	Sakharam Nimba - -	—	—	0 13	0 8	0 8	—	—			
	10	—	Pandu Dhondi - -	—	—	0 29	1 2	1 0	—	—			
	11	—	Sambhu Mahadji - -	—	—	0 13	0 8	0 8	—	—			
	Out of 11	—	Bhagai Santu - -	—	—	0 12	0 8	0 8	—	—			
12	—	Nagu Laxman - -	1 29	2 0	0 85	1 4	1 0	-54	-63				
13	—	Pandu Dhondi - -	—	—	4 80	7 0	7 0	—	—				
14	—	Sambhu Mahadji - -	—	—	0 12	0 8	0 8	—	—				
Out of 14	—	Bhagai Santu - -	—	—	0 18	0 8	0 8	—	—				
				31 19	43 0	21 34	32 14	30 14	-23	-28			
6	1	8	Pandu Dhondi - -	15 6	3 0	13 30	6 8	7 0	183	183	3	1850 to 1852	
	2	27	Nagu Laxman - -	0 18	0 14	0 9	0 4	0 4	-71	-71			
	3	8	Bapu Sultan - -	13 38	16 0	10 10	10 0	10 0	-37	-37			
	4	7	Madhowrow Vittul - -	23 7	14 0	4 30	6 8	6 0	-53	-57			
	5	15	Vinayak Kesheo - -	10 2	6 0	8 10	6 8	6 0	8	—			
	Out of 15	—	Khandu Moreswar - -	—	—	7 25	7 8	7 0	—	—			
	6	14	Do. - -	32 4	16 15	14 20	13 8	11 0	-20	-35			
	Out of 14	—	Vinayak Kesheo - -	—	—	11 20	7 0	6 0	—	—			
	7	13	Khandu Moreswar - -	31 29	4 0	16 15	4 0	2 0	—	50			
	8	9	Do. - -	44 30	17 0	23 20	16 0	13 0	-5	-23			
	9	18	Do. - -	—	—	16 30	2 0	2 0	—	—			
	10	14	Out of 18	Vinayak Kesheo - -	—	—	16 30	2 0	2 0	—			—
	11	15	Out of 9	Do. - -	—	—	24 6	4 8	3 0	—			—
	12	16	10	Nageshwar Mahadeo - -	23 22	4 0	27 12	10 0	9 0	150			125
13	249	—	Rowji Mayaji - -	0 12 ¹ / ₂	0 6	0 20	0 11	0 11	83	83			
14	—	—	Narayan Sakharam - -	2 31 ¹ / ₂	3 4	2 24	3 6	3 0	3	-7			
15	—	—	Mohapa Kusa - -	0 16 ¹ / ₂	0 8	0 16	0 9	0 7	12	-12			
16	—	—	Rama Hasu - -	0 16 ¹ / ₂	0 9	0 16	0 9	0 7	—	-22			
17	—	—	Tukaram Vithu - -	0 16 ¹ / ₂	0 9	0 16	0 9	0 7	—	-22			
18	—	—	Dewji Sudashiv - -	1 10 ¹ / ₂	1 10	1 37	2 8	2 5	53	42			
19	—	—	Gopala Dhondi - -	0 12 ¹ / ₂	0 7	0 20	0 10	0 9	42	28			
20	—	—	Kosa Dhondi - -	0 12 ¹ / ₂	0 7	0 20	0 10	0 9	42	28			
21	—	—	Gopala Govind - -	0 12 ¹ / ₂	0 6	0 19	0 10	0 9	66	50			
22	—	—	Hannanta Hari - -	2 21 ¹ / ₂	3 4	1 11	1 11	1 8	-48	-53			
23	—	—	Krishnaji Khunde- row. - -	1 10 ¹ / ₂	1 10	1 11	1 11	1 8	3	-7			
				10 15 ¹ / ₂	13 0	10 10	13 8	12 0	3	-7			
24	11	—	Nageshwar Mahadeo - -	33 27	6 0	34 0	10 8	6 0	75	33	1	1847 to 1848	
25	12	—	Vinayak Kesheo - -	20 2	3 0	12 31	0 13	0 12	-72	-75			
26	Out of 12	—	Khandu Moreswar - -	—	—	10 17	0 10	0 10	—	—			
27	1	—	Pasture Land - -	—	—	77 11	—	—	—	—			
28	247	—	Vinayak Kesheo - -	12 39	22 0	10 24	12 8	12 0	-43	-45			
29	248	—	Krishna Bapu - -	6 37	16 0	7 0	5 0	5 0	-68	-68			
30	—	—	Pasture Land - -	—	—	106 0	—	—	—	—			
31	102	—	Ramoshi - -	26 25	9 8	3 10	0 10	0 8	-93	-94			
32	103	—	Gopala Dhondi - -	28 10	8 9	7 20	1 6	1 0	-83	-88			
33	104	—	Shivram Ramchandra. - -	27 37	4 12	6 0	1 2	0 12	-76	-84			
34	105	—	Rudraji Bawa - -	23 15	6 12	2 10	0 5	0 2	-95	-98			
35	106	—	Waman Bapu - -	33 22	7 10	1 20	0 3	0 2	-97	-98			
36	107	—	Rowji Mayaji - -	17 17	4 11	4 20	0 9	0 8	-88	-89			
37	2	—	Ramji Hasu - -	17 17	4 11	4 10	0 8	0 4	-89	-94			
38	108	—	Sadoba Venkaji - -	26 28	3 12	8 25	2 4	1 0	-40	-73			
39	109	—	Rowji Laxman - -	27 9	10 15	12 10	5 8	4 0	-49	-63			
40	173	—	Balaji Mahipatrow - -	16 10	11 15	15 35	19 0	18 0	59	50			
41	169	—	Narayan Laxman - -	2 22 ¹ / ₂	1 15	2 3	2 8	2 8	29	29			
42	—	—	Shivram Ramchandra. - -	2 21 ¹ / ₂	1 15	2 2	2 8	2 8	29	29			
				5 4	3 14	4 5	5 0	5 0	29	29			
43	1/8	168	Rowji Moroji - -	1 13 ¹ / ₂	1 11	0 34	1 4	1 3	-25	-29	3	1848 to 1851	
44	7/2	—	Parwatrow Ramrow - -	2 13 ¹ / ₂	0 8	0 12	0 7	0 6	-12	-25			
45	—	—	Ganpatrow Haibat - -	0 21 ¹ / ₂	0 10	0 12	0 7	0 6	-30	-40			
46	3/6	—	Vittu Jotiaji - -	0 25 ¹ / ₂	0 13	0 13	0 8	0 6	-38	-53			
47	—	—	Balia Mahipati - -	0 25 ¹ / ₂	0 12	0 13	0 8	0 6	-33	-50			
48	4/10	—	Apa Anandrow - -	0 36 ¹ / ₂	0 11	0 35	1 1	1 0	54	45			
49	5/9	—	Sadoba Venkaji - -	1 16 ¹ / ₂	1 10	1 3	1 8	1 4	-7	-23			
				—	6 11	4 2	5 11	4 15	-14	-26			

New No.	Sub-division.	Old No.	Names of Khatedara.	According to Old Survey.		According to Revision Survey.			Per cent. Enhancement.		No. of Years unutilized.	Actual Years unutilized.	
				Area.	Assessment.	Area.	Assessment at the time of the Introduction of Revised Rate.	Assessment reduced according to Government Regulation.	Original.	As reduced by Government.			
35	1	166/167	Bala Mahipati	8 23	6 0	9 10	11 0	10 0	83	66	1	1850 to 1851	
		168	Apa Anandrow	15 12	9 15	5 20	5 8	6 0	-44	-49	4	1851 to 1855	
		165	Govind Hari	4 14	2 13	4 12	5 0	4 0	70	36			
		164	Apa Anandrow	4 39	0 12	1 10	1 6	1 0	83	38			
				24 24	13 10	11 2	11 14	10 0	-12	-26			
37	1	159	Parwat Ramrow	29 11	17 0	5 0	4 0	3 8	-76	-79	10	1845 to 1853	
		158	Govt. Waste	0 30	—	0 30	0 12	—	—	—			
						80 1	17 0	5 30	4 12	4 4	-72	-76	
38	—	180	Vithu Jotiaji	31 29	19 15	32 20	33 8	28 0	63	40	1	1856 to 1859	
39	—	181	Bala Towji	25 24	14 0	26 20	25 0	20 0	78	42	14	1843 to 1857	
40	—	182	Amin Bhai	29 19	20 0	40 30	38 0	31 0	90	55	11	1843 to 1854	
41	—	183	Ramji Janoji	21 9	11 0	21 0	19 8	16 0	77	45			
42	—	179	Ganpat Haibat	12 10	6 0	11 30	9 8	7 0	53	16	13	1848 to 1859	
43	—	178	Suhhanrow Mhaloji	11 39	18 0	11 20	16 0	14 0	-11	-22	13	Do.	
44	—	174	Vittu Jotiaji	29 18	6 0	29 30	19 0	9 0	116	50			
45	—	177	Ganpat Haibuti	11 13	5 0	11 10	10 0	8 0	100	60			
46	—	173/76	Do.	7 36	1 8	7 20	1 8	1 0	—	33	1	1848 to 1849	
47	—	184	Suhhanrow Maloji	40 5	13 0	39 20	27 0	22 0	107	69	1	Do.	
48	—	185	Lobbaji Piroji	24 15	4 0	23 22	3 0	3 0	-23	-25	1	Do.	
49	—	186	Bula Mahipati	23 30	6 0	23 0	11 8	9 0	91	50	1	Do.	
50	—	187	Vithu Jotiaji	29 36	13 0	33 20	33 8	30 0	157	130			
51	—	189	Mahadu Narsa	33 6	10 0	33 0	27 0	21 0	170	110			
52	—	188	Ramji Janoji	25 18	5 0	25 20	16 0	13 0	220	160	2	1848 to 1850	
53	—	191	Amrit Vithal	29 18	13 0	29 20	22 8	19 0	78	46	10	1846 to 1856	
54	—	190	Do.	24 34	10 0	26 15	21 8	18 0	115	80	8	1847 to 1852	
55	—	236	Pandu Gopal	29 2	5 0	31 0	17 8	14 0	250	180			
56	—	237	Savitri Hari	22 38	16 0	23 0	23 0	22 0	43	87	2	1848 to 1850	
57	—	238	Village Mahara	34 16	23 0	29 10	29 0	23 0	26	—			
58	—	239	Do.	34 35	15 0	29 10	22 0	18 0	46	20			
59	—	244	Do.	35 38	12 0	36 23	20 8	16 0	70	33			
60	—	245	Do.	18 13	3 0	19 37	5 0	2 8	66	-16			
61	—	246	Do.	38 8	6 0	39 17	5 0	3 0	-16	-16			
62	—	243	Do.	35 23	6 0	34 33	11 0	—	83	—			
63	—	242	Savitri Hari	13 15	2 0	16 20	2 0	1 0	—	-60			
64	—	Gairan	Village Pasturage	12 32	—	12 32	—	—	—	—			
65	—	229	Govind Hari	29 3	4 0	39 8	5 0	2 8	25	-37			
66	—	241	Do.	36 15	7 0	33 9	8 8	4 0	21	-42			
67	—	240	Deoji Sadashiv	18 27	12 0	18 10	16 0	14 0	89	16			
68	—	230	Laxman Pandu	31 2	9 0	36 30	16 0	9 0	77	—			
69	—	231	Madhow Vithal	36 31	21 0	31 31	18 0	14 0	-14	-33	2	1848 to 1850	
70	—	235	Mahadeo Godhaji	24 37	9 0	23 19	14 8	12 0	61	38			
71	—	234	Lobha Pira	16 8	2 0	15 13	6 8	4 0	225	100	1	1850 to 1851	
72	—	233	Bala Bhaga	31 22	11 0	25 16	12 8	10 0	13	-9	4	1848 to 1852	
73	—	232	Para Janoji	16 15	10 0	16 19	13 8	10 0	35	—	2	1850 to 1852	
74	—	219	Do.	33 0	6 12	25 8	7 0	6 0	8	-11			
75	—	220	Amrita Shivram	43 7	11 10	24 18	4 8	3 0	-61	-74			
76	1	228	Bapu Sheti	25 8	2 15	25 31	3 0	3 0	70	2			
		227	Madhow Vithal	21 25	2 15	1 5	0 6	0 4	-87	-91			
				46 33	5 14	26 36	5 6	3 4	-8	-44			
77	1	Out of Do.	Do.	—	—	18 7	5 8	5 0	—	—			
		2	Out of 223	Bapu Sheti	—	—	1 7	1 0	1 0	—	—		
						—	—	19 14	6 8	6 0	—	—	
78	—	Portion of 220	Amrita Shivram	—	—	26 10	11 8	7 0	—	—	3	1846 to 1849	
79	—	221	Para Janoji	25 7	7 0	24 24	6 0	5 0	-14	-28	2	1846 to 1848	
80	—	222	Dhulu Oodaji	36 9	12 0	30 4	13 0	9 0	8	-25			
81	—	226	Para Janoji	28 18	7 0	46 7	14 8	12 0	107	71			
82	—	225	Do.	30 15	6 0	24 5	4 8	3 0	-25	-50			
83	—	224	Do.	9 12	1 0	12 9	0 12	0 12	-25	-25			
84	—	223	Bala Taoji	34 22	5 0	34 31	3 8	4 0	70	-20			
85	—	216	Do.	8 3	1 0	13 10	3 4	2 8	225	160			
86	—	215	Do.	19 39	2 0	23 26	3 0	1 8	50	-25			
87	—	217	Do.	29 24	5 0	44 39	11 0	6 0	120	20			
88	—	214	Do.	22 21	5 0	31 15	3 0	6 0	60	20			
89	—	213	Bapu Sheti	26 39	4 0	25 13	3 0	6 0	100	50			
90	—	218	Bara Bhoga	27 29	7 0	34 23	4 8	4 0	-85	-42			
91	—	Portion of 219	Para Janoji	11 11	—	11 11	2 12	2 0	—	—	3	1850 to 1852	
92	—	212	p a Sheti	39 8	10 10	14 39	8 8	7 0	-20	-84	2	Do.	
93	—	Out of 212	Do.	—	—	23 10	10 0	7 0	—	—	2	Do.	
94	—	210	Amrit Vithal	14 2	2 0	16 11	3 0	2 0	50	—			
95	—	211	Do.	13 0	2 0	15 30	4 0	3 0	100	50			
96	—	209	Deoji Sadashiv	37 24	9 0	26 28	16 8	13 0	83	44			
97	—	208	Nago Mahipati	36 30	17 0	47 19	36 8	30 0	126	76			

New No.	Sub-division.	Old No.	Names of Khatedars.	According to Old Survey.		According to Revision Survey.		Per cent. Enhancement.		No. of Years uncultivated.	Actual Years
				Area.	Assessment.	Area.	Assessment at the time of the introduction of Revised Rate.	Assessment reduced according to Government Resolution.	Original.		
98	—	207	Madhow Vithal	A. G.	Rs. A.	A. G.	Rs. A.	Rs. A.	—	—	
99	—	208	Do.	13 86	7 0	19 30	16 0	14 0	128	100	
100	—	205	Do.	30 21	16 0	29 25	29 8	25 0	84	62	12 1844 to 1856
101	—	198	Do.	14 33	7 0	15 15	16 8	15 0	133	114	
102	—	197	Do.	24 12	14 0	19 30	19 8	17 0	89	21	
103	—	204	Do.	31 8	14 0	31 0	29 0	23 0	107	64	6 1848 to 1854
104	—	203	Atmaram Sadashiv	30 5	16 0	30 35	29 0	23 0	61	27	9 1843 to 1852
105	—	198	Do.	19 6	13 0	19 38	23 8	22 0	89	69	10 1845 to 1856
106	—	199	Do.	20 14	12 0	19 35	23 8	22 0	95	83	
107	—	201/202	Do.	44 14	10 1	28 25	16 0	13 0	59	29	
108	—	200	Do.	13 31	9 14	7 39	10 0	9 0	1	—8	
109	—	192 to 195 Out of 200, 201	Do.	106 29	65 0	1 16	—	1 0	—	—	
110	—	155	Do.	—	—	83 33	25 8	21 0	—	—	
111	—	154	Sakharan Nimbaji	24 38	9 0	25 12	16 0	13 0	77	44	6 1845 to 1851
112	—	154	Sakharan Nimbaji	9 25	8 0	13 0	5 8	4 0	83	33	6 1845 to 1851
113	—	140, 152, 163, 166, 157, 158, 160 and 161	—	171 14	113 8	171 0	—	—	—	—	
114	—	151	Sakharan Nimbaji	20 28	11 0	17 28	11 0	9 0	—	—18	
115	—	150	Amrit Vithal	23 20	11 0	23 8	14 8	12 0	31	9	12 1843 to 1855
116	—	147	Sadu Bapu Navi	20 37	8 0	19 0	13 0	11 0	62	37	7 1845 to 1852
117	—	145	Khandu Jesuji	27 38	17 0	28 15	32 0	28 0	88	64	6 1848 to 1854
118	—	148	Rama Govinda	28 27	20 0	28 20	28 8	25 0	42	25	14 1843 to 1857
119	—	146	Sidu bin Hala Navi	19 6	4 0	20 0	10 0	7 0	150	75	4 1849 to 1853
120	—	143	Gojaji Moraji	41 16	14 0	41 6	25 8	21 0	10	50	
121	—	144	Para Janoji	39 39	25 0	38 27	43 8	39 0	74	56	
122	—	141	—	35 19	19 0	36 3	—	—	—	—	
123	—	142	Govinda Mahipati	37 34	9 0	37 19	23 8	19 0	161	111	3 1850 to 1853
124	—	139	Mahadu Dulhaji	27 8	7 0	27 4	17 0	14 0	142	100	3 1848 to 1851
125	—	140	Govinda Mahipati	39 20	23 0	41 10	46 8	41 0	102	78	
126	—	120	Bapu Sultana	25 4	25 0	26 20	33 0	31 0	32	24	
127	—	137	Ranji Kusaji	34 12	19 0	37 6	39 8	37 0	107	94	16 1843 to 1859
128	—	138	Genu Kusaji	26 37	6 0	23 39	10 8	7 0	75	16	5 1846 to 1851
129	—	136	Rajaram Sadashiv	39 21	14 0	38 29	26 8	22 0	89	57	
130	—	121	Do.	24 1	18 0	27 11	34 0	32 0	88	77	11 1844 to 1855
131	—	122	Sakharan Vithu	24 32	15 0	23 0	26 0	23 0	73	53	12 1843 to 1855
132	—	133	Sambhaji Sadashiv	25 10	9 0	27 36	21 0	17 0	133	88	
133	—	134	Khandu Bapu	39 6	13 0	40 20	28 0	23 0	115	76	6 1843 to 1850
134	—	123	Nagu Mahipati	26 4	19 0	24 0	24 0	22 0	26	15	12 1843 to 1855
135	—	86	Rakhama Dhulu	24 6	12 0	26 20	23 0	20 0	91	66	4 1847 to 1851
136	—	124	Khandu Anba	25 2	13 0	23 24	20 8	18 0	57	38	6 1847 to 1853
137	—	133	Ambri Nimbaji	46 36	18 0	49 23	31 0	25 0	72	38	
138	—	132	Vithu Dhulu	26 32	8 0	26 36	6 8	5 0	116	66	
139	—	131	Do.	23 80	5 0	25 9	6 8	5 0	30	—	
140	—	130	Yessu Bhanji	24 17	4 0	24 35	6 0	5 0	50	25	
141	—	129	Matarji Limbaji	19 32	4 0	23 25	12 0	9 0	200	125	
142	—	128	Ganesh Rangnath	14 0	8 0	14 37	7 8	6 0	150	100	
143	—	127	Bhicaji Ramchandra.	11 30	3 0	12 30	6 8	5 0	116	66	
144	—	126	Ambri Nimbaji	11 6	3 0	10 18	4 8	3 8	50	16	
145	—	125	Vithu Dhulu	11 16	3 0	12 4	5 8	3 0	83	—	
146	—	89	Bapu Rodraji	18 36	1 0	8 37	2 4	1 8	125	50	
147	—	84	Mahalu Moghuji	21 39	13 0	20 20	23 0	20 0	76	53	3 1849 to 1852
148	—	83	Baghu Baharu	31 12	12 0	30 8	32 0	30 0	166	150	11 1844 to 1855
149	—	81	Do.	31 12	17 0	33 5	33 0	29 0	94	70	6 1849 to 1855
150	—	79	Nagu Dhulu	22 28	17 0	23 17	33 8	31 0	97	82	12 1843 to 1855
151	—	80	Laxman Janoji	38 4	17 0	39 11	32 0	27 0	88	58	1 1845 to 1846
152	—	77	Khandu Bapu	31 33	17 0	32 34	33 0	31 0	94	82	7 1847 to 1854
153	—	78	Soma Ija	29 38	16 0	30 8	30 0	26 0	87	62	10 1844 to 1854
154	—	75	Madhow Vithal	44 33	18 0	44 30	36 8	31 0	102	72	2 1850 to 1852
155	—	74	Bhicaji Ramchandra.	23 31	19 0	26 20	36 8	33 0	92	73	
156	—	73	Do.	27 14	15 0	23 19	23 8	22 0	56	46	
157	—	72	Soma bin Ija	22 6	16 0	22 37	27 0	26 0	68	62	7 1848 to 1855
158	—	71	Bhicaji Ramchandra.	22 24	28 0	23 5	32 0	30 0	14	7	
159	—	70	Do.	11 7	8 0	12 24	17 8	17 0	118	112	11 1844 to 1855
160	—	69	Kondu Anandrow	14 0	10 0	15 0	20 8	19 0	105	90	9 1845 to 1854
161	—	68	Hiru Ambaji	13 26	9 0	14 16	20 0	19 0	122	111	
162	—	67	Mhatarji Nimbaji	37 28	21 0	43 4	51 0	46 0	142	119	
163	—	76	Amrit Vithal	29 25	20 0	28 30	39 8	38 0	47	90	
164	1	66	Madhow Vithal	0 39	1 8	1 7	1 12	1 8	97	—	
164	2	—	Mhatarji Nimbaji	2 39	5 12	3 15	5 0	5 0	—13	—13	
164	3	65	Madhow Vithal	1 4	2 6	2 32	3 12	3 8	57	47	
165	2	—	Bhawani Habati	3 3	6 8	1 24	2 8	2 8	—61	—61	
166	1	64	Madhow Vithal	1 5	2 6	2 39	4 0	4 0	68	68	
166	2	—	Nagu Dhulu	8 17	6 8	1 30	2 12	2 8	—57	—61	
						4 29					
167	—	63	Mhatarji Nimbaji	6 4	5 0	6 19	9 8	8 0	90	60	
168	—	62	Manku Babu	36 15	42 0	35 16	48 8	46 0	15	9	3 1849 to 1852
169	—	61	Amrit Nimbaji	32 5	23 0	33 0	45 8	43 0	37	86	1 1831 to 1852
170	—	60	Nagu Mahipati	28 13	16 0	26 28	36 8	33 0	128	106	6 1849 to 1855

New No.	Sub-division.	Old No.	Names of Khatodara.	According to Old Survey.		According to Revision Survey.			Per cent. Enhancement.		No. of Years uncultivated.	Actual Years uncultivated.		
				Area.	Assessment.	Area.	Assessment of the Time of the Introduction of Revised Rates.	Assessment reduced according to Government Remission.	Original.	As reduced by Government.				
171	—	88	Mahadev Vithul -	11 16	28 0	15 8	22 0	20 0	—21	—28	0	1848 to 1854		
172	—	85	Rakhmaji Dhulu -	24 52	24 8	24 84	85 8	38 0	44	84	1	1851 to 1852		
173	—	87	Bapu Rudraji -	12 24	15 8	13 30	20 0	18 0	29	16	1	1851 to 1852		
174	—	119	Nagu Mahipati -	21 27	17 0	19 20	25 8	23 0	50	35	1	1851 to 1852		
175	—	116	Tukaram Bhagvat	11 2	22 8	11 0	13 0	12 0	40	48	1	1851 to 1852		
176	—	115/117	Do.	10 27	6 0	11 0	13 0	12 0	118	100	1	1851 to 1852		
177	—	118	Genu Shabaji -	21 10	13 0	22 29	30 0	27 0	180	107	3	1848 to 1851		
178	—	112/113/114	Gopal Laxman -	8 7	5 0	7 30	8 0	8 0	60	60	3	1848 to 1851		
179	—	111	Dowlutrow Banaji	4 18	2 0	4 30	5 8	5 0	175	150	3	1848 to 1851		
180	—	171	Gopal Laxman -	15 12	11 0	15 31	21 8	21 0	95	90	5	1850 to 1853		
181	—	162	Atmaram Sadashiv	6 34	13 0	7 20	10 8	10 0	—19	—28	10	1845 to 1853		
182	—	Out of 159	Parwutrow Ramrow	—	—	28 20	32 0	28 0	—	—	10	1845 to 1853		
183	—	Out of 163	Apaji Anundrow -	4 17 1/2	7 0	13 20	16 0	14 0	—	—	1	1850 to 1851		
184	1	170	Kusa bin Babu -	4 17 1/2	7 0	5 19	8 0	8 0	14	14	10	1850 to 1851		
	2	—	Sakhu bin Bali -	4 17 1/2	7 0	3 21	6 8	5 0	—21	—28				
	3	Out of 169	Narayan Laxman	—	—	0 37	1 6	1 4	—	—				
	4	—	Shivram Ramchandra.	—	—	0 38	1 6	1 4	—	—				
	5	Out of 173	Bala Mahipat -	—	—	1 20	2 0	2 0	—	—				
	6	Out of 168	Gunputro Hybat -	—	—	0 9	0 5	0 5	—	—				
	7	—	Parwutrow Ramrow	—	—	0 10	0 6	0 6	—	—				
	8	6/13	Apaji Anundrow -	—	—	0 26	1 0	0 15	—	—				
	9	7/14	Sadoba Venkaji -	—	—	0 26	1 0	0 12	—	—				
	10	8	Vithu Jotia -	—	—	0 9	0 5	0 4	—	—				
	11	Out of 9	Bala Mahipat -	—	—	0 9	0 6	0 4	—	—				
	12	9/10	Rowji Mowji -	—	—	0 33	1 4	1 0	—	—				
185	1	Out of 11	Vithu Jotia -	—	—	0 6	0 3	0 3	—	—	5	1847 to 1852		
	2	—	Bala Mahipatrow -	—	—	0 6	0 4	0 4	—	—				
	3	—	Gunput Harbatrow	—	—	0 5	0 4	0 4	—	—				
	4	—	Parwutrow Ramrow	—	—	0 6	0 3	0 3	—	—				
	5	—	Vinayak Kesheo -	8 20	19 7	8 0	12 0	11 0	—38	—43				
	6	—	Rowji Laxman -	—	—	19 3	15 8	15 0	—	—				
	7	—	Dowlatrow Banaji	21 15	9 0	20 0	17 8	15 0	94	66				
	8	—	Sadoba Venkaji -	—	—	19 14	8 8	6 0	—	—				
	9	—	Rowji Mayaji -	—	—	12 5	8 8	7 0	—	—				
	10	—	Rama Hasu -	—	—	15 20	8 8	7 0	—	—				
	11	—	Out of 106	Wamun bin Babu -	—	—	35 10	17 8	—	—			—	
	12	—	89	Rama Hasu -	10 20 1/2	12 8	10 30	13 6	12 12	7			2	
186	1	—	Rowji Mayaji -	10 20 1/2	12 8	10 30	13 6	12 12	7	2	1	1851 to 1859		
	2	—	Narayan Sakharam	10 20 1/2	12 8	10 30	13 6	12 12	7	2				
	3	—	Gopala Dhondi -	5 10 1/2	6 4	5 15	6 11	6 6	7	2				
	4	—	Kusa Dhondi -	5 10 1/2	6 4	5 15	6 11	6 6	7	2				
	5	—	—	—	—	43 0	53 8	—	—	—				
	6	—	—	—	—	—	—	—	—	—				
	7	—	—	—	—	—	—	—	—	—				
	8	—	—	—	—	—	—	—	—	—				
	9	—	—	—	—	—	—	—	—	—				
	10	—	—	—	—	—	—	—	—	—				
	11	—	—	—	—	—	—	—	—	—				
	12	—	—	—	—	—	—	—	—	—				
187	—	90	Amrit Vithal -	17 26	10 0	17 10	20 8	18 0	105	80	1	1846 to 1847		
188	—	91	Narayan Sakharam	29 16	17 0	30 0	35 8	32 0	108	88	1	1846 to 1847		
189	—	94	Bahiru Vithu -	29 26	19 0	31 20	41 8	37 0	118	94	3	1850 to 1853		
190	—	Out of 105	Rudraji Bawa -	—	—	21 17	12 0	—	—	—	1	1847 to 1848		
191	—	Out of 104	Shivram Ramji -	—	—	24 16	13 8	11 0	—	—				
192	—	Out of 103	Gopal Dhondi -	—	—	26 10	16 8	13 0	—	—				
193	—	Out of 107	Samastra Ramosi -	—	—	26 10	16 8	—	—	—				
194	—	100	Do.	17 35	1 14	19 15	8 12	—	—	—				
195	—	98	Masu Shiwa Mali -	26 3	3 0	40 12	5 0	5 0	66	66				
196	—	101	Rowji Mayaji -	29 36	10 0	32 10	20 0	16 0	100	60			2	1845 to 1847
197	—	95	Sambu Rama -	39 20	14 0	36 28	32 0	28 0	128	100			6	1848 to 1854
198	—	60	Pandu Babu -	20 11	11 0	21 0	21 0	20 0	90	81			2	1848 to 1850
199	—	61	Malu Vithu -	34 4	19 0	32 0	38 0	36 0	100	89				
200	—	59/59	Bhicaji Ramchandra.	18 37	14 0	22 10	30 8	28 0	117	100				
201	—	57	Konda Anundrow	23 17	12 0	23 5	30 8	27 0	154	125				
202	—	56	Mhatarji Nimbaji -	28 9	22 0	28 20	39 0	37 0	77	68				
203	—	55	Haibati Putalji -	25 33	21 0	26 10	37 8	—	78	—				
204	—	54	Khanderow Subhan	6 38	2 0	8 26	4 8	3 0	125	50				
205	—	53	Raja bin Manaji -	25 2	12 0	26 20	26 8	25 0	120	108				
206	—	52	Deshmukh -	46 3	27 0	42 10	42 0	—	55	—				
207	—	51	Do.	47 28	34 0	49 10	58 8	—	—	—				
208	—	50	Do.	45 1	24 0	46 0	49 0	—	—	—				
209	—	96	Hanmanta Hari -	26 8	5 0	26 30	11 8	7 0	150	40	1	1848 to 1849		
210	—	97	Yeshu Raghu -	18 17	3 0	19 20	5 0	2 8	66	—16	13	1843 to 1856		
211	—	49	Guja Limbaji -	37 38	7 0	45 30	23 0	17 0	228	142				
212	—	48	Balu Vithu -	26 28	19 0	28 0	38 8	37 0	102	94				
213	—	47	Vithu Dhulu -	26 4	4 0	27 0	37 0	35 0	325	775				
214	—	46	Pandu Dhondi -	41 38	13 0	42 0	29 0	24 0	123	84				
215	—	45	Bala Vitho -	14 12 1/2	5 0	41 10	23 0	18 0	360	260				
216	—	44	Pandu Dhondi -	27 8	31 0	27 30	34 8	33 0	11	6				
217	—	43	Mita Nagu -	26 8	19 0	23 5	29 0	27 0	52	42				
218	—	42	Tukaram Maya -	37 19	8 0	37 10	16 8	14 0	131	75				
219	—	41	Matarji Nimbaji -	36 2	7 0	33 20	10 8	8 0	50	14				
220	—	40	Vithu Dhulu -	26 4	19 0	3 3 1/2	5 0	5 0	—73	—73				

New No.	Sub-division.	Old No.	Names of Khatedar.	According to Old Survey.		According to Revision Survey.			Per cent. Enhancement.		No. of Years uncultivated.	Actual Years uncultivated.	
				Area.	Assessment.	Area.	Assessment at the time of the introduction of Revised Rate.	Assessment reduced according to Government Resolution.	Original.	As reduced by Government.			
227	1 2	Out of 43	Mita Nagu -	A. G. —	RS. A. —	A. G. 2 7	RS. A. 2 12	RS. A. 2 8	—	—	13	1843 to 1856	
			Vithu Dhulu -	—	—	20 20	20 8	19 0	—	—			
				—	—	22 27	23 4	—	—				
228	—	99	Matarji Nimbaji -	25 8	17 0	25 15	27 0	25 0	58	47	4	1848 to 1852	
229	1 2	Out of 41	Do. -	—	—	1 8	0 13	0 12	—	—			
				32 19	5 0	20 80	9 0	5 0	80	—			
				—	—	21 88	9 13	—	—	—			
230	—	Out of 38	Bala Dhulu -	—	—	9 10	2 4	1 0	—	—	1	1852 to 1853	
231	—	37	Babaji Balaji -	27 8	8 0	27 30	15 8	12 0	93	50	3	1848 to 1851	
232	—	Out of 14	Khandu Moreshwar -	—	—	1 20	1 4	—	—	—			
233	—	86	Hanmanta Hari -	87 39	9 0	39 20	22 0	17 0	144	88	2	1848 to 1850	
234	—	35	Nagu Laxman -	32 28	8 5	28 0	12 0	7 0	44	-15			1
235	—	99	Tukaram Vithu -	38 11	9 12	18 31	4 8	2 8	-53	-74			
236	—	Out of 14/15	Khandu Moreshwar -	—	—	6 10	5 0	—	—	—			
				1	24	Sumbhu Mahad -	0 6	0 6	0 8	0 5	0 4	-16	-33
				2	25	Bhagai Sadu -	0 6	0 6	0 9	0 5	0 4	-16	-33
				3	26	Nagu Laxman -	0 11	0 12	0 14	0 7	0 7	-41	-41
				4	27	Pandu Dhondi -	0 39	1 2	1 9	1 14	1 8	66	39
				5	28	Nagu Laxman -	0 13	0 14	0 4	0 2	0 2	-85	-85
				6	28	Sumbhu Madhow -	0 24	1 2	0 2	0 1	0 1	-94	-94
				7	29	Bhagai Sadu -	0 24	1 2	0 3	0 2	0 1	-88	-94
				8	28	Sumbhu Mahadu -	—	—	0 9	0 5	0 4	—	—
				9	30	Bhagai Sadu -	—	—	0 9	0 6	0 4	—	—
				10	30	Nagu Laxman -	0 17	1 1	0 17	0 10	0 8	-41	-52
				11	31	Sumbhu Mahadu -	0 8	0 6	0 7	0 4	0 4	-33	-33
				12	31	Bhagai Sadu -	0 8	0 6	0 7	0 4	0 4	-33	-33
				13	31	Nhagu Shiwa -	0 11	0 8	0 9	0 5	0 4	-37	-50
				14	31	Masu Sadu -	0 11	0 8	0 9	0 6	0 4	-25	-50
				15	31	—	—	—	0 18	0 11	—	—	—
237	10/11/ 16/18/27	82, 84, 21, 19, 17	Pandu Dhondi -	1 32	4 4	2 2	3 1	2 11	-27	-36			
				16	83	Nagu Shiwa -	0 9 1/2	0 6	0 12	0 7	0 6	16	—
				17	83	Masu Sadu -	0 9 1/2	0 6	0 11	0 7	0 8	16	—
				18	83	—	—	—	0 23	0 14	—	—	—
				19	28	Sumbhu Mahadu -	—	—	0 10	0 6	0 6	—	—
				20	28	Bhagai Sadu -	—	—	0 10	0 6	0 6	—	—
				21	28	—	—	—	0 20	0 12	—	—	—
				22	28	Nagu Laxman -	0 18	1 5	0 23	0 14	0 12	-33	-42
				23	28	Nagu Shiwa -	0 13 1/2	0 12	0 14	0 8	0 8	-33	-33
				24	28	Masu Shiwa -	0 13 1/2	0 12	0 14	0 8	0 8	-33	-33
				25	20	Nagu Shiwa -	—	—	0 10	0 6	0 6	—	—
				26	20	Masu Shidu -	—	—	0 10	0 6	0 6	—	—
				27	20	—	—	—	0 20	0 12	—	—	—
				28	19	Nagu Shiwa -	0 5 1/2	0 5	0 8	0 5	0 4	—	-20
				29	19	Masu Shiwa -	0 5 1/2	0 5	0 8	0 5	0 4	—	-20
				30	19	—	—	—	0 16	0 10	—	—	—
				31	16	Nagu Shiwa -	0 13	0 11	0 10	0 5	0 4	-54	-63
				32	16	Masu Shiwa -	0 13	0 11	0 10	0 5	0 4	-54	-63
				33	16	—	—	—	0 20	0 10	—	—	—
				34	16	—	—	—	9 28	14 5	—	—	—
238	Out of —	8	Bapu Sultana -	—	—	2 35	2 4	2 0	—	—	1	1849 to 1850	
239	—	Out of 35	Nagu Laxman -	—	—	7 27	5 0	4 0	—	—	1	1849 to 1850	
240	—	Out of 99	Tukaram Vithu -	—	—	20 0	11 0	9 0	—	—			
241	—	Out of 7	Mahadharow Vithal -	—	—	0 12	19 0	18 0	—	—	2	1850 to 1852	
242	—	Out of 6	Bapu Sultana -	—	—	0 24	7 8	6 0	—	—			
243	—	Out of 5	Nagu Shiwa -	—	—	6 10	2 12	1 8	—	—			

New No.	Sub-division.	Old No.	Names of Khatodars.	According to Old Survey.		According to Revision Survey.			Per cent. Reassessment.		No. of Years unassessed.	Actual Years unassessed.		
				Area.	Assessment.	Area.	Assessment at the Time of the Introduction of Revised Rate.	Assessment as stated according to Government Memorandum.	Original.	As reduced by Government.				
244	1 2	Out of 5 —	Sakharam Nimba -	A. G.	RS. A.	A. O.	RS. A.	RS. A.	—	—	6 3	1848 to 1854 1849 to 1852		
			Sambhu Mahadu -	—	—	5 5	8 0	2 0	—	—				
						4 10	1 14	1 8	—	—				
						—	—	—	—	—				
						9 15	4 14	—	—	—				
245	—	Out of 5	Pandu Dhondu -	—	—	8 80	7 8	7 0	—	—				
246	—	Out of 2	Chaturbhuj Laxman -	—	—	11 25	7 8	6 0	—	—				
247	—	Out of 1	Rowji Mayaji -	—	—	0 6	0 1	0 1	—	—				
	—	—	Narayan Sakharam -	—	—	0 28	0 5	0 2	—	—				
	—	—	Mhapa Kasu -	—	—	0 4	0 1	0 1	—	—				
	—	—	Rama Hasu -	—	—	0 4	0 1	0 1	—	—				
	—	—	Krishnaji Khunderow.	—	—	0 14	0 2	0 1	—	—				
	—	—	Tukaram Vithu -	—	—	0 4	0 1	0 1	—	—				
	—	—	Deoji Sadashiv -	—	—	0 19	0 4	0 1	—	—				
	—	—	Gopal Dhondi -	—	—	0 6	0 1	0 1	—	—				
	—	—	Kusa Dhondi -	—	—	0 6	0 1	0 1	—	—				
	—	—	Gopal Govinda -	—	—	0 6	0 1	0 1	—	—				
	—	—	Hanmanta Hari -	—	—	0 14	0 2	0 1	—	—				
						—	—	—	—	—				
						2 30	1 4	—	—	—				
248	—	88	Malhow Vithal -	41 16	—	27 0	37 0	35 0	—	—	6	1848 to 1854		
249	1	84	Rhiva Nimba -	21 39½	—	25 10	27 8	26 0	—	—	3	1849 to 1852		
	2	—	Mhala Moghaji -	—	—	2 0	3 0	2 8	—	—				
						—	—	—	—	—				
						25 10	30 8	—	—	—				
250	—	Out of 5	Masu Sidu -	—	—	5 35	2 8	1 8	—	—				

MEMORANDUM BY MR. AUCKLAND COLVIN.

As I shall be shortly making over to my successor my place on this Commission, it may be well that I should leave some record of my views. The inquiry is still too incomplete to allow of my treating the subject exhaustively, but I may succinctly review the result of our investigations so far as they have now gone, and note down my conclusions.

Object of the Memorandum.

2. We have, first, to show what are the causes which have led to the depressed condition of the ryots; and, secondly, to ascertain what causes at the present moment, more than at any other, have stimulated the ryots in certain districts to take up a position of active hostility to their money-lenders, with whom they had hitherto lived amicably. The former, as common to Poona and Ahmednagar (and I may now add Sholapur), with other Bombay collectorates in which a similar condition prevails, should be general causes, and on the whole constant in their operation; the latter we may expect to find special, and restricted in their operation to the disturbed collectorates. I will take first the general causes.

Causes of present crisis, general and special.

3. The extracts made by the Commission from the Bombay Records show clearly enough that indebtedness is no new thing. I need not illustrate this at any length, for the papers I refer to amply prove it. Thirty or forty years ago the "improvident ryot," the "fraudulent Marwari," and the "courts" passed regularly through the pages of the Government correspondence precisely as they figure to-day. "The usurious character of the village banya is notorious," wrote Mr. Rose in 1848, and attributed "the poverty of the Deccan ryot in a great measure to his rapacity." He is afraid, however, that it will be difficult to remedy the evil effectually, as the ryots consider the banya almost necessary to their subsistence, and their thoughtlessness and ignorance would render it easy to frustrate any attempt to check or put a stop to his exorbitant gains. "The interest agreed upon in cases where the ryots are concerned is generally enormous, and the agreements are often fraudulently procured." So, too, Captain Anderson, writing in 1854 of Taluka Newasa, in the Ahmednagar collectorate:—

(1.) Former indebtedness.

I am led to believe, from inquiries made by me at the time of settlement, that about two-thirds of the ryots are in the hands of the Marwaris, and that the average debt of each individual is not less than Rs. 100. This under any circumstances would be a very heavy burden on the agricultural population, and owing to the harsh and usurious proceedings of many of the Marwaris, the system has engendered so much bad feeling, and the outcry regarding it on the part of the ryots is so loud and general, that it would be most satisfactory if measures could be adopted for the mitigation of its attendant evil."

And again, in Taluka Kharda:—

"The principal outcry, however, here as elsewhere, is against the Marwaris and the civil courts."

It will be enough to add here that the present debts are in a great measure the issue and outcome of the old indebtedness, and it is *the ancestral debt* which I should place first among the general causes.

4. But it was believed that the survey, by ensuring a light assessment, would enable the cultivator by degrees to free himself from the debt which hung round him. That the introduction of a light assessment might ultimately increase the ryot's embarrassments does not seem to have been generally foreseen, though Sir George Wingate, in 1852, warned the Government of it and asked for precautionary measures. (I cannot quote his letter, for it is passing at this moment through the press in Bombay.)

(2.) Effect of survey and settlement on credit.

"The present value of land represents another addition to the material wealth of the people of the district—

Colonel Francis, Survey and Settlement Commissioner, Northern Division, in writing: 1867 of the revised assessment of the Indapur Taluka of the Poona district,—

ascribable to the settlement. It has been shown in the first part of this report that prior to the introduction of that measure there were hundreds of acres lying waste and unprofitable, which no man cared to cultivate owing to the oppressive nature of the assessment and our defective system of revenue administration. All those broad acres have not merely been brought under tillage and thereby rendered profitable to the State, but their occupancy right has become a valuable private property. In proof of this I would refer to the results of the several land sales which have taken place during the last two years.'

And he goes on to state that the—

"Right of occupancy in land held under the settlement is now worth 17 years' purchase of the assessment. We may consequently assume that the private property pertaining to the occupancy of land now vested in the inhabitants of this district represents a capital of upwards of 13½ lakhs." —*Selections from Bombay Records*, No. CVII, New Series, pp. 51-52.

Similarly, in the debates on the passing of Act. I. of 1865, Sir W. Mansfield said that from 1850-51 to 1860-61 cultivation had increased "by upwards of 5,000,000 acres, i.e., upwards of 40 per cent." This was no doubt all very true, and if the survey had found a district even tolerably free of debt, this creation of a new and valuable property would have been to the ryot's benefit. But "with a district half depopulated," and "with heavy outstanding balances betokening the poverty of the people and the low state of its agricultural resources" (*ibid.*, p. 21), the rapid rise in the value of property served probably to inflate the credit of an uneducated people and to open a further field for money-dealers. The stock, seed, and cattle necessary for extended cultivation could have been obtained only on the credit of the "broad acres," which were probably in great measure broken up with aid of borrowed capital. The sudden creation of a new and good security would tempt to improvidence on the one hand and to speculation on the other. Extraordinary facilities for borrowing would be given to cultivating classes, too ignorant to use the opportunity to advantage, and too involved to be able to profit by it. Greater certainty of recovery would be assured to the moneyed classes, who live chiefly on the necessities of the cultivators. As one of the settlement officers of the day put it:—

"As long as the ryot is in the hands of the money-lender how can he prosper being so involved? Should he do so, his prosperity would only make the usurer the richer, without materially (if at all) increasing his own resources."—Lieutenant Burgess, CXXIII, *Bombay Selections*.

Similarly we read:—

"In 1841 Mr. Hart writes:—'Since the introduction of the present fixed assessment, the population of the district has much increased, cultivation has been rapidly extended, and the Government revenues annually enlarged, with less necessity for the grant of remissions, while the social as well as pecuniary condition of the peasants has been perceptibly improved.' He points out, however, an evil arising from the reduction of assessment, viz., the too suddenly extended cultivation naturally caused by it; so that a man instead of being contented with the land that he had and could cultivate, and saving money to increase his stock, took up twice as much land, which he could not cultivate properly, and on which in a bad season he was sure of remission."—P. 248, No. CXLV, *Bombay Selections*.

This sudden impulse given to credit, and artificial stimulus applied both to creditor and debtor by the survey assessments may, I think, come next among the general causes of the present indebtedness.

(3.) Effect of high prices on credit. ✓

5. But while this addition to the value of their property was by no means unmixed benefit to the agriculturists, a further increase of thriftlessness on the one hand and of greed on the other was unquestionably caused by the sudden and shortlived prosperity which accompanied the high prices consequent on the American war. Prosperity coming suddenly to men who do not know how to use it opens a side door to ruin, and no men did it ever visit more suddenly, or find more unready, than the Kumbhis of the Deccan. In the debate above alluded to Mr. Robertson said that land then sold for 20 times the annual assessment, Mr. Cassel adding that 30 was nearer the mark. If in some cases they cleared off their debts, they incurred in many others fresh liabilities, while their larger credit enabled them to sow on a scale more profuse than hitherto the seeds of future embarrassments. The stories told of the careless extravagance of those days—silver tires to cart-wheels, fabulous prices paid for fancy bullocks, and so on—are numerous: and withal there occurred a sensible improvement in the style of houses and of living. To a class already in debt a brief season of high prices brought in this manner further ultimate embarrassment, and by giving them for a time a taste of better things, made more intolerable to them the difficulties which they had hitherto accepted as their inheritance. *The temporary prosperity, then, of 1862-65 may be added to the general causes which have led to the present crisis.*

(4.) Fall of prices.

6. The relapse into low prices with its consequences of contracted credit and pressure on creditors has been almost as rapid as the rise in prices. The table at page 15 of Mr. Pedder's "Leading Points regarding Revision of Settlement" shows that from 1857 to 1860, 35 seers of jowari sold for the rupee; from 1861 to 1866, 18 seers; from 1870 to 1872, 27½ seers; and in September, 1874, 50 seers. In the Indapur Taluka the average price of jowari was 13 seers in 1863-64; in 1874, 50 seers. In Haveli, bajri sold in the five years 1866-70 for 14 seers, and in September, 1874, for 23. The result of so sudden a fall would be felt in two ways. It would induce the creditor to press for settlement of account, and it would at the same time greatly diminish the debtor's power of payment, so that *the sudden fall of price since 1865-66 comes next.*

(5.) Effect of fall of prices on credit illus-

7. The registration returns at present before the Commission illustrate in a measure the pressure of falling prices and decreasing credit. It is probable that they will be considerably added to, but the following figures will serve my present purpose.

In Ahmednagar the following figures show for all offices, except the city and Nagar taluka (excluded as being mainly non-agricultural), the number of sales and mortgages of immovable property, whether more or less than Rs. 100, during 1866-74 :—

trated by registration and litigation.

			Number.				Number.
1866	-	-	3,440	1871	-	-	4,274
1867	-	-	3,663	1872	-	-	4,585
1868	-	-	4,700	1873	-	-	3,803
1869	-	-	4,722	1874	-	-	2,912 ✓
1870	-	-	5,891				

Again, in the talukas of Sirur, Indapur, and Bhimthari of the Poona district, the following are the figures for the number of instruments of sale and mortgage of immoveable property whether over or under Rs. 100 :—

1866	-	-	1,428	1871	-	-	1,708
1867	-	-	803	1872	-	-	1,967 ✓
1868	-	-	804*	1873	-	-	1,833
1869	-	-	1,438	1874	-	-	1,122
1870	-	-	1,729				

In either case the rise up to 1872 and the sudden fall of the last two years will be noticed. It would seem that while up to 1872 credit was largely and increasingly drawn upon, during the last two years it has shown signs of exhaustion; the fall in 1874 being especially remarkable. I have not given the values, because I do not believe they are real values. Land is frequently sold or mortgaged for sums which do not represent its true price or the *bonâ file* debt, but the figure which it has reached after the accumulation of compound interest, which the creditor never hopes to recover, and which is merely put on to swell the apparent debt.

Again, the relative numbers of applications for execution of decrees during the last four years, as shown in the Government Administration Reports, have been as follows :—

1870-71	-	-	185,133	1872-73	-	-	205,192 ✓
1871-72	-	-	187,808	1873-74	-	-	266,581

I am not sure whether in the last entry the figures for Sind (which are excluded in the former years' statements) are not included, but they would make but little difference. In 1871 they amounted to 7,259, and in 1872 to 7,591 only.

Similarly, take the total value of suits :—

			RS.
1871-72	-	-	1,38,54,789
1872-73	-	-	1,44,33,646
1873-74	-	-	1,80,85,122

The subordinate judge of Pátas gives the following return of suits and applications for execution :—

Year.	No. of original suits.	Applications for executions. ✓
1871-72	-	1,532
1872-73	-	2,054
1874-74	-	1,881
1874-75	-	1,489
		2,107
		2,691

From another return I find that the total of suits in the several Poona courts was 9,076 in 1874, against 6,889 in 1865.

The above figures will illustrate the pressure put upon the people during the last two years. The number of applications for civil imprisonment, the number of debtors imprisoned, and the comparative number of suits for money debts would doubtless bring the point out clearer; but unfortunately the appendices to the Bombay administration reports vary so constantly that it is impossible to obtain from the report of one year figures corresponding for other years, or even, in some cases, to reconcile figures purporting to show the same results for a single year.

Whether, again, during the last four years there has been any increase in the number of coercive processes for the realisation of land-revenue the administration reports do not

* Approximate; actual figures given only for three months.

show. But enough has been entered here to illustrate the cause which I should place next among the general sources of the present embarrassments, *viz.*, *the pressure put upon debtors owing to the fall in prices and the necessity of contracting credit.*

Three remaining causes.

8. The other three general causes may be at present more briefly noted, for though most important in themselves, the one is self-evident, while the two latter require more analysis than can be given at this stage. They are, *the extreme ignorance of the cultivating population; the facilities given to creditors by the law; and the growth of the population on the soil, combined with the decreasing area of cultivable waste.*

Causes special to the disturbed districts.

9. The above then are the general causes which appear to me to have led to the present condition of the ryots. So far as I have been able to ascertain they apply, though with varying force, to all parts of the Presidency. There remains to consider the group of special causes which particularly affect the tracts which were the scene of the late disturbances.

Original poverty, Poona.

10. In the first place, the *population has been long described as exceptionally poor.* The following extracts will illustrate this. The first is from a report by Lieutenant Robertson, Assistant-Superintendent, Revenue Survey, writing in 1840 of Pábal in the Poona district:—

“The condition of the people of this turruf is by no means so impoverished as of those who fell under my notice further eastward in the Sholapur Collectorate, and the existing assessment, although unquestionably too heavy, is not so intolerable as elsewhere. *Wretched though the peasantry be, yet they are some shades better circumstanced in their house, clothing, and personal necessaries, and also in their stock and agricultural essentials.* The villages are in many places much dilapidated and their walls crumbling to the ground. There are 33 chowrees, of which 19 are inhabitable and the remainder in a miserable plight.”—*Bombay Selections*, No. CXLV., p. 139, *Pábal Revision*.

Writing in 1872, Colonel Waddington spoke of their condition as showing a “marked improvement,” and that they might, on the whole, be said to be in prosperous circumstances. But he admits that they are still in the hands of “the money-lenders” (p. 115).

Colonel Wingate, writing in 1841, and forwarding Lieutenant Robertson's report, adds:—

“There can be little doubt that the over-estimate of the capabilities of the Deccan formed and acted upon by our early collectors drained the country of its agricultural capital, and accounts in great measure for *the poverty and distress in which the cultivating population has ever since been plunged*” (pp. 148-149).

Again, of 39 villages which formerly belonged to the Supa division of the Purandhur pargana, but of which 30 were afterwards transferred to Bhimthari and nine to the Purandhar Taluka, Lieutenant Evans says:—

“The district is now in course of transition *from a state of great depression to one of comparative prosperity*” (p. 215).

Of 54 villages in the Pimpalgaon division of the Bhimthari Taluka, Poona:—

“What is stated there of the Kurkumb is equally true of the Pimpalgaon division of the pargana. The plundering of Holkar's army, the famine which ensued, the alteration in the value of money, and the ravages of cholera, have all combined to the injury of the district. Their effects are visible in the falling out of cultivation of more than half the pargana, in the ruin of the villages, in the accumulation of balances, and in the constant necessity for remissions” (p. 279).—*Captain Nash*, 1839.

The Indápur Taluka, Colonel Francis writes, was in 1832-33—

“Half depopulated by the effects of mismanagement and the unscrupulous rapacity of native officials, with a falling revenue and annually decreasing cultivation, with heavy outstanding balances, betokening the poverty of the people and the low state of its agricultural resources.”—P. 21, *Indápur Revision*, No. CVII.

Like the other talukas, it improved under the revised survey; but it must be borne in mind that, when the observations were made of which Colonel Francis recorded the satisfactory result in 1871-72, the effect of the recent high prices was still marked, and the period of prosperity was as exceptional as its depression 35 years before had been singular.

Of the Ráhuri Taluka of Ahmednagar—

Ahmednagar.

“It possesses little capital of any kind. The general poverty of the cultivators has made them fall an easy prey to the Marwaris and other money-lenders, who are to be found in every large village, and there are few cultivators of independent means who are able from their reserve funds to meet the losses caused by a bad season, the death of a bullock, or other unforeseen calamity. In an unfavourable year many ryots are even unable to earn a livelihood, and are forced to desert the district and proceed to Bombay and other places in search of labour.”—P. 7, CXVII., *Captain G. Anderson*, 1849.

Of Newása—

“A great majority of the ryots are deeply involved in debt” (1854, *Captain Anderson*, CXXIII., p. 13). “Such is the poverty of the husbandmen of this and other districts that they appear to be all

"dependent upon the sowkars, who exact from them 20, 30, or even 40 per cent" (p. 176, *ibid.*, *Lieutenant Day on Newasa*, 1848). "After a careful consideration of all available information, I am of opinion that about one-eighth of the agricultural class of the district may probably be in easy circumstances, but that the remainder are in *different degrees more or less of absolute poverty*" (*ibid.*, p. 192, *Mr. Goodline*, 1851). "Although more favourably situated as regards climate than the southern villages in the suba of Párner and the petta of Kolgaon, still these villages seem to me to be the most impoverished in the district. The apparent state of poverty in which the ryots seem to be would bear me out in this opinion. *They one and all struck me as being in a wretched state of indigence.*"—P. 194, *Mr. Davidson on the Kharda Taluka*, 1842.

11. The above extracts seem to me to show pretty clearly the exceptionally impoverished state at the last survey of the Collectorates of Poona and Ahmednagar, the scene of the recent disturbances. The following further information as to the nature of the country, the soil, rainfall, and crops will fill in the picture and bring out into further relief the exceptional character of the tracts:—

"The climate of Indápur has unfortunately, however, prevented the cultivators from realizing that material wealth which is indicated by the immense rise in price of grain referred to above. *The rainfall is most precarious.* For two or three consecutive years together it is either insufficient or the falls so untimely and at such long intervals apart that no crop is brought to maturity. A good average crop every other year is too liberal an allowance as an average of the general run of seasons. From the jumabandi reports it would appear that the cultivators get a good crop about once in three years; that of the other two, one is a year of almost complete failure, and one of middling crop only."—P. 73, No. CVII., *Revision of Assessment of Indápur Taluka*, Colonel Francis, 1867.

The average rainfall during five years was 5·85.

In the Haveli Taluka of Poona, 34·5 of the total cultivation of Government and Inam lands is bajri; 40·4 is jowari; 13·5 waste. In other words, dry crops of the least remunerative kind are almost the only crops grown. The rainfall in Poona is 27·07; in Pátas, 14·18.—Pp. 16, 17, *Papers relating to Revision of Haveli and other talukas in the Poona Collectorate*, No. CXLV., *Bombay Selections*, New Series.

In Pábal the rainfall averages 14·91; in Sirur, 13·81; in Junnar, 21·07; in Ghora, 20·1; in Khed, 19·86. Of a total proposed assessment of Rs. 15,854 in Pábal Rs. 15,733 is for "jiráyct" or dry land. Of a total of 13,841 acres, 12,772 are "jiráyct."—*Ibid.*, pp. 114-128.

In Supa petta:—

"The kharif crops are bajri with mung, &c., the only rabi crops being jowari, among which a good deal of kurdai is sown broadcast. In the northern and eastern villages the late crops, and in those to the west and south the early crops predominate. Cultivation is very carelessly conducted, except in a few villages, and the crops overrun with weeds. Land is not ploughed more than once in three or four years, and the use of manure on dry crop lands, except to a limited extent by the folding of sheep, of which great numbers are reared, is apparently unknown. The garden lands, which are almost exclusively under irrigation, are by no means of a high class."—*Ibid.*, p. 189.

The rainfall is 17·51 (p. 193).

In Bbinthari—

"The country is an open plain. The soil is productive, while the rainfall is capricious, unequal, and too often scanty."—*Ibid.*, p. 239.

Of the cultivated area in 48 villages, 35·6 was jowari, 43·4 bajri, 10·5 unoccupied waste.

12. In the Ahmednagar Collectorate, Newasa Taluka is described as having a naturally fertile soil, and, with good tillage, capable of yielding very rich and luxuriant crops.—No. CXXIII., *Bombay Selections*, p. 9. But—

"The cultivation is principally dry crops. Garden crops, notwithstanding the plentiful supply of water, are only raised in the proportion to the entire cultivation of about one acre per cent."—(*Ibid.*)

Kharda—

"Is composed of a succession of plains or table-lands of hills (volcanic) intersected by deep ravines; the termination of the table-lands throwing off numerous spurs into the successive small plains or valleys below them, which altogether form a most intricate and rugged surface. The fertility of a district thus geologically formed, and the surface of which is so irregular, will of course vary greatly in different localities. It is generally allowed by geologists that volcanic rocks form the most fertile and inexhaustible soils; but much depends on their class and upon the comparative level of their surface. The soil of the plateaus or level plains on the tops of the hill, being derived from the substratum of basalt, is in general very fertile; but that derived from the amygdaloid is much less so, which may be partly owing to its position and partly to its decomposed materials producing an excess of lime, soda, or other noxious salt. *The proportion of this rock is far greater than the basalt*, and it is difficult to convey an idea of the sterile and desolate appearance of the slopes of the hills which are composed of it. On the whole, I think the district, for its size is one of the poorest we have yet measured."—*Ibid.*, pp. 183-184.

Of Nagar, the soil, like the climate, "varies considerably, owing to the numerous hills. The fall of rain, within limited localities, is very irregular."—*Ibid.*, p. 81.

Kortee—

"In its aspect is decidedly inferior to any district hitherto assessed. There are few trees anywhere—in some parts none; and owing to the large proportion of rocky and unprofitable ground, almost destitute of vegetation, the country generally presents a most dismal appearance."—*Ibid.*, p. 103.

Population.

When it is added that the population of Indápur is 119 to the culturable square mile, and about the same ratio in the other talukas, sufficient information will have been given to show why I should class as the second of the special causes *the exceptional character of the country.*

Enhancement of revenue at the revised assessment.

13. Ahmednagar has not as yet come under revision of assessment, but several of the Poona Talukas have been re-assessed. The Government in their resolutions marginally noted, have ordered a material reduction both in the rates of assessment and in the amount of increase to be imposed in individual cases, or on groups of villages, or on talukas; but I am dealing at present with the assessment as imposed by the survey on revision, with its effect at that time and since upon the relations of creditor and debtor, and with the mode in which it may have operated to dislocate the amicable relations hitherto existing between them.

Enhancement of revenue at the revised survey assessment.

14. We have been favoured by Colonel Francis with returns showing the former and revised assessments in the talukas of Bhimthari, Indápur, Sirur, and Haveli. To illustrate the effect of the new settlements on the villages concerned I note the following cases, premising that they are not selected, but are simply every fifth entry:—

Taluka and Village.	Old Assessment.	New Assessment.	Old Average Rate.		New Average Rate.		Cultivated Area.	
			RS.	A. P.	RS.	A. P.	Old.	New.
BHIMTHARI TALUKA								
	RS.	RS.	RS.	A.	P.	RS.	A.	P.
Mirwadi - - - -	820	1,680	0	6	9	0	13	8
Bori Aindi - - - -	1,875	2,318	0	7	5	0	10	0
Wálki - - - - -	1,545	2,699	0	10	4	1	0	1
Pánaoli - - - - -	842	453	0	5	11	0	6	4
5 Khutbar - - - -	867	884	0	6	2	0	6	0
Bori Pardhi - - -	1,051	1,869	0	7	1	0	11	3
Roti - - - - -	490	658	0	5	5	0	6	2
Hingnn Gadi - - -	693	1,041	0	8	10	0	4	4
Sirsuphal - - - -	2,665	4,372	0	8	7	0	4	7
10 Pedgaon - - - -	1,180	2,138	0	7	9	0	13	8
Wadgaon Darakar -	628	1,031	0	9	10	1	0	2
Ambi Khurd - - -	476	601	0	4	9	0	5	7
Chopdaj - - - - -	865	1,231	0	6	4	0	7	10
Wálki - - - - -	669	744	0	6	5	0	6	7
15 Murum - - - - -	2,130	2,911	0	7	9	0	9	5
Sonaoli - - - - -	969	1,458	0	5	6	0	7	11
Jalgaon - - - - -	1,770	2,625	0	7	2	0	10	3
						ACRES		ACRES.
						1,951		1,963
						2,953		3,721
						2,399		2,526
						913		1,150
						2,246		2,368
						2,371		2,665
						1,440		1,702
						2,899		3,379
						11,999		15,190
						2,440		2,609
						1,024		1,019
						1,595		1,734
						2,191		2,543
						1,668		1,806
						4,395		4,863
						2,824		2,948
						3,941		4,089

In the three next talukas I will take every tenth entry only, as the record becomes cumbrous.

Taluka and Village.	Old Assessment.	New Assessment.	Old Average Rate.		New Average Rate.		Cultivated Area.	
			Old.	New.	Old.	New.		
INDAPPUR TALUKA.								
	RS.	RS.	RS.	A.	P.	RS.	A.	P.
Indápur - - - - -	4,981	8,226	0	5	0	0	6	9
Bhaudgaon - - - -	1,242	1,854	0	6	11	0	9	11
Shetphal - - - - -	1,394	2,102	0	6	4	0	9	4
Bhandi - - - - -	469	780	0	5	10	0	8	8
Sugaon - - - - -	533	979	0	6	7	0	10	11
Akola - - - - -	1,173	1,751	0	5	3	0	6	11
Loni - - - - -	1,261	1,860	0	6	3	0	8	8
Udhat - - - - -	685	899	0	7	11	0	10	0
						ACRES.		ACRES.
						16,028		19,464
						2,888		2,999
						3,510		3,607
						1,286		1,445
						1,288		1,434
						1,636		2,217
						3,249		3,429
						1,390		1,434

Taluka and village.	Old Assessment.	New Assessment.	Old Average Rate.	New Average Rate.	Cultivated Area.		
					Old.	New.	
SIRUR TALUKA.							
	RS.	RS.	RS. A. P.	RS. A. P.	ACRES.	ACRES.	
Kanbur - - - -	4,177	7,401	0 7 0	0 14 4	7,790	8,279	
Shikrapur - - -	4,162	5,587	0 6 0	1 0 9	5,333	5,445	
Shinfakrar - - -	203	373	0 11 0	0 15 4	272	390	
HAVELI TALUKA.							
Ghorpari - - - -	890	1,891	1 2 8	2 4 11	764	819	
Wadgaon Sheri - - -	475	931	0 7 5	0 12 3	1,027	1,213	
Pashan - - - -	1,558	2,454	0 10 9	1 0 7	2,314	2,364	
Nandosi - - - -	680	1,037	0 11 3	0 15 7	969	1,064	
Phursangi - - - -	3,153	5,239	0 14 0	1 6 0	3,613	3,817	
Mulkhed - - - -	669	1,098	0 14 6	1 5 7	740	814	
Kolewadi - - - -	1,912	3,696	0 9 10	1 0 2	3,123	3,652	
Pimpri - - - -	1,689	2,718	0 9 6	0 15 1	2,834	2,887	

In estimating the significance of these figures it must be remembered that the "old assessment" does not mean, as ordinarily in the north-west provinces, the assessment of the first year of the expiring survey, but of the last year—i.e., the year immediately preceding the introduction of the new assessment. The amount paid during the currency of the settlement increases as assessed land is brought under cultivation, and the increase between the first year of the original and the first of the revised demand is in most cases very much greater than would seem from the above figures. This will be illustrated presently, but before passing to the illustration, it must be further noted that "old cultivation" means the cultivated area in the year immediately prior to the new survey. The new survey shows in many cases different figures of cultivation, because in the districts which 30 years ago were the first to come under the present system of survey the classification of uncultivable land was often inaccurate, and included much which was cultivated during term of settlement and at revision was accordingly entered as cultivated. To this re-classification much of the enhanced assessment is due. The new assessment also, it must be added, represents the assessment on all assessable lands, though all assessable lands may not be actually taken up at the time of the survey. However, as a matter of fact, they almost all were taken up in the talukas now in question; the area of land not taken up is infinitesimal; and for purposes of comparison the assessment of the first year of the revised survey may be taken as the full assessment.

Enhancement not to be calculated as in Upper India.

It will be well to note here a few of the extreme cases of enhancement, apparently not due to any errors of survey, and in which the increased area of cultivation does not account for much increase in revenue. In this, as in the previous figures, the entries under the old and new average rate should be noted for comparison:—

Illustrations of extreme cases of enhancement.

Taluka.	Village.	Old Assessment.	New Assessment.	Old Average Rate.	New Average Rate.	Cultivated Area.	
						Old.	New.
		RS.	RS.	RS. A. P.	RS. A. P.	ACRES.	ACRES.
Bhimthari	Kasurdi - - - -	1,283	2,326	0 8 9	0 14 8	2,343	2,543
	Kedgaon - - - -	2,241	3,820	0 7 8	0 12 8	4,672	4,828
	Pargaon - - - -	4,086	7,962	0 9 1	0 15 4	7,214	7,637
	Naugaon - - - -	2,776	4,892	0 10 6	1 2 1	4,222	4,317
	Khopodi - - - -	489	960	0 9 0	1 1 7	873	875
	Dapodi - - - -	1,510	3,026	0 9 4	1 2 1	2,588	2,666
	Patus - - - -	2,527	3,591	0 7 6	0 11 6	5,391	5,004
Indapur	Randa - - - -	6,787	10,528	0 6 3	0 9 1	17,348	18,482
	Warkuta - - - -	1,194	2,289	0 4 5	0 7 5	4,322	4,955
	Ajoti - - - -	559	1,163	0 6 3	0 11 11	1,438	1,562
Sirur	Talegaon - - - -	11,631	19,184	0 11 2	1 1 0	16,691	18,030
	Pimdi - - - -	662	1,006	0 10 3	0 14 8	1,037	1,099
Haveli	Kotasirur - - - -	2,440	4,742	0 4 0	0 6 11	9,610	10,905
	Bhamburde - - - -	1,094	2,459	0 10 9	1 8 3	1,633	1,618
	Hudapsar - - - -	3,288	5,599	0 14 4	1 7 9	3,676	3,773
	Nandira - - - -	1,041	1,706	1 2 2	1 14 3	915	900
	Balawadi - - - -	633	1,129	0 12 11	1 6 3	784	812
	Naugaon - - - -	1,693	3,227	0 8 2	1 13 5	3,330	3,849
	Kolewadi - - - -	1,912	3,696	0 9 10	1 0 2	3,123	3,652

Comparison of enhancement between the initial years of the two surveys.

In further illustration of the initial assessment imposed at the two surveys, I take the following figures :—

Taluka.	Average Collections.		Assessment of Revised Settlement on cultivated Land (excluding waste).
	First 10 years of Settlement.	Last 10 Years.	
• Indapur - - -	RS. 65,220	RS. 83,048	RS. 1,24,506
† Haveli (84 villages) - - -	69,744	78,152	1,34,189

Taluka.	Average Collections of First Six Years of Survey.	Average Collections of last 10 Years.	Revised Assessment.
‡ Pábal (56 villages) - - -	RS. 81,784 (Collections of first 10 years).	RS. 92,297	RS. 1,52,228
§ Supa (39 villages) - - -	48,856	55,500	81,943
¶ Bhimthari (48 villages) - - -	43,407	72,588	1,29,842

It is not very easy to any one unfamiliar with the local system of reports and tables to pick out figures like the above; but I have given the pages at which the figures will be found, and perhaps the Commission will be good enough to satisfy themselves of their accuracy.

The result would seem to be, then, that in the villages of the above five talukas, of which the ~~initial reports were before me~~, the increase in 30 years was as follows :—

Taluka.	Collections of First Period of Initial Settlement.	Revised Assessment at expiry of 30 Years.	Percentage of Increase in the thirtieth Year over the Collections of the First Period.
Indápur - - - -	RS. 65,220	RS. 1,24,506	RS. 90
Haveli - - - -	64,452	1,34,189	108
Pábal - - - -	66,508	1,52,228	85
Supa - - - -	48,856	81,943	68
Bhimthari - - - -	43,407	1,29,842	199

Survey figures of enhancement in five Poona Talukas.

The real increase is considerably greater, because the collections of the *first decade* were considerably in excess of the collections of the *first year* of the old survey. Finally, a statement furnished by Colonel Francis shows the percentage of increase between the assessment in the *last* year of the old settlement and the *first* year of the new—a single year—to be as follows :—

	Percentage.
Indápur - - - -	- 56
Pábal - - - -	- 48
Haveli - - - -	- 66
Bhimthari - - - -	- 63
Supa - - - -	- 32

Effect of survey enhancement.

The highest percentage of increase in any district in the North-West Provinces between the first year of the old and of the new settlement (a period of 30 years) has hitherto been 36, and this is in the exceptional, because recently reclaimed districts of Gorakhpur and Basti: the average for the province is 16 per cent. The difference between the land cultivated at the old and the new assessment has been enjoyed by the agricultural classes in that province for 30 years. At the end of that term they have undergone an

• Pages 39, 76, Indápur, No. CVII.

† Pages 120-123 and paragraph 2, Government Resolution, dated 29th October 1874, No. 5739.

§ Pages 195-21 and paragraph 235.

‡ Pages 84, 90, Haveli, No. CXLV.

¶ Pages 250-253.

enhancement of 16 per cent., once and for all, *over a term of sixty years*. Payment of a full assessment on lands broken up during settlement, as well as of a sum down for the right of occupancy, and further payment of enhanced revenue on the whole holding at revision, leaves but a scanty balance for accidents or bad years. The effect, moreover, of so great and so sudden a rise as 50 or 60 per cent. on the credit of cultivators is obvious; but that effect, in the case before us, must have been greatly aggravated from the fact that the introduction of these heavily enhanced assessments was synchronous with the commencement of reaction, failing credit, falling prices, and pressing creditors. The period during which the new demand was introduced ranged from 1868-69 to 1874-75. There were further circumstances attending the revision of the demand which will be noticed presently, and which must have added to the force of the blow struck by revision at the value of landed securities. For fuller information on this point, we want a return showing for the districts which have come under revision figures for the last 10 years giving the number of processes, the number of sales and of remissions, the amount of land thrown out of cultivation, and the amount of interest or fines annually levied on arrears. The collector of Poona has stated that "the difficulty of collecting the revenue has largely increased" (No. 1992 October 1875), giving as chief among other reasons that—

"Most of the land is mortgaged, and that the money-lender has to pay the assessment, which he will not do until he has exhausted every artifice to obtain a reduction of assessment."

I think the above considerations justify me in placing *the excessive enhancement of the revised settlements* as third among the special causes which have combined to disturb the relations of debtor and creditor in the Poona district, and the adjoining Ahmednagar district, in which survey will shortly commence.

15. The only other cause which I have to specify here as specially affecting the Deccan is the extent to which it has apparently been made the scene of the Marwaris' operations. I speak of course with no personal knowledge, but I am told that the Marwaris are peculiarly numerous and active in the Deccan, and as they are the most pushing and unscrupulous of money-lenders, it is probable that they have not spared the ryot at this crisis.

Great prevalence of Marwaris in the Deccan.

16. So much for the causes of indebtedness generally, and for the special causes which have combined with them in the disturbed tracts to tighten the relations between the money-lenders and the cultivating classes. With the immediate motives for the outbreak I am not at present concerned. The Commission will deal with them in due course. What I wish to bring together here are the causes which made the districts ripe for mischief.

17. The condition of the ryot, as he is to be found in the districts of Poona and Ahmednagar, is then the result of all these concurring causes. The reports of district and other officers will be quoted to support the following brief description of what that condition now is.

Action on the cultivating classes of the above causes.

18. The Kumbi, especially if a headman, is occasionally prosperous and able to invest his little capital in petty loans; more often he is involved in the commencement or the midcourse of difficulties, the issue of which every day's observation of his fellows may teach him; and in a large number of cases, he either is in or is about to occupy the curious position which seems likely to be the outcome of all the expenditure in surveys. The position is that of a man recorded as occupier of his holding, and responsible for the payment of revenue assessed on it, but virtually reduced by pressure of debt to a tenant-at-will, holding at a rack-rent from, and sweated by, his Marwari creditor. It is in that creditor's power to eject him any day by putting in force any one of the decrees he has against him; and if allowed to hold on, it is only on condition of paying over to his creditor all the produce of his land not absolutely necessary for next year's seed grain or for the support of life. He is indebted on an average to the extent of 16 or 17 years' payment of the Government revenue. He has nothing to hope for, but lives in daily fear of the final catastrophe. Under a so-called ryotwari system it is gradually coming to this, that the ryot is the tenant and the Marwari is the proprietor. It is a zemindari settlement; but it is a zemindari settlement stripped of all the safeguards which under such a settlement in Upper India are thought indispensable to the tenant. The proprietor is irresponsible; the tenant, unprotected. It promises to become not a ryotwari, but a Marwari settlement. The settlement is more and more between the Government and the Marwari, though neither declares the position. While the Marwari has no wish to possess himself of the land, but of its produce only, the Government, so long as the Kumbi is recorded as proprietor, hesitates to look below the surface. Hence the survey which found him 30 years ago in debt, but with thousands

Sketch of the present condition of the Kumbi.

of waste acres to fall back upon, returns to him and finds him more in debt than ever, but with little or no reserve of waste acres. Nevertheless, it calls on him for largely increased payments; and the Marwari, on whom the increased payment falls, replies to the call not by remonstrating against the assessment, but by squeezing fresh bonds or by taking his debtor into court. The Kuumbi's last state is worse than his first, and from all sides the pressure on him is increasing. To demonstrate the truth of the above sketch, I will quote from the reports of district and judicial officers, and give illustrations from the figures gathered by the Commission.

District Deputy Collector, Khandesh, para. 11, No. 108, dated 12th July 1874.

19. "It appears from the circumstances which came now and then to my knowledge connected with the realisation of land revenue, that the condition of some of the land-holders has been actually worse than that of day labourers. Though they with all their family members work hard throughout the year, they are obliged to take the whole produce to their creditors, and to stand at their mercy for livelihood and even for the assessment of land. They have no liberty to dispose of the fruit of their labour—a very grievous state of things indeed."

Collector, Nasik, No. 2518, dated 24th July 1874. First Assistant Collector Ahmednagar, No. 188, dated 6th July 1874.

"But what more than all keeps the people down is the unfortunately common custom of the ryot making over the whole of his crop to his sowkar, who takes it at his own valuation, often a most unfair one; and thus the ryot when once in the money-lender's hands is never allowed to get free."

"The ryots, especially in Sheogaon and Neware, are in a very impoverished state, and I believe that in numberless cases they are actually only cultivating as servants of sowkars, although the land may still be standing in their own names. The farm bullocks, and indeed everything of value, either belong to the money-lenders or are mortgaged to them, and these money-lenders sweep off the crops as soon as harvested, only leaving with the ryots barely sufficient to eke out a subsistence till the following year. They are too ignorant and powerless to help themselves, and gradually, unless measures are taken to protect them, must become extinguished as a class of tenant farmers, and must descend to be farm servants or labourers in the employ of Marwaris or other capitalists."

Second Assistant Collector, Ahmednagar, No. 253, dated 4th July 1874.

"The present land assessment is light and takes but a very small proportion of the produce of the soil; still there is a great deal of trouble in getting it paid. The people were said to be deeply in debt when the survey was introduced nearly 30 years ago, and it was hoped that the moderation of the new rates would enable them to free themselves. They are, however, more involved now than they were then, and the bonds registered in our offices show how hard are the bargains made with them."

Collector, Poona, No. 1992, dated 4th October 1875.

"The difficulty of collecting the revenue has largely increased, owing chiefly to the fact that most of the land is mortgaged, and that the money-lender has to pay the assessment, which he will not do until he has exhausted every artifice to obtain a reduction of the assessment. . . . The majority of the cultivators are not *bona fide* in possession of their holdings. The land stands in their name, but they are practically tenants-at-will of their Marwari creditor, who pays the assessment and takes a portion of the produce—usually about one-half."

Collector, Ahmednagar, No. 2899, dated 5th October 1875.

"It is to be feared that not two-fifths of the ryots in most parts of the district are *bona fide* in possession of their holdings, more than three-fifths of them being so deeply in debt to their sowkars that under our present Civil Courts system it is utterly impossible that they should ever get out of their power. It is the object of the sowkar to get his debtors thus hopelessly into his power, and when they are so they are little better than his tenants-at-will. But yet there is what to the ryot makes a difference; for in most cases the ancestral acres still stand in the ryot's name, and he lives by and cultivates them; as it is not as a rule the sowkar's object in the first place to get the land in his own name, since he cannot cultivate it himself, and often, when he has got it, the ryots of the village by combining not to cultivate for him make it less profitable to him than it was before. . . . As to what the exact condition is under which the ryot is allowed thus to continue in name the owner of his land and to cultivate his ancestral holding it is a very simple one. He is allowed to do so just as long as the sowkar can get more out of him than he thinks he could from the land direct without his intervention."

Collector, Dharwar, No. 67, dated 7th January 1875.

"If full and careful inquiries were instituted in those districts where the condition of the ryot is reported as unfavourable, it would probably be found that a very large proportion of the cultivators have parted with their occupancy rights, and are now cultivating either as sub-tenants paying high rates or upon (to them) the most ruinous system of "koré tenancy," under which the ryot cultivates the land and hands over to his creditor the bulk of the produce."

Memorandum, Revenue Commissioner, Southern Division, No. 2492, dated 17th August 1875.

"Of the condition of the people generally Mr. Boswell and his assistants give a very melancholy account. They are described as almost universally overwhelmed with debt, unable to cultivate properly in consequence (of which a striking example is given by the fact that Government having at great expense provided the means of irrigation so much required in the parched district for nearly 42,000 acres, the people have as yet been able to irrigate less than 500 acres), and rapidly losing their lands which is passing into the hands of the sowkars. If what is stated by Mr. Sinclair—that the only persons at all prosperous are those who having received some education are able to combat the sowkars with their own weapons, fraud, chicanery, and even forgery—is correct, it is deplorable to find that moral as well as material degradation has been the result of measures intended to promote the welfare of the people."

Statement of Subordinate Judges.

20. I will not give further extracts here, but of the 47 printed foolscap pages of extracts from district reports for the single year 1873-74, the greater part is occupied with similar statements. They will doubtless be sent on to Government with the Commission's report, and I will not refer to them here further than to say that from all parts of the Presidency the tale is in substance the same. But, the collateral testimony of Subordinate Justices who have good opportunities of making themselves acquainted with the nature of the relations between creditor and debtor, may be briefly noted.

Sub-Judge, Patus, dated

The ryots within the jurisdiction of this court are involved in debt to an extent beyond all hopes of redemption, and they are completely in the hands of the money-lending classes. The ryots have

learnt to view decrees, attachments, and sales with the utmost indifference, and will not move a step to protect themselves from the rapacities of the sowkars; hence the absence of any applications from them for a change in the locality of sales, notwithstanding their knowledge that their properties were sold in court at ruinous prices for them."

"Occasionally specific agreements are made for a share in the produce. Rs. 50 are lent, in consideration of which the debtor gives one-fourth share in the produce of his land in lieu of interest only. In case of a good harvest, one-fourth share in a year's produce is equal to the principal amount. The assessment is of course paid by the debtor. If the debtor has not the means the creditor pays it, but he charges it on the debtor with interest."

"Money-lenders generally buy such land, and it is seen that land is fast passing into the hands of sowkars from those of cultivators. The aim of the creditor is generally to possess himself of everything the debtor has; so he never stops till his debtor has lost everything. Creditors, as a rule, buy the debtor's land. The lands are generally sold at an under value."

"The indebtedness of the Kumbi is increasing, and he is sinking deeper and deeper into the mire. A few rupees borrowed from a creditor in an evil hour often serve to deprive him of his immovables and moveables and all, and oblige him to depend on his creditor for his very bread."

21. The returns asked for by the Commission showing the ratio of indebtedness to Government revenue in the disturbed tracts have not yet been received. But Mr. Pollen, Second Assistant Collector, Khandesh, has sent us detailed statements for eighteen villages in four talukas of that district, the result of careful personal inquiry, village by village, which give the following results:—

Taluka.	Number of villages concerned.	Number of Families.	Amount of Assessment.	Amount of Debt.
			RS.	RS.
Suoda - - -	5	459	6,959	2,17,367
Chopra - - -	4	559	17,411	4,37,628
Nasirabad - - -	5	547	19,317	1,65,247
Jammer - - -	4	474	16,162	76,293
	18	2,039	59,851	8,96,535

The indebtedness varies from four to thirty-one years' revenue in the above talukas, and averages 14.9. The family average debt ranges from Rs. 160 to Rs. 782, and averages Rs. 444, with an average assessment of Rs. 29, or fifteen years' assessment.

In ten villages of the Ahmednagar Collectorate (taluka Pärner), inquiries made during our recent tour showed these results:—

Total number of khatas.	-	-	-	1,013
„ of indebted khata-dars	-	-	-	355
„ „ paying between Rs. 5 and 20 revenue	-	-	-	213

Of these, the greater part owed sums from Rs. 100 downwards.

22. We have also at present before us the ratio of khatas held by Marwaris in eighteen villages of three talukas, and the amount held successively in the three decades 1854-55, 1864-65, 1874-75. They show, as has been noted, that the Marwaris do not, as a rule, desire to possess themselves of the land, or to record themselves as proprietors, though in some districts they may be found willing to do so. They usually prefer to keep the nominal occupier on, and sweat him. It is only, as I understand, when a Kumbi has resort to a second money-lender, or is from any cause unable to cultivate, or has in his khata exceptionally good lands, that the Marwari steps in and causes a transfer of the proprietary title to his own name:—

Taluka.	Village.	Total No. of Khatas.	Revenue of Revised Survey.	Area.	No. of Khatas held by Marwaris.	Assessment.	A in Acres.	
Indipur - - -	Indapur - - -	386	Rs. 7,372	Acres. 19,443	1854-55	5	133	426
					1864-65	22	211	702
					1874-75	36	912	2,189
Ditto - - -	Bhowri - - -	336	10,780	18,503	1854-55	15	221	453
					1864-65	10	—	—
					1874-75	18	889	1,438
Ditto - - -	Nimgaon Kheski -	186	2,657	8,252	1854-55	3	22	71
					1864-65	2	15-12	43
					1874-75	1	11	17

8th September 1874. 1.

Patas Sub-Judge's letter, No. 27, dated 31st March, 1875.

Sholapur Sub-Judge's letter, No. 9, dated 27th March 1875.

Talegaon Sub-Judge, dated 14th June 1875.

Illustration of indebtedness in Khandesh. c.

Illustration of indebtedness in Ahmednagar.

Progressive increase of Marwari proprietorship.

Taluka.	Village.	Total No. of Khatas.	Revenue of Revised Survey.		Area.	No. of Khatas held by Marwaris.		Assessment.	Area in Acres.
			Rs.	Acres.					
Indápur - -	Kullus - -	177	3,767	12,396	1854-55	1	12	49	
					1864-65	2	24	82	
					1874-75	3	80	294	
Ditto - -	Lasumé - -	127	3,836	8,643	1854-55	—	—	—	
					1864-65	—	—	—	
Ditto - -	Palasdeo - -	178	4,001	7,417	1874-75-76	—	330	548	
					1854-55	5	15	19	
					1864-65	5	48	87	
*Purandhar - -	Kusba Walhe - -	285	4,906	11,558	1874-75	11	267	467	
					1854-55	27	—	1,038	
					1864-65	29	794	1,040	
					1874-75	31	933	1,143	
Ditto - -	Khalod - -	183	3,025	3,114	1854-55	12	80	114	
					1864-65	8	68	82	
					1874-75	6	73	82	
Ditto - -	Deweh - -	306	3,695	8,474	1854-55	13	105	106	
					1864-65	17	177	172	
					1874-75	19	209	214	
Ditto - -	Veer - -	162	3,027	7,184	1854-55	6	20	43	
					1864-65	10	228	207	
					1874-75	10	243	240	
Ditto - -	Kasha Sasur - -	384	4,645	5,692	1854-55	40	442	381	
					1864-65	42	646	606	
					1874-75	44	673	555	
					1854-55	18	187	244	
Ditto - -	Beisar - -	201	2,651	4,170	1864-65	19	260	274	
					1874-75	19	240	236	
					1854-55	—	—	—	
Haveli - -	Wagholi - -	147	6,376	8,919	1864-65	2	84	111	
					1874-75	4	104	87	
					1854-55	—	—	—	
Ditto - -	Lonikund - -	81	1,351	4,211	1864-65	1	6	4	
					1874-75	9	145	311	
					1854-55	5	248	578	
Ditto - -	Lohogaon - -	132	4,435	9,106	1864-65	5	161	351	
					1874-75	5	280	704	
					1854-55	3	66	81	
Ditto - -	Loni Kalbhar - -	209	8,157	10,359	1864-65	4	68	81	
					1874-75	10	450	490	
					1854-55	3	102	156	
Ditto - -	Naudosi - -	61	1,148	2,736	1864-65	10	215	309	
					1874-75	17	503	573	
					1854-55	19	278	270	
Ditto - -	Hadaepar - -	204	6,438	5,066	1864-65	23	406	430	
					1874-75	23	791	467	
					1854-55	—	—	—	

* Note.—The villages after this have not yet come under revision.

Further information needed.

23. To make these figures of more value as an illustration of the ratio of embarrassment to actual transfers, we should have a statement showing, so far as we can obtain the information, the indebtedness of each of the above villages, with the number of suits, and the decrees taken out against it in the last ten years, but this we have not as yet received.

Above extracts support the sketch of the Kumbis' position given in para. 18.

24. Enough, however, has, I think, been said to show that the sketch of the condition of the agriculturists given in a previous paragraph rests on the statements of the local officers, and is borne out by such figures as we have at the moment before us. The statements of the rioters and the villagers, taken before the Commission, give further and similar illustration of the extent of individual indebtedness, and the use which is made by the Marwari of the power which he exercises.

Grouping of the above causes under their respective heads.

25. I propose next to group under their appropriate heads the several distinct causes enumerated at the beginning of this paper. They fall into three classes,—economic, fiscal, and judicial. Placing them under these three classes, I will illustrate at some length the working of the following causes which I merely enumerated in the early part of my note, viz., the increasing pressure of numbers on a decreasing available area in its relation to assessment of the land revenue, and the mode in which the present law and procedure are obnoxious to the agricultural debtor.

Further remarks on

26. The *economic causes*, then, which are now operating against the agriculturists in the Poona and Ahmednagar Collectorates are their ignorance, their increasing pressure

on a decreasing available area, the poverty of their soil, their inherited debt, and the rapid fall in prices, with its consequence of contracted credit. The second only requires further illustration, the others having been already dwelt upon.

27. The rural population in Bombay is comparatively small, and at first sight it will seem that any danger from this source is remote. It is not instant, but I think that the picture of growing prosperity sketched recently by the survey officers at revision is not so hopeful as to them it seems. The (to me) inaccuracy of the sketch is the more important, because on it, among other points, are based the proposals for large enhancements of revenue which we have seen. I think that the increase of numbers on a constant area is, of all, the most vital source of danger to a population almost wholly agricultural, and that in proportion as it is lost sight of, will be the risk of artificially hastening the approach of serious difficulties by the action of the Survey Department. I will explain my meaning.

28. I give below the proportion of increase in thirty years in the population, plough-cattle, ploughs, and houses in the several talukas of which the printed survey revision reports are before us:—

Taluka.	Plough Cattle.	Inhabitants.	Ploughs.	Houses.	—
Haveli - - -	42·8	12	19·8	7·2	
Pand - - -	11·39	2·7	12·4	4	
Supa - - -	43·5	10·4	31·2	13	
Bhimbari - - -	39·5	19	22·5	37	
Indapur - - -	31	18	25	37	
Sholapur - - -	26·8	25·8	111	—	Colonel Waddington throws doubt on the accuracy of the Sholapur return.
Barsi - - -	51	18	60	35	
Karmala - - -	23	5	37	8	

29. The survey point with perfect justice to the increase under the above heads, and under the head of cultivation, in proof of the lightness of the last assessment, and the increased production of wealth; they do not, however, draw the same attention to the *relative* increase, which appears quite as important. To me it seems very significant, that the growth of population is out of all proportion to the growth of plough-cattle, or of houses. While with increasing population there has necessarily been an increase in plough-cattle, and the total number has grown, it seems that the *individual* property in stock or houses has decreased. The Indapur figures have not escaped the attention of Colonel Francis, who observes that—

“Considering the large expansion of cultivation during the above-mentioned period, the increase is less than might have been expected;”

and suggests that the season in which the census was made was, owing to drought, unfavourable to cattle, a good many having been sent for grazing elsewhere. The argument which, if Indapur alone were concerned, might be accepted, loses force when we find that *all* the talukas, with one exception, show similar results.

The same fact recurs in the Sholapur Collectorate, where it attracted more attention. Colonel Francis writes:—

“Insufficient working cattle is another cause to which I should ascribe the bad state of cultivation to be due in some measure. Many of the small holders of land—cultivators paying less than Rs. 10—have not the requisite number of cattle for working their land.”—Para. 18, No. 250, dated 14th March 1871.

Colonel Francis does not add what proportion these small holders bear to the whole. In the ten villages of Parner, recently quoted, they form a third of the whole. Government have also noticed the fact in the orders of 19th October last, on the revision of the Barsi taluka, where they say:—

“It is to be remarked that, if these returns are correct, agricultural cattle have increased in a much smaller ratio than either cultivation or population, and that the number of ploughs is still very small, averaging less than one to two holdings. The disproportionately small increase of plough cattle may, in a great measure, be attributed to the small area left of late years for grazing.”

30. I know that to many, the idea of overcrowding in the Poona and Ahmednagar Collectorates, with their unoccupied areas and their scanty population, will seem absurd. Colonel Francis points out that in Indapur the population is only 101 to the square mile, but adds:—

“There is certainly rather an unusually large proportion of unculturable land in Indapur; but deducting this, and making our estimate on the cultivable area alone, the average number of inhabi-

tants is only in the ratio of 119 to the mile. This shows a marked contrast to some of the Guzera districts, where, according to returns given in one of the recent settlement reports, there are 522 souls to the same given area."—Page 54, No. CVII., *New Series, Bombay Selections*.

This, again, is true: but if, as I am informed, a single acre of cultivation in these Guzerat districts is equivalent to five such acres in Poona or Ahmednagar, the figures assume a very different aspect.

31. But to get a complete view of the position we must compare with this largely increased population the available waste area. It is obvious that if we find but little or no waste area, the rapid increase of population assumes still more significance.

Decrease of
available
waste during
settlement.

The available assessed waste at the three decennial periods of settlement in the *Indapur Taluka* was as follows (pp. 37–38, No. CVII., *Bombay Selections*):—

1. End of first decennial period	-	-	-	24,550 acres assessed waste.
2. Ditto second ditto	-	-	-	1,300 ditto.
3. Ditto third ditto	-	-	-	930 ditto.

In the *Haveli Taluka* (p. 21, No. CXLV)—

1. End of first period	-	-	-	10,000 acres waste.
2. Ditto second	-	-	-	1,922 ditto.
3. Ditto third	-	-	-	634 ditto.

In the *Pabal Taluka* (pp. 119–120)—

1. End of first period	-	-	-	18,858 acres waste.
2. Ditto second	-	-	-	18,349 ditto.
3. Ditto third	-	-	-	3,264 ditto.

In the *Supa Taluka* (p. 195)—

1. First decade	-	-	-	26,302 acres waste.
2. Second ditto	-	-	-	10,003 ditto.
3. Third ditto	-	-	-	1,843 ditto.

In the *Bhimthari Taluka* (pp. 249–250)—

1. First decade	-	-	-	43,000 acres waste.
2. Second ditto	-	-	-	2,000 ditto.
3. Third ditto	-	-	-	None ditto.

In the *Sholapur Taluka* (para 31, *Colonel Waddington's Report*, No. 33, dated 15th January, 1872.

1. First decade	-	-	-	28,000 acres assessed waste.
2. Second ditto	-	-	-	35,800 ditto.
3. Third ditto	-	-	-	None.

In the *Bársi Taluka* (paras. 26–28, *Colonel Waddington's Report*, No. 561A., dated 14th August, 1872)—

1. First decade	-	-	-	35,490 acres assessed waste.
2. Second ditto	-	-	-	15,164 ditto.
3. Third ditto	-	-	-	None.

In the *Karwale Taluka* (*Colonel Waddington's Report*, No. 921, dated 3rd October, 1873)—

1. First decade	-	-	-	61,000 acres assessed waste.
2. Second ditto	-	-	-	758 ditto.
3. Third ditto	-	-	-	464 ditto.

While, then, the increase of population has ranged from 11 to 51 per cent. in the talukas specified, the absorption of waste has everywhere kept pace with the increase of population, until, speaking generally, the whole available area has been occupied. For further increase of population there is no further margin of waste.

Similar result
of figures
for the
southern
division.

32. Colonel Anderson has been good enough to favour the Commission with returns of cultivation for the collectorates of the Southern Division, which I need not quote here, for this Memorandum is already running to an undue length. But the result is the same, *viz.*, a rapidly decreasing margin of avail assessed waste.

33. Under the head of *Revenue*, which comes next, I have already given illustrations of the immense increase of assessment, and the significance of the illustrations will be more fully seen when viewed in conjunction with the figures given above of rising population and decreasing waste. It is evident that, in these circumstances, to make a large enhancement of revenue is equivalent to making a large deduction from the available area. In proportion as the increase in numbers threatens to burden the soil sudden enhancement of the Government assessment—or, in other words, withdrawal of a large share of capital from the population—is equivalent to a hastening of overcrowding.

The enhancement is no cause of the pressure, but it is a very important factor in estimating at any given time its rate of progress. To take the single illustration of Bhimthari.—(No. CLXV., *New Series, Bombay Selections.*)

Population has increased 40 per cent.

Available assessed waste has fallen from 43,000 acre to none.

The assessment has increased from Rs. 86,464 to Rs. 1,45,596, so that Rs. 60,139 annually have been suddenly withdrawn from the support of a population of 32,555, which has reached the limits of the soil and which increases at the rate of 1·3 per annum. In other words, in the year before resettlement 32,555 were supported on a fund of Rs. 7,93,112 (assuming the new assessment to be one-sixth of the assets* and deducting the former assessment), or an average of Rs. 24 per head. In the year following revision the sum was reduced to Rs. 7,32,920, and the individual amount to Rs. 22 per head, *which is equivalent to an increase of 10 per cent. in the population.* At the present rate of increase, in another 30 years we shall have, in round numbers, 45,800 souls on the soil, and there being no available waste, the individual sum at present prices will, *cæteris paribus*, be Rs. 116 per head. Land which was temporarily taken into cultivation during high prices will be abandoned and will further restrict the area. Of course I am perfectly aware that grain may be imported, or that the pressure of population may raise prices, or that cultivation may be improved, or that non-agricultural employment may be found, or that the surplus population may emigrate. Of this I shall have to speak when I come to the last part of this Memorandum, viz., the extent to which the causes stimulating distress may be controlled by the Government. All that I am at present concerned to show is the action of the survey revision assessments on the population: in other words, the fiscal element of embarrassment.

Enhancement of assessment equivalent to increase of population.

34. There remains the *Judicial element*. No complaints have been louder than those against the courts—“*Courta chi upadrao*,” or “the court pest,” as the people call it. I am persuaded that much of the odium attached to the courts is simply because to the courts is entrusted the duty of enforcing consequences. But it does not at all follow that because they may be traced in great measure to an unreasonable cause, there is nothing in the complaints that is reasonable. Nor, because all is not wrong, is it by any means proved (as a judge recently occupying a seat on the bench of the Bombay High Court has advised the Commission) that all is right. Between the “*courta chi upadrao*” of Bâpu, and the assurance of Baron Larpent that “suits are now decided “as quickly and as satisfactorily as they can be,” there lies a wide and debateable ground.

Action of the courts.

35. Mr Lyon is infinitely better able than I am to lay his fingers on the weak points of judicial action, (and by this I must be understood to mean not only the working of the courts, but the working of the law and procedure which the courts are bound to administer.) All that I can do is to single out the points which in the opinions furnished by the judicial officers to the Commission are most insisted on, and to note them down of presumably the causes which, from the judicial side, make most against the agricultural debtor. I will enumerate them in order, and then support them in extracts from the opinions before us. I abstain purposely from quoting the opinions of revenue officers here, because I think that far more weight is due to the opinions of judicial officers on points coming under their daily observation in the course of their duties, than to the *ab extra* views of officers in the Revenue Department.

Judicial opinion on the point.

36. The following seem to be the points most insisted on:—

Points chiefly insisted on.

That owing to the great number of undefended suits, and the Kumbi's ignorance, the courts are in great measure powerless to prevent the enforcement of fraudulent or usurious contracts;

That decrees are obtained not for *bonâ fide* execution, but as instruments of compulsion for the extortion of fresh bonds;

That warrants of arrest are similarly used;

That there is no limit to the period within which decrees are operative;

That the whole of a judgment-debtor's property, without reserve, is liable to be sold in execution of decree;

That land sold by decree of court is usually sold for much less than its value;

That the period of three years' limitation for suits for money debts now secured by the hypothecation of land compels the debtor to renew at compound interest or to be taken into court every third year;

That there is no law of insolvency.

* Note.—I take this proportion on the authority of para. 11, Government Resolution No. 4,515, dated 11th August 1875, on the revision of the Málha Taluka, Sholapur Collectorate.

Powerlessness of the courts.

37. To take the first,—That owing to the great number of undefended suits, and the Kumbi's ignorance, the courts are in great measure powerless to prevent the enforcement of fraudulent or usurious contracts.

Sub-Judge, Talegaon, No. 22, dated 14th June 1875.

"The civil courts often become the direct cause of the Kumbi's misery. They have no means of ascertaining the actual extent and nature of the transaction which gave rise to the litigation, and are obliged to decide upon what is laid before them in the shape of evidence. The creditor is generally an intelligent man. He does not find it difficult to secure legal advice, and the witnesses, too, are generally under his thumb. . . . None will allow the inspection of an account which has the taint of suspicion, unless forced to do so, during the progress of a suit. Even then many escape scot-free, I think, by simply deposing that they have no books, and the civil courts are powerless, for they cannot order the books to be seized so as to convict the deponents of their perjury."

Courts powerless against fraud.

Patas Sub-Judge, No. 27, dated 31st March 1875.

"Many of the money-lenders, while admitting that they have a trade of Rs. 12,000 or so, deny that they ever keep books, and never produce them in court. . . . Besides, they (the debtors) can procure no legal assistance, for the pleaders are dependent on the money-lenders for their business, and if a pleader takes up a case for the cultivator, not only is he not able to pay his fees, but the pleader would lose almost all his business from the money-lender. . . . I have often observed a valid defence set up by a debtor in a suit frequently withdrawn, and a judgment passed with his consent. The only explanation he would give is that it is useless fighting against his sowkar; that he would be the sufferer even if he succeeded in that solitary case."

Sub-Judge, Balsar, dated 28th September 1875.

"I do not believe that the high proportion of cases decided *ex-parte* can be said to be due, even in a five-hundredth part, to the alleged unfair means practised to keep defendants in ignorance of suits filed against them. The defendants in these cases do not come to make any defence because they have none to make, or if they have any, they have no evidence to prove it. Ten or 12 in a 100 have any means to know the exact amount of their debts. A great number of these cases are brought on bonds or sumadustkhats passed by defendants, in which plaintiffs have to prove the execution only; while the defendants, whose defence may consist of non-receipt of consideration or part or whole repayment, have to prove the same. But very few of them have such evidence, apart from the difficulty of making such proof."

Judge, Ahmednagar, No. 987, dated 29th September 1875.

"When a defendant admits having executed a bond, but pleads that he has not received any consideration for executing it, or has received only part of the consideration stated in it, the burden of proving his plea lies on him, and his task is by no means easy. With regard to the plea that the amount of the bond was mostly compound interest at an exorbitant rate, such a plea is, as a matter of fact, scarcely ever successful. The money-lender is sure to have accounts and bonds in support of his case; and there is sure to be plenty of evidence forthcoming that the accounts were fairly cast up, and that the defendant deliberately signed the bond. . . . The subordinate judges in this district are much overworked, and really have not time to investigate cases properly and to weigh the evidence."

Judge, Satara, No. 1313, dated 6th October 1875.

"I believe our subordinate judges are too hard-worked to allow, even if they were inclined to do so, of their going into the history of such cases as the one put forward by you, and if they were inclined they could do next to nothing. The Kumbi cannot read or write; he has no books of account. The court which was inclined to go into the old history of a case would have nothing but the sowkar's books to go upon, if he produced them; and he might choose, as often happens, to deny that he had any."

Small Cause Court Judge, Ahmednagar, No. 155, dated 29th September 1875.

"Charging usurious rates of interest is the least of the charges that are constantly brought against them (the sowkars). As a rule, the Kumbi defendants do not raise any objection to high and heavy interest; 75 per cent. is not an uncommon rate, but if this were all the Kumbis would make no complaint. *Damdooput*, or double the amount of principal, is seldom objected to; but what they complain of, and what exasperates them, is the systematic cheating and roguery to which they are constantly subjected, and against which their utter ignorance renders them powerless, or their apathy and indifference prevents them from taking instant measures for protecting themselves from the effects of the same. The ordinary charges against the sowkars are tampering of documents, suborning witnesses, garbling accounts, obtaining bonds, and refusing consideration; taking payments and denying them in court; never giving receipts; dunning people into compromises (often grossly one-sided) of their debt, and then refusing delivery of their bonds; to file suits on them, carrying away whole crops, bullocks, stores of grain, &c., and their flatly denying all knowledge of them. These frauds are practised with impunity in nine cases out of ten. The deluded Kumbi is lulled into a false security by all sorts of faithless promises, until a couple of years afterwards, being dragged to court, he is unable to answer the claim; or if he states a defence he is not in a position to prove it."

Sub-Judge, Ahmednagar, No. 11, dated 20th October 1875.

"If no new bonds are executed the ryots are brought to the court of justice. There the sowkar has everything in his favour, while there is nothing in that of the ryot's. He easily obtains a decree against them."

To the above may be added the following statement, showing the percentage of civil suits decided *ex parte* (given at page 97 of Mr. Lyon's digest) :—

	Proportions of Suits decided <i>ex parte</i> .	Proportion of Suits relating to Money or Bonds to whole No. of Suits.
Ahmednagar	73.0	96.3
Poona	67.5	93.4
Sholapur	70.7	97.4
Satara	73.4	95.6

Mr. Lyon tells me that the proportion of *ex parte* decisions is quite as large in England.

Considering the judge's statement as to the character of many of these claims, we should expect the defended cases to be more numerous in India. In other words, the greater the proportion of fraud, the larger one would have expected to find the ratio of defence; that it is not so seems to show that defence is hopeless. But I do not think that the coincidence or otherwise of English figures is very profitable in the present case.

38. The next complaint is that *decrees are obtained not for bonâ-fide execution, but as instruments of compulsion for the extortion of fresh bonds.*

"After the decree is obtained the debtor has no alternative but either to pay the decree or to pass a bond for the amount, including costs of court. Money, as a matter of course, he has not, and therefore he is obliged to pass a new bond for it.

"On the 3rd of Chaitra of Shaka 1788, Pandu bin Paraji (Patel) executed a bond for Rs. 100 to Shankarao Apaji (Gudbolô), the interest stipulated for in it being Rs. 21 per cent. per annum. When this bond was about to be time-barred, the creditor sued Pandu on it to recover Rs. 176 as follows:—

Principal	-	-	-	-	-	Rs.	100	0	0	
Interest	-	-	-	-	-	"	96	0	0	
							Total	-	-	
							Payment	-	-	
							Balance	-	-	
								196	0	0
								20	0	0
								176	0	0

and obtained a decree. In this suit the court expenses amounted to more than Rs. 24. The debtor had no money to pay in satisfaction of the decree, he therefore executed a second bond to the creditor for Rs. 200 on the 9th of Magh Wud Saka 1791. When the second bond was about to be time-barred a suit was instituted on it on the 16th April 1873 to recover Rs. 200 and interest Rs. 200, and a decree was obtained for Rs. 400 and costs, which is not yet executed. Court expenses in this suit amounted to Rs. 45 14 9.

"The following will show at a glance the history of the above debt:—

The principal sum borrowed	-	-	-	-	Rs.	100	0	0		
Total of the interest on sum borrowed	-	-	-	-	"	272	0	0		
Total of court expenses	-	-	-	-	"	69	14	0		
Interest on the court expenses	-	-	-	-	"	24	0	0		
							Total	-	-	
							Payment	-	-	
							Balance	-	-	
								405	14	0
								20	0	0
								445	14	0

"These creditors generally keep three or four unsatisfied decrees against a man, some of them even 12 years old for occasions like these. Under pressure of executions they have, in many instances, realized the full amount of decree by obtaining new bonds or grain. The writs are returned unexecuted with endorsements 'property or person not found.' * * * Sometimes the property is attached and proclamation issued for sale. The decree-holder then applies to the court to drop the proceedings, alleging that the matter is to be compromised, but, as a matter of fact, occasionally he has extracted something from defendant for which no credit is given in decree. Under the pressure of execution mortgages are also obtained where there is anything worth mortgaging."

"In the execution of decrees the civil courts have no means of lessening the vexation and bother which the creditor intends to give his debtor so as to extract money from him. In the year 1869 a man obtained a decree (No. 738 of 1869 of this court) for Rs. 80 and costs, to be satisfied out of the proceeds of the sale of mortgaged property and from the defendant. The amount of costs was Rs. 17 13 5, so the amount of the decree was Rs. 97 13 5. *This decree was executed nine times.* The cost of execution was Rs. 67 2 0, and the sum recovered under execution was Rs. 31 4 6. Thus, after nine executions, the amount still recoverable under the decree is Rs. 133 10 11. Another plaintiff obtained a decree in the year 1868 (No. 363 of 1868 of this court) for Rs. 60 and Rs. 14-3-9. *He executed it nine times.* The cost of execution was Rs. 24-8-1, and the sum recovered after decree out of court was Rs. 15, the receipt of which was acknowledged. The amount now recoverable under the decree after nine executions is, therefore, Rs. 83 11 10."

"As regards the enforcement of decrees, the first step taken is to apply to the civil court. On the receipt of the application a warrant of attachment or arrest is issued. More than three-fourths of the warrants are returned with such reports as the following, and the applications on which they were issued are disposed of * * * Sometimes the applications for the enforcement of decrees are made simply to keep them in force."

39. The above extracts cover in great measure the third point, that warrants of arrest are similarly used. To them may be added the following figures showing the number of persons arrested and the number actually committed to jail in execution of decrees during the year 1872 (p. 124, *Mr. Lyon's Digest*):—

	No. Arrested.	No. Imprisoned.
Ahmednagar	327	80
Poona	428	427
Sholapur	359	106
Satara	461	226

Decrees used as instruments of extortion.

Sub-Judge, Talegaon, dated 14th August 1875.

Patas Sub-Judge's letter, No. 27, dated 31st March 1875.

Sub-Judge, Talegaon, No. 22, dated 14th June 1875.

Sub-Judge, Nasik, No. 30, dated 8th June 1875.

Warrants of arrest similarly used.

Illustration
given by
Sub-Judge,
Pátas.

40. The Sub-Judge, Pátas, furnishes the following illustration (suit No. 1705 of 1872):—

A. obtained a decree against B. in 1863 for Rs. 40-3-4 on a bond stipulating to give 14½ maunds jowari in consideration of B. having received 7½ maunds jowari. Date of decree, 9th April 1863.

First application for execution, 25th November 1865.

Application for warrant of arrest, 4th January 1866.

This was returned unexecuted in March, endorsed "defendant not found."

"On 10th February 1866 in the interval of issue and return of the warrant, the defendant passed a bond for Rs. 100 for old account due."

This bond was obtained under the pressure of the warrant and in lieu of the amount due under it. In 1871 A. again applied for execution "in respect of the original decree, which, on the face of it, appeared unsatisfied, although we have seen that the first bond for Rs. 100 was extorted in execution of that decree. Execution issued, attachment and notice of sale. B. paid A. Rs. 46 and the sale was stopped."

The Sub-Judge adds:—

"This is by no means an anomalous case. On the contrary, I consider that it fully represents a large number of cases."

41. From among the replies given to the Commission the following will further illustrate the point:—

Illustration
from state-
ments of
ryots.

Tutya Saloo (Supa). Q.—"Why did you go on foolishly signing these bonds?"

A.—"We could not help it. We could not pay up, and would have been put in jail if we had not paid."—(Page 3, *Lyon's Digest*).

Ramji Kesoji (Nimbgaon).—"Every second year an account is made up by the banya, and we are called upon to pass new bonds. We quietly pass fresh bonds for fear of going to jail, and eventually losing all prospects of keeping our property from these banyas."—(Page 19, *ibid*).

Dhondi bin Topalla (Kathale).—"Last year I gave him the produce of my field (worth Rs. 40) and passed a new bond for Rs. 80. I did so to prevent him from going to court and then taking me to jail."—(Page 28, *ibid*).

Patta Kushaba (Dhalewadi).—"I have up to date paid him at different times Rs. 100, and passed new bonds every third year, for fear of taking the matter to court and then being put into jail."—(Page 40, *ibid*).

Babaji bin Nana (Dhalewadi).—"He then made up his account and in all I owed him Rs. 100. I remonstrated with him, but finding that he would not come round, I passed him a bond for Rs. 100. I thought that if I refused to pass the bond he would drag me to court and put me in the jail."—(Page 42, *ibid*).

"That after your petitioner left Major Wallace, the said Mulchund Leela Khan came to your petitioner and threatened that he would enforce his claim for the sum of Rs. 32,400, . . . saying that neither Major Wallace nor your honour had any power to prevent their going into court and obtaining decrees for immediate execution against your petitioner's person and property. . . . It was thus that he so easily found the means of prevailing upon your petitioner, in his old age, to obtain from him almost unconscionable and highly iniquitous agreement, &c."—(Page 129-30, *ibid*, *Petition of Mr. Muhammad Khan of Talpur to Commissioner of Sind*).

No finality to
decrees.

42. The next point is that there is no limit to the period within which decrees are operative.

The following table, showing the number and value of decrees of more than seven years' standing now in force (i.e., executed within three years) in the Subordinate Judge's Court of Poona will bring out this point sufficiently for the present purpose, showing that 13 per cent. of the decrees have been kept hanging for 13 or 14 years over the judgment-debtors *in terrorem*:—

Year.	Number of decrees.	Value.	Amount realized.	Balance.
		Rs.	Rs.	Rs.
1861	24	1,861	107	—
1862	52	4,567	218	166
1863	38	4,716	171	135
1864	18	2,871	68	507
1865	68	5,169	215	466
1866	80	7,563	264	846
1867	78	8,713	281	1,877
1868	211	25,128	741	3,917
	569	50,588	2,065	7,914

43. That the whole of the judgment-debtor's property, without reservation of imple-
ments necessary to his calling, is liable to be sold in execution of decree. This is the
procedure under the present law and needs no demonstration. It is enough to note
it here as the fifth of the causes to which the debtor's absolute ruin is generally
attributed.

Judgment-
debtor's
property
liable to sale
without re-
serve.

44. That land sold by decrees of court is usually sold for much less than its value.

"When immovable property is put up to sale, the creditor as a rule buys it himself. It is his interest
to buy it for as little as possible, for so much money goes out of his decree, which is a valuable source
of revenue to him."

Sub-Judge,
Patás, No. 27,
dated 31st
March 1875.
Talegaon Sub-
Judge, No. 22,
dated 14th
June 1875.

"That there is often some trickery in conducting the sales is a sadly notorious fact. But as we
have neither the means nor the opportunity of detecting the black sheep though we have the will to do
so, such trickery often passes undetected. The Sub-judges cannot be present at the sales, they have
their other work. The Názirs too cannot be present at every sale, especially at the sales conducted at
a distance from the village where the court is located."

Inadequate
prices obtained
at public sales.
Sholapur Sub-
Judge, No. 9,
dated 27th
March 1875.

"Creditors as a rule buy their debtors' land. The lands are generally sold at an under-value."

"The majority of sales in court were made either by the attaching creditors or their nominees, and
the general impression is that these purchases were effected at between 25 and 50 per cent. of the price
which would have been realised if sales were held on the spot where the properties are situate."

Patás Sub-
Judge, No. 233,
dated 8th Sep-
tember 1874.

45. That the period of three years' limitation for suits or money debts not secured by
hypothecation of land compels the debtor to renew at compound interest, or to be taken
into court every third year.

Tatna Saloo (Supa).—"About two or two and a half years ago the banker said his bond was
becoming time-expired, and he threatened to sue us; on that, one bond was passed for Rs. 50 on
mortgage of one of our houses, and another was passed, I believe, for Rs. 100 on the other."—(Page 1,
Lyon's Digest).

Krishna bin Sahti, Kumbi.—"I owe Gunoo Kale Rs. 50. About three years ago I borrowed from
him Rs. 25. About six months ago Gunoo told me that if his money was not paid at once he would
bring an action in the court. I therefore passed him a new bond for Rs. 50, bearing interest at one
and one-fourth pice per rupee per month."—*Ibid*, p. 12

Working of
three years'
limitation
rules.

"About four years ago I obtained from Sukdeo, Brahmin, Rs. 6 worth of *karbi*. I gave him after-
wards Rs. 2 worth of grain. After about three years Sukdeo struck a balance of Rs. 25 against me.
I had agreed to pay him interest at half an anna per rupee. About seven months ago he threatened
to bring a suit in the court; I therefore passed him a new bond for Rs. 25, bearing interest at half an
anna per rupee per mensem."—*Ibid*.

Ramji Kessoji (Sirur).—"Every second year an account is made up by the banya, and we are called
upon to pass new bonds."—*Ibid*, p. 19.)

Nana bin Pabaji Chauhan (Limbgao).—"About twelve years ago I borrowed on bond, Rs. 40 from
Bhikoo Nemohand, Marwari, of Limbgao, at two pice per rupee per mensem and purchased bullocks.
In the first and second years I gave him in liquidation 10 maunds of bajri and 10 maunds of jowari,
and in the third year passed him a bond for Rs. 175 on mortgaging one of my survey numbers."—
Ibid, p. 32).

Kesu bin Thomba (Pimpalgaon).—"I cultivate Vinayak Rao Gole's field and give him one-third of
the produce, and the Government assessment is also paid in the same proportion. About four years
ago a dyke was constructed in Vinayak Rao's field, so he charged me with Rs. 7 as my portion of the
cost. He purchased a 3-rupee stamp paper to write out the lease of the field in my cultivation, and
I had taken from him Rs. 2 worth of grain; so in all I owed him Rs. 12, for which I passed a bond at
two pice per rupee. In this I mortgaged a bullock to him. Last year the bullock was sold by me for
Rs. 35. I paid this amount to my sowkar Vinayak Rao, and he then struck a balance of Rs. 8, for
which I passed him a bond at half an anna per rupee."—*Ibid*, p. 33).

Patla bin Andoji, Kumbi.—"I owe only Rs. 5 to Sukdeo. I did not obtain this money in cash.
About four years ago I got a loan of 50 bundles of *karbi* from Sukdeo. I had given him one rupee, but
last year he pressed me for a bond of Rs. 5 on account of the transaction, which I have passed to him
because I did not want to displease him."—*Ibid*, p. 34.)

"The law of limitation here comes into play, which compels the creditor to call upon his debtor
either to pay the amount or to pass a new bond for the principal and the accumulated interest. The
poor debtor is obliged to pass, though reluctantly, a new bond lest the creditor should sue him and
bring him to greater expenses. Here the seed of discontent and discord is sown."

Talegaon Sub-
Judge's report,
dated 14th
August 1875.

In an illustration given by the Patás sub-judge, Shidu bin Piraji in 1789, Shake.
executed a bond for Rs. 12 8 0. In 1792 he is called on to execute another, which
stands :—

Principal	-	-	-	-	-	Rs. 12	8	0	
Interest	-	-	-	-	-	"	12	8	0
					Total Rs.	25	0	0	
Payment	-	-	-	-	-	"	5	0	0
Balance	-	-	-	-	-	"	20	0	0

And for this balance of Rs. 20 a second bond is executed. In 1795 a third bond is executed, thus:—

Principal	-	-	-	-	Rs. 20 0 0
Interest	-	-	-	-	„ 13 0 0
			Total	-	„ 33 0 0
Payment	-	-	-	-	„ 15 0 0
Balance	-	-	-	-	„ 18 0 0

Other similar instances are given in the Sholapur and March sub-judge's letter, and Mr. Shumbu Pershad is compiling from accounts tables illustrating the regularity with which, subsequent to the introduction of the present law in 1859, bonds at compound interest have been renewed:—

Memo. by Sub-Judge, Ahmedabad, dated 1st September 1875.

“ Short duration provided for in the Limitation Act, though intended to prevent frauds and difficulty of proving a case when long interval has elapsed between execution of the note and the trial, produces great hardship, and furnishes opportunities to the creditors for cheating their debtors. The debtors belonging to agricultural or other industrious classes are harrassed every two years for a new bond or payment of money. Creditors always leave a margin of one year as a measure of precaution. *If the law makes three years, they always make it two, because they may have to go to another place, or the debtor may go elsewhere (see RAMJI KESSOJI supra.)* * * * The two years is not a sufficient time within which a cultivator can pay money. Perhaps it was borrowed for his son's marriage, or for planting sugarcane, or making a garden, and it will require six or seven years to pay the debt.

Judge of Taana, No. 1839, dated 17th May 1875.

“ In bonds founded on old bonds, which have nearly run the period of limitation, it is impossible to estimate what small proportion of the consideration was an actual cash payment. The limitation law, a statute of peace, made for the purpose of protecting obligors, is practically an engine of extortion in the hands of obligors. When a bond is approaching the age of three years it is usual for the creditor to threaten proceedings and so reduce the debtor to pass a new bond, of which the principal and interest of the old bond, and sometimes a premium, form the consideration.”

46. Finally, there is a general complaint that *there is no law of insolvency for mofussil debtors*. Here again, I need not quote from the papers before me, for of the fact there is no doubt: and from the extracts already given, the position of debtors in the absence of any such law has been amply shown.

Distinction between the problem in Upper and Western India.

47. This finishes the enumeration of the principal causes which combine from different sides to weigh down the ryot, and completes the view of his present position which I have sketched in a previous paragraph. It serves, too, to bring out the salient differences between the nature of the problem in the Bombay Presidency and in Upper India. The main distinction is, I think, this, that whereas in Upper India the indebtedness of the landed proprietors is a purely political consideration, in the Deccan it is not a political difficulty only, or perhaps even mainly, but an economic. Nobody supposes that the landlords as a class in Upper India are likely to press on the land, or that their number induce them in any appreciable degree to fall into debt. The increasing ratio of population and the decreasing margin of cultivable waste is not an element which in the North-West enters into the consideration of the matter, for landlords are, village communities included, comparatively few. The actual cultivating classes may be and are indebted, and so far as they are concerned the economic difficulty is as prominent as in Bombay. But, whatever the political danger in Upper India of driving the present race of proprietors from the soil, we have to remember, in assessing our land revenue, that with increasing numbers and with decreasing available land the smallness of their holdings must add to their difficulties and that a large increase of land revenue is equivalent to an increase in population.

The next distinction is that, while in the North-West the money-lender desires to obtain possession of the land, in the Deccan he does not ordinarily do so till he is driven to it. The “sweating” process does not go on with us. A debtor is forced off his land; he is not kept on it as a tenant-at-will. And these two distinctions point to different treatment of the question and make remedies which have been suggested for the one part of India less applicable to the other. For example, it has been frequently proposed to prohibit the sale of land. - But in a part of the country where it is found that land is as a last resource only sold for debt the proposal loses force. If the sale of land in execution of a decree were prohibited in the Deccan to-morrow, the Kumbi would be very much where he was before. He would still be ground to the soil, and his surplus produce would still go to his creditor.

Finally, under a direct ryotwari tenure the ryot is a tenant of the Government, standing by himself, unsupported by his fellow villagers, and has a stronger claim on Government aid and support than the coparcenary community or the zemindars of Upper India.

48. Bearing in mind these three "notes" of difference, and putting them in what seems to me their order of importance, we come to the three points in which I think our system acts unduly on the ryot. They are these:—(1) that holding directly from Government as its tenant, and admittedly exposed from his want of education and his possession of the soil to greed and fraud, the ryot in this Presidency receives no protection or aid from the Government in his dealings with any but its own revenue officers; (2) that in assessing him to enhancements of Government revenue, arithmetical results are too rigidly applied, without sufficient regard to their effect on his economic condition; (3) that while his creditor possesses and uses great legal advantages in proceeding against him, and is able to keep him in bondage in virtue of decrees obtained against him, the ryot has no power of claiming at any period discharge from his obligation, and has not at time of sale the protection allowed by the English Bankruptcy Act or a margin for tools of trade and necessaries, or of a minimum below which he is not liable to imprisonment. Nor does his imprisonment act as an acquittance of his obligations. Any one of these three causes, such as the first, will weight the peasant proprietor in his struggle with debt; any two combined, such as the first and third, will ensure his subjection; while the three combined, as they have been in the case of the disturbed tracts, will bring him to ruin. I do not believe that the heavy enhancements have led to the ryot's present condition any more than his ignorance, or his ignorance any more than the facilities which our system gives his creditor. But it seems to me, in the face of such considerations as those I have stated, quite unreasonable to urge—as it often is urged—that the revision of survey has nothing to do with the present crisis. It must have profoundly shaken security both by the heavy amount enhanced and by the utter uncertainty (from causes which I shall presently speak of) as to what the limits of the amount would be. If no revision had taken place, the position of both parties would have been as for years it has been. But this new factor of embarrassment coming in addition to the others, and at a time of great depression and re-action, has, in my opinion, broken the relations between the creditor and debtor which at the time of its introduction were strained to the utmost. I have heard it stated that the disturbances were only the catastrophe of discontent which had long been on the increase; but while this does not account for their coming to a head at Poona rather than elsewhere, it leaves out of sight the action of the new element of disturbance at Poona, the force of which should be at least taken into account.

49. I come now to the form in which relief seems advisable: and to begin with the first of the difficulties enumerated in the last paragraph. It is impossible to read the correspondence on the subject without seeing how potent a cause is a ryot's difficulties is his powerlessness to check accounts. As one of them says in his statement (p. 5, *Lynn's Digest*):—"I had to trust to the Sowkar. I say to him, you are my mother and I am your son; say truly what the amount is." If Bala Saraji's conception of his relation to his sowkar was accurate such confidence would not be misplaced, but it is with the feelings of a stepmother rather than of any closer tie that his creditor probably regards him. I do not know that in any part of the world the profession of money-lending promotes liberal sentiments: but of all money-lenders, appeals to the better nature of a Marwari as a method of casting up accounts must ensure a debtor balance. I was very much struck with the re-occurrence of a similar mode of thought in the depositions recorded before the Commission while in camp. On the one side, inability to exercise the smallest control over details, and the consequent necessity of trusting the creditor; on the other, in most cases, obvious untrustworthiness, showing itself in reluctance to produce accounts, and an utter inability to understand the obligation which rests with the creditor of scrupulously accounting for the proceeds of land made over to him in satisfaction of a debt. Often no accounts are kept, receipts are rarely given, satisfied bonds are not torn up. I am not at all prepared to say that I concur in the entire accuracy of the picture drawn by so many pens of the invariable fraud and insatiable greed of the sowkar; and on the other hand there can be little question that the ryot once involved rarely acts "upon the square." (Embarrassed men are mostly inclined to be rogues all the world over.) But the immense opportunities which the present system gives to a body of Hindus whose only business is money-getting are more than the Hindu money-lender's nature can withstand; and I think that we should attempt to bring him, in his relations to the ryots, within the limits of the village administrative system.

The ryot's ignorance. Desirability of bringing the sowkar within the village system.

50. It will be seen from the old correspondence which we have collected that something of this kind was contemplated by Mr. Fraser Tytler, and was not unfavourably viewed by the Government of the day. In the papers recorded last year Mr. Shumbu Pershad, now a member of this Commission, put out a similar proposal, and my inquiries

Proposals of Mr. Fraser Tytler and Mr. Shumbu Pershad.

during the last two months have convinced me that without some system of this kind no remedy will be of much use, and have led me to hope that such a system is practicable.

Education powerless.

51. Education has been constantly urged as the proper weapon for the Kumbi in his struggle against debt. But experience has shown that from education at least little or nothing can be hoped. How any man acquainted with the people could for a moment suppose that the schoolmaster would be beforehand with the Marwari I cannot conceive. Long before the agricultural classes are educated they will have been ruined, and whatever comfort education may bring to a ruined man, it will not furnish him with solid cash. For the purpose of this inquiry we must assume not only that the Kumbi is uneducated, but that he will continue so, and must treat him as a man unable to help himself. To shirk the difficulty by commonplaces about education seems to me dishonest indolence. Thirty years have shown that panacea, in this case at any rate, to be a wind-bag, and if it is expedient to assist the agricultural classes, we must admit unreservedly that it must be, for many years to come, by other means than merely educating them. For 30 years Government has remained entrenched behind the lines of its *laissez aller* policy; and leaving matters to take their course, this is the course they have taken.

Previous proposals to this effect.

52. Putting aside for the moment the question of existing debt, and assuming that some such proposals as we are about to put before Government—such as are referred to in paragraph 56—are sanctioned, what I would wish to see done is in this kind. I would allow each village or group of villages an accountant of its own, holding a position like that of the Bombay kulkurni, or the North-West patwari, but solely entrusted with the duty of keeping the accounts of the ryots between them and their sowkars. I would make his signature to all bonds compulsory, and I would render it obligatory on the sowkar to record all bonds in his books and pass payment before him. He should give receipts to ryots for payments made to him on account (for which at present receipt is rarely allowed) and be responsible for their payment to the sowkar. Any item sued for by the sowkar but not shown in the village accountants' books should be irrecoverable unless the sowkar could prove that the accountant had refused or neglected to make the entry, and I would compel the sowkar to compare and sign the books yearly, entering, where there existed, the detail of discrepancies, and to record the details of all items above Rs. 20 and the aggregate of sums below Rs. 20, supported by index to the entries in his accounts, under penalty of inability to sue on the account. The accounts kept must follow the *dchazile* of the Marwari, but the total annual liabilities of villagers resident elsewhere than the Marwari should be communicated by the accountant of the village concerned to the accountant of the village in which the debtor resides. The accountant should be paid by a cess on the revenue, and should keep a separate account for each recorded holder or his co-sharers. The expense of such a cess would be trifling compared to the interest now paid by the ryots. I would not in any way make the revenue staff responsible for the accounts. The objections I have heard urged to the scheme are that the accountant would combine with the Marwari, and that the business would be too large for him. As to the first, he might. But if it was his interest to keep his appointment, his interest would not lead him to collusion. The ryots would soon complain if they were regularly cheated, and the courts before whom he would appear would have ample opportunities of detecting and reporting an accountant whose books were suspicious or the honesty of whose accounts were often challenged. I think it may be assumed that it would be his interest to keep his office, and I do not see how habitual fraud would be consistent with such interest. Even if he cheated habitually and with impunity the ryot would be no worse off than he now is, with the exception of his fractional contribution to the cess from which the accountant's pay was provided. If the accountant, on the other hand, was only moderately honest, the ryot could have the protection of an independent set of accounts and a recognised accountant of his own, which would be simply invaluable to him, and which I think he would soon learn to appreciate.

Scheme of village accountants.

Consideration of objections urged to it.

As to the work being too much for a man who had no other duty, I can offer no grounds for my opinion that I do not think it would be. In large villages an assistant might be given, but if a minimum of Rs. 20 or so were fixed below which details need not be entered, as above suggested, I think the work would not be too much for one man.

I need not point out what an enormous aid to the courts such a system of accounts would be, how it would check the sowkar in fraud or exactions, or its value in keeping Government informed of the state of the ryot's affairs at any moment.

I have said that I would not hold the revenue officials responsible for the accounts. I

would not make it imperative on them *suo motu* to inquire into or settle any objections urged by the sowkar at the annual settlement of accounts. I would allow either side to sue in the courts for settlement of account if they could not come to an understanding, leaving it optional with them to refer the matter to the revenue courts, whose decision should in such case be final. But I would give the revenue officers power to inspect the village accounts at any time and to compare the entries with the ryot's receipts or verbal statements. There would be no power to alter the account, but the opportunity of ascertaining and testing the accountant's character in the village would be useful. The collector should have full power to dismiss an accountant at any time.

53. The second point which I have to note in regard to this part of the subject is, that while thus bringing the village sowkar into the scheme of our village administration, we might, I think, utilize him and give him a sense of common interest with Government which would be very beneficial to both. I have been very much struck by the fact that the items of a ryot's debts by no means bear out the charge of extravagance which are usually levelled at him. Ancestral debt is usually the heaviest item, and smaller items unquestionably occur for religious or social ceremonies, but the mass of the items are for his agricultural needs. He wants most of his money to pay him revenue, or to dig a well, or for grain seed or bullocks. For reasons which I need not now dwell on I believe Government land banks to be impracticable, but I think that any ryot requiring an advance for any *bonâ fide* agricultural purpose should, on an order from the *mâmiatdâr*, be able to receive the necessary means from the sowkar, Government standing security and reserving a lien on his crop. The sowkar, on the credit of the Government security, would probably make this advance at a fair rate of interest, and the ryot's obligations would proportionately be lightened. I think that in utilising the existing machinery, and treating the sowkar with reasonable confidence and as a necessary and useful part of the revenue system, rather than by competing with him and compelling ryots to choose between him and Government, lies the safest and best mode of Government agricultural advances.

Expediency of utilizing the sowkar.

The system of accounts which I have advocated would make transactions of this kind simple, and Government would be aware of the precise degree of solvency of any ryot applying for an advance.

54. Finally, I by no means wish it to be understood that I would enforce this system on the Province at large. I would try it experimentally in any taluka in which Government decides to aid in composition or settlement of debts, and in the first place it might be restricted to those whose debts had been compounded or settled, leaving it optional to any ryot to ask to open an account, and making it in such case compulsory with the sowkar to furnish the accountant with the present state of such ryot's account.

Scheme to be experimental.

55. Until the ryot has some means of keeping himself informed of his position, and unless the sowkar knows that he has such means, I am decidedly of opinion that all posterior remedies will be useless. The prevention is easier in this case than the cure. The mischief is done by the time the ryot is taken into court. The concurrence of opinion seems to me general that once in court the ryot, under the present system, is ruined: for he is utterly unable to produce before the courts, however willing they may be to help him, a fraction of evidence. As Sir John Strachey wrote in 1859 (though with reference to another scheme of prevention):—

Preventive measures a *sine quâ non*.

“No reform of our courts will alone meet this great evil, and I believe it to be of the greatest importance that the Government should not continue to shut its eyes to the ruin in which this widespread system of fraud, or of something little better, is involving the proprietors of the land. They are incapable of protecting themselves; the Government must interfere in their behalf, or bear in the opinion of the people all the discredit of their ruin.”

56. Behind any such scheme there lies of course the initial difficulty of the existing mass of debt. First, as concerns the disturbed tracts. The appointment of a Commission has unquestionably led the people (both Marwaris and Kumbis) to expect the interference of Government, and from what we gathered while in camp, I think we are agreed that both sides would be very glad of interference. Business is suspended for the present; the creditors are in many cases willing to compound at four annas in the rupee if the debtors can give security. The debtors who can give security have in some cases compounded, but the more general position is that the Marwaris are put under a ban. The village servants will not work for them, the sweepers will not sweep their houses, the water-carrier will not give them water; a woman in a village in the Poona Collectorate who recently sold one of them some *pân* was fined by the village punchayat. This is a state which cannot last. The Kumbi will soon feel the want of money, and the Marwari will probably be able to renew at high rates the bonds which have been

Scheme for
compounding
present debt
in the dis-
turbed tracts.

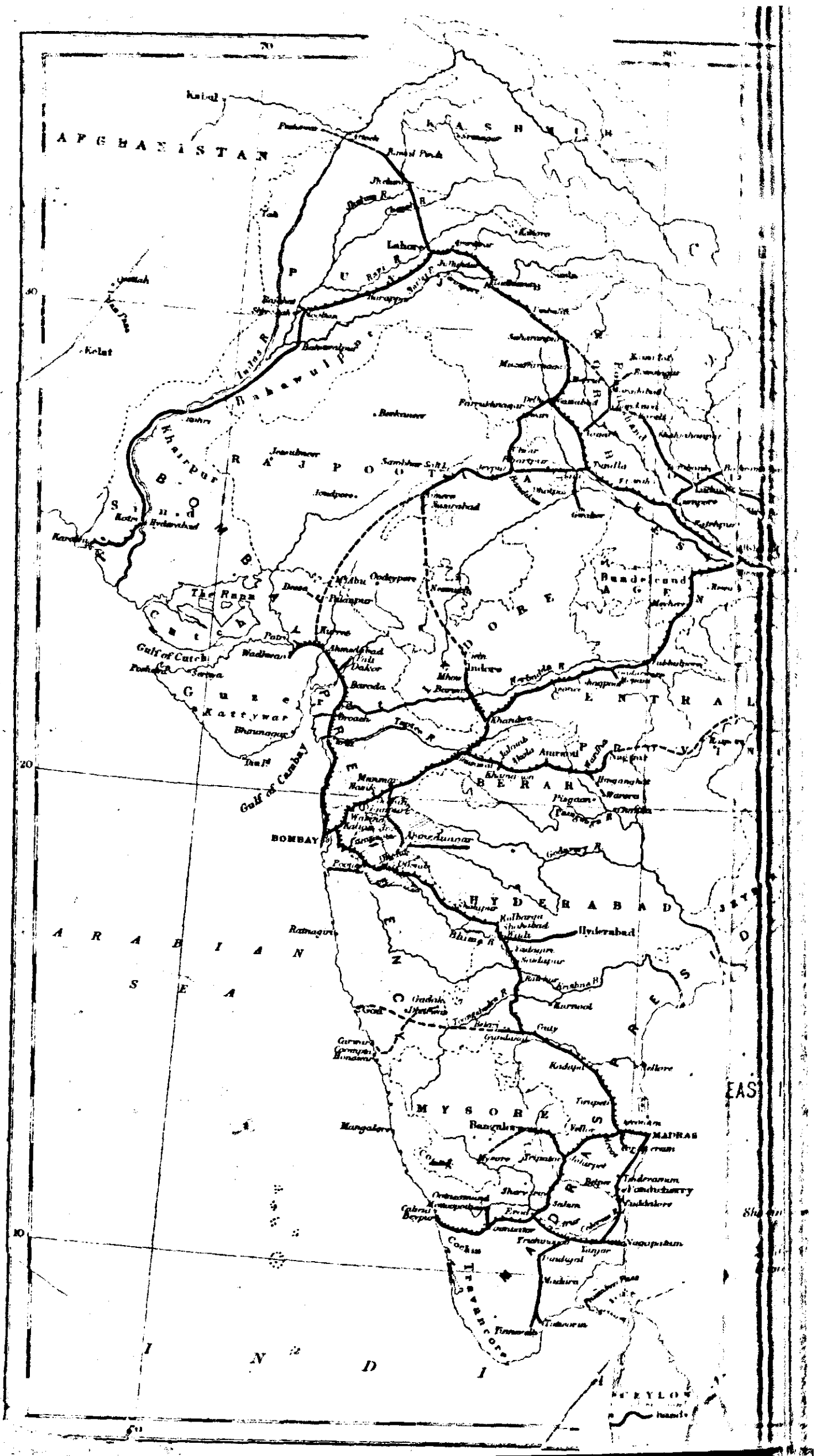
destroyed. It is a bad precedent for the Government to help those who have so unscrupulously helped themselves; but after the expectations which have been raised, I think Government cannot draw back. And whatever is done should be done quickly, that both sides may know what they have to expect. Mr. Richey submitted some time ago a scheme to Government, which I believe has been forwarded to the Government of India. The Commission have since drafted two bills,—the one to give effect to Mr. Richey's proposals; the other to carry out a more comprehensive scheme of settlement. Legislation is necessary to enable officers to call in debts, record compromises, enforce settlements, and sell out absolute insolvents. I would treat any Kumbi who is unable to compound or to liquidate by private arrangement, and whose liabilities exceed fifteen years' revenue as a bankrupt, buy in the holding at the market rate, pay the claims rateably or in full, out of the proceeds, discharge the debtor with Rs. 150 of necessary property, and hold the land as Government land, treating the Kumbi henceforth as a tenant, and charging the holding with a rent over and above the revenue-rate which would be sufficient to pay simple interest of the money advanced at 5 per cent., and eventually the principal. On repayment of the principal the land might be restored to the debtor or his heirs (if they still held it) on any terms which the Government desired. The Government should have a prior lien on the crops for payment of the rate imposed as it has been for its revenue. If the debt could not be paid within any reasonable term (such as a 30 years term), the Kumbi must be sold up and cleared off, a sufficient amount of land being reserved for him, as proposed by the Commission, within the limit of Rs. 150, to give him a livelihood. Any terms more favourable to the Kumbi than these would be an inducement to others in other parts to call in by violence the aid of the Government. Less favourable terms would fail to extricate the Kumbi. The net result would be that the debt would be cleared off; the Kumbi would either be sold up, or would become a tenant of Government, holding at a fixed rent-rate, for a term, a heritable but not a transferable right; and in case of his throwing up the land, it would be re-let to any one wishing to occupy subject for a term of years to the rent-charge, or would be sold subject to a similar liability.

Proposals as
to collec-
torates simi-
larly circum-
stanced.

57. As regards Collectorates similarly circumstanced with the disturbed tracts, power should I think be given in the Bills to Government to extend the inquiry as it pleased; and I think that in all the Deccan districts the inquiry should be introduced, taluka by taluka. The result would probably be that a considerable number of men will be found to be but little indebted: as many more involved to a degree in which composition, or instalments, or purchase by Government is necessary: and a minority hopelessly indebted and only fit to be sold up. Following on the close of the inquiry in all cases, I would establish the village accountants.

Other econo-
mic disad-
vantages
incurable at
present.

58. For the other difficulties which press upon the ryot from the economic side I am aware of no solution. If he would migrate to unoccupied lands, or if non-agricultural employment were open to him, his position would be improved. But the Government is probably not prepared for any State measure of emigration on a scale large enough to advantage the mass of ryots, while with the gradual contracting of local public works and the as yet under trial experiment of cotton mills there seems little prospect of relief in this direction to the ryot. Thus the average amount annually spent in the Poona and Kirkee divisions in public works from 1865-66 to 1869-70 was Rs. 15,81,749; from 1870-71 to 1874-75, Rs. 6,06,114 only—an enormous loss of labour and capital to the district. The Bombay cotton mills are apparently mostly supplied at present from the crowded collectorate of Ratnágiri. From returns kindly furnished us by two Parsee gentlemen, owners of mills in Bombay, it appears that of 2,043 persons employed in one case, 1,450 are from Ratnágiri, 128 only from Poona; in the other, of a total of 699 men 24 only are from the Deccan, 459 from Ratnágiri. It will be as long probably before relief is found in this direction as from improved cultivation. Where are the means for improved cultivation to come from among a people enslaved by their creditors? Not from those who can gain nothing by it. Nor, until he changes every habit of his life, of his caste, and his tradition, from the Marwari capitalist. I look upon these commonplaces as belonging to the "education" class of remedy. Unquestionably they are the true remedies. As unquestionably their action is so tardy and so remote that there must be a long interval during which the least objectionable intermediate measures open to us must be utilised, if it is found that the progress of the mischief threatens to outstrip the advance of the ultimate means of relief. It is in the adaptation of such measures that the experience of a civilized Government may be applied rather than in a *laissez aller* policy based on the irrelevant position that in earlier times and in other parts of the world remedies applied by inexperienced ignorance were worse than the mischief.



59. The fiscal source of difficulties to the ryot comes next. I shall not be understood to speak with any but the strong feeling of respect which every one must feel towards the Bombay system of assessment, when I say that in the recent revisions it has been unfortunately placed. Those revisions took effect after a period of great excitement, and at the moment when reaction had set in. The errors of the previous settlement necessitated enhancements which added to the new burdens. The Government in its Resolution No. 5,739 of 29th October, 1874, has laid down rules limiting the amount of enhancement in individual holdings, single villages, and in groups of villages or talukas: and more recently has lowered the rates of revision, on the ground that prices have fallen since revision to a degree which could not have been foreseen; so that much of the objection on this ground has been removed. But even after such revision the enhancements are very heavy, viz.:

Taluka Mádha	-	-	-	-	-	41½ per cent.
„ Bhimthari	-	-	-	-	-	37 „
„ Pandharpur	-	-	-	-	-	48 „
„ Indápur	-	-	-	-	-	39 „
„ Sholapur	-	-	-	-	-	41 „
„ Bansi	-	-	-	-	-	42 „

Fiscal source of difficulties. Gradual introduction of large enhancements of revenue expedient.

I think it would be well if the Bombay authorities would reconsider favourably (I believe they have expressed an opinion adverse to it) the system now obtaining in the North-West of distributing considerable enhancements over a period of time. If with men of much larger incomes than are usual in Bombay, and with much smaller average enhancements it is found that a period of grace is necessary, it would surely be desirable here, where the holding is small and the margin of surplus narrow, and where enhancement averages, even after reductions, 40 per cent. In the one case a man may be brought to distress, but in the other to actual insolvency. And the argument applies with far greater force when we consider the small and precarious rainfall of the Deccan. Such a sentence as this seems to me, notwithstanding the great authority of the officers who are cited in it, to carry with it its own condemnation—

“It will be satisfactory to Government to find that Sir George Wingate, though adopting a different plan of estimating the amount of the increase which may be imposed upon Indápur at the revision assessment, has arrived at almost precisely the same result as I had worked out:—*that is to say, according to his estimate the increase should be 54 per cent. upon the present assessment, and my own estimate makes it 52.* So near an agreement as this upon the complicated question of the re-assessment of a drought-stricken district like Indápur is very remarkable.”—Colonel Francis, No. 828, dated 7th October 1867; p. 168, *Bombay Selections*, No. CVII., *New Series*.

It is to my mind much more remarkable that in a “drought-stricken” district, where “the question of re-assessment is complicated,” an enhanced revenue of 54 per cent. should be imposed *uno ietú*.

60. These very heavy enhancements are the more unfortunate because, as I implied in paragraph 48, they have been caused in great measure by previous errors in the survey itself. It is obvious that if assessments rise on any principle readily intelligible to the people, their pressure, however trying, cannot be said to have been unforeseen. But in the Collectorate of Poona, as in Sholapur, much of the increase is due to errors in the classification of soils at the last survey (while under recent Government orders the corrections themselves have in some cases been corrected) and to cultivable land having been omitted in the assessed number, or included as unarable and unassessed, which has now been brought into the assessed area. Thus, even after revision by Government under recent orders in Mádha of Sholapur—

Especially reasons for such a course in the case of the recent rise.

“Of the gross increase of 41½ per cent. about 19 per cent. is due, not to increase of rates, but to the assessment of lands left unassessed at the original settlement, but appropriated by the cultivators during its term.”

Para. 5, Government Resolution No. 4515, dated 17th August 1875.

And it is the same, though in varying degrees, in other talukas. In Bhimthari, of an enhancement of 63 per cent. originally proposed, 10 per cent. was due to remeasurement. In Sholapur, of 77 per cent. increase, 10 per cent. was due to remeasurements, 27 per cent. to difference of classification. On the recent revision by Government, the revised classification of the recent survey has been again revised and lowered by Government. It is obvious this must introduce a further element of uncertainty into the value of land as a security, which at a time of falling prices and with the great contraction in the demand for local labour, and local expenditure of public capital, must prove most prejudicial to the ryot. In the causes of much of the enhancement, there should I think, be found an additional reason for introducing the new assessments gradually.

Assessment applied on arithmetical data with too little regard to the opinions of district officers.

61. Finally, as bearing on the relation of the enhanced assessments to the economic condition of the people, I venture to think that the Bombay administrative procedure, if

I understand it rightly, is apt to press hardly on the ryot. I should not have felt justified in advancing this opinion if I did not find myself supported by a recent expression of opinion by His Excellency the Governor in Council, which I will presently quote. The assessment seems to me to be based too purely on arithmetical data, and to be applied with too little regard to the condition of the agricultural body who are expected to pay it. Now that the tenures have been defined and recorded, the Survey Department naturally looks to enhanced revenues as its *raison d'être*. Take in illustration the following paragraphs which I arrange in parallel columns. They are from the same letter and refer to the same taluka (*Colonel Waddington*, No. 921 dated 3rd October, 1873):—

"18. The condition of the people, from the inquiries I have made, does not show that improvement which might have been fairly expected from the influence of the low rates of assessment and security of life and prosperity which the district has enjoyed during the last 30 years. Mr. Whitcombe attributes this state of things to the uncertainty of the rainfall, which renders the people careless in the preparation of their lands, &c., &c. But I have no reason to suppose that their comparative want of progress is in any way due to over-assessment."

"31. The occupied area, according to the last year's account, was 271,194 acres, and the collections amounted to Rs. 1,06,897. By the revised survey the occupied area is 293,487 acres, and the proposed assessment thereon is Rs. 1,47,757, which is Rs. 40,860, or 38 per cent. higher than last year's payments."

The officers, again, to whom the assessment is confided have nothing, and never at any time can have anything, to do with the administration of the collectorates; the officers to whom the charge of collectorates is confided have not, and never have had anything to do with survey or assessment. Hence we find the spectacle of collectors, and revenue commissioners contending against the rates imposed by the Survey Department, much as if the collectors and the North-West Board were to fight against the conclusions of a co-ordinate settlement authority employed temporarily in the assessment of a district with which for a period of nearly thirty years it had had no concern.

Thus, in strenuous opposition to the Survey and Settlement Commissioner, we find the Revenue Commissioner, Southern Division, writing like this:—

"Before closing this report, which has cost me much time and labour, I beg earnestly, in the spirit of moderation inculcated by Government, to deprecate any very large increase of the assessments. I go so far as to recommend Government to be satisfied with a minimum of 25 per cent. increase on the whole area in all the talukas of the Sholapur collectorate, though I would of course not object to more if it can be obtained without over-assessment. I would also recommend that in any scheme of revision a limit of 50 per cent. increase should not be exceeded in any one village, and 100 per cent. not exceeded in any field, without suitable explanation" (20th April 1874, paragraphs 118-19).

So, too, Colonel Francis:—

"I agree with the Collector that '77 per cent. is a large increase, and should have very careful consideration before it is finally adopted.' But considering the rise in the price of grain," &c., &c. (14th March 1871, paragraph 38.)

The Bombay Government, by laying down *maxima* of enhancement, has recently tried to meet this anomaly, but has cut rather than solved the difficulty. So large an increase as 100 per cent. on an individual holding, or of 66 per cent. on a village, is still allowed without special sanction of Government. The passage I referred to above is the following. The italics are mine:—

Bombay Government to Her Majesty's Secretary of State for India, No. 39, dated 17th December 1874.

"In the course of the close examination of the subject on which we had entered, we could not fail to perceive with what care and anxiety the officers of the Survey Department had gradually learned both to classify the different descriptions of soil, and also to assess, with reference to means of communication, proximity to market, command of water and other circumstances, the different rates of assessment to be paid by the occupants of the land to the Government. But at the same time we noticed that, under the system of survey and assessment which had gradually come into existence, there did not now exist, whatever might have been the original intention, that free interchange of opinion between the survey and revenue officers in the early stages of the transactions which is so desirable, and which may be regarded as one of the best guarantees for the soundness and equity of the operations. *The survey officers carry on their duties in a position of perfect independence of the revenue officers.* The lands are surveyed, the boundaries are marked, the names of the occupants are registered, classification is made, and the amount of rent to be paid by each occupant is fixed by the survey officers without any authoritative intervention on the part of the collectors. *It is not till the process has been completed for a district, and the results are about to be reported for the sanction of Government, that for the first time, an opportunity for offering an opinion is afforded to the collector.* But it is then too late. It is impossible for the collector—he has not the means, even if he had the time—then to review to any good purpose so great a mass of detail, and he can only make comments of a general nature on the grouping of the villages, the maximum rates proposed, and the general financial results. We may well refer to the reports of the Revenue Commissioner, Southern Division, on a few solitary instances, for proofs of the labour with which an attempt at criticism of details must necessarily be

attended. The survey officers being intimately acquainted with the whole, and prompted by the natural desire to uphold their own acts and to establish the advantageous results of their labours, must have great facilities for controverting the objections of the collector."

I may add that Mr. Pedder, who (an exceptional case) has had, I am told, experience both of survey and district work, admits in his "Leading Points regarding Revision of Settlements" (final paragraph) that—

"The enhancements of assessment already made have undoubtedly been far too great, and that Government might with advantage lay down as a general rule that the enhancement on a revision of settlement in the total demand on any taluka should not exceed 25 or 30 per cent.

There seems to me in the reports of revised settlements which I have seen an absence of information on one or two points which are cardinal,—the money-rates at which lands are sublet, for example. The limits of the assumed rise in prices vary again with the periods of computation selected by different officers (in Indápar for instance), and the rise in wages, which is at least equally important, is not I think alluded to. Importance is attached to the number of years' revenue at which land is mortgaged, though these returns are known to be frequently fictitious. The selling rates of the right of occupancy for land of the several classes in each year of the settlement are not given, though I should have thought we could have no better indication of rental value. What proportion of rental on the several classes of soil is taken by the Government seems to me nowhere demonstrated.

62. Mr. Richey has in view a system by which the settlement in tracts where the rainfall is precarious should be made less rigid than at present. I cannot pretend to aid him in the details of such a system, as applied to a part of the country with which I have no acquaintance. But the principle is one which is at the present moment engaging the attention of the North-West Government in regard to its Bundelkhand districts, and if any scheme which could not involve haphazard remissions can be devised, it will unquestionably give a further relief to the ryot from a constant cause of embarrassment.

Adaptation of revenue system to special local peculiarities.

63. Turning now to the last of the three points noted in paragraph 48, it will be seen that the proposals for village accounts will, if successful, go very far to relieve the ryot. But I may assume for the purposes of this section that there is no change of system.

Third class of difficulties.

64. Reserving till the close of these remarks the working of the Courts, I would note here that the relief which can be given by the Legislature concerns the ryot at two stages, which are distinct, and the remedies for which have little interconnection. There is, first, the stage at which the ryot, though indebted, is still solvent, and the second or final stage when he has become hopelessly embarrassed. To the first stage belong such proposals as a modification of the law of limitation or imprisonment, and to the second, a law of insolvency, or proposals having for their object a revised procedure in the conduct of sales of land, or the reservation of a margin for necessaries and implements of trade when a debtor's property is sold. To begin with the first stage.

Two stages of relief.

65. As to the law of limitation, the present term of three years, I believe, applies only to bonds in which immoveable property is not hypothecated, or to unregistered bonds, and in such case only if no interest is paid, or, if paid, is not acknowledged in writing. An acknowledgment in writing is rarely, if ever, given to ryots, and practically the term of three years is made to apply to all unsecured or unregistered bonds. But as we have seen, renewal is insisted on every second year, to leave the creditor a margin of time for accidents. The law of Dandooput, if rigidly enforced, is equivalent at 24 per cent. interest to a limitation law of four years. But it is doubtful whether it was rigidly enforced—that is, whether bonds were renewed so soon as the interest had equalled the principal, for the penalty was partial loss of interest only, and not total loss of principal and interest as under the limitation law; and in any case it was equivalent to a term double the period now currently allowed under the limitation law. We have nothing before us to show why the period was reduced from twelve to three years, but I suppose it was on the ground of public policy, and to ensure prompt settlement of accounts. The rule, so far as we can gather, has worked prejudicially to the ryot, who, as Mr. Gopyram Hury says, perhaps has—

Law of limitation.

"Borrowed for his son's marriage after planting sugar-cane or making a garden, and it will require six or seven years to pay the debt. The longer the period the more convenient it is for both parties to adjust their accounts. Two years—

(it may be observed, in passing, that this gentleman, like the Sub-Judge previously quoted, points out that the three years resolves itself into two)—

may be bad years, and the man has hardly been able to maintain himself, and expects that the third or fourth year may prove a year of plenty."

The period is apparently used to extort at short intervals renewal of bonds at higher rates under threat of proceedings. The people themselves seem pretty unanimous in

ascribing much of their difficulties to the brief period of limitation, which compels them every second year to find ready money or to renew; and if twelve years seem an inordinately long time, seven (which practically would be six) might be worth consideration. I think that further inquiry and information is needed by Government before any new limit can be definitely proposed.

Imprisonment for debt.

69. The law of imprisonment seems to press on the Indian agricultural debtor with a severity wholly unknown to the debtor of the presidency town. Mr. Lyon in his Digest (p. 105) writes:—

“It will be seen from the following quotations that the law in force in India is much more unfavourable to the debtor than that of any other of the countries referred to. Even the Roman law was not so severe, as the debtor was discharged on delivering up his property. The law has been relaxed in India as to certain chiefs in Sind, and the most important provision of the Baroda Talukdars Act, the Ahmedabad Talukdars, and the Ajmere Regulation consists in a clause exempting these talukdars from arrest. Their property still remains liable. In the presidency towns the debtor can get off both imprisonment and all future liability on giving up all his property except Rs. 500 worth.”

In England, before imprisonment for debt was done away with, the following was the rule:—

“In England (p. 120, *Digest; Extract from Lord Mackenzie's Roman law*) no debtor, generally speaking, can be imprisoned for a debt under 20*l.*; neither can the judgment creditor execute all the writs of execution at the same time. The general rule is that imprisonment is a satisfaction for the debt unless the debtor die in prison, or escape, or be rescued; and hence, after that kind of execution, the creditor cannot seize his goods and lands also. Again, where a writ of execution against the real estate has been executed, the debtor's person or personal estate cannot be taken. But after taking the personal estate either the person or the real estate may be taken.”

In India, imprisonment may be terminated by the debtor giving in a list of all his property, but he still remains liable in property at any time afterwards acquired, till satisfaction of the debt, though he cannot be imprisoned twice on *the same* decree, unless fraud is proved; but he can be imprisoned on any other decree.

Used as a means of compulsion.

67. Imprisonment for debt, if the debtor has any effects, is as a means of compulsion, only another way of doing what is equally well done by sale of the debtor's property. In other words, as a means of compulsion, the power to sell is, I should suppose, quite as efficacious. A man who has had the means of paying, but declined to pay, would be as much alarmed by finding that his property was to go to the hammer, as by receiving a warrant of arrest for his own person; where, on the other hand, the debtor has no effects, he can, even under the present law obtain release. The power of compulsion is intended to be used as a means for the enforcement of payment, not as a means for extorting various terms of renewal from the debtor. The double power of imprisoning, and at the same time, notwithstanding imprisonment, of holding the unsatisfied decree in *terrorem* over the debtor, gives the creditor powers beyond what are required for his purpose. For legitimate purposes of compulsion the power of sale is sufficient. If imprisonment is retained, it might, as formerly in England, act as full satisfaction of the claim, unless the debt has been fraudulently contracted. At the same time, so long as any compulsory power is allowed—and of course it must be allowed—it matters apparently very little what form it takes. Whatever it is, it will be used by the creditor as a means of obtaining fresh and favourable terms (the shorter the term of limitation, the more often it will be used), and will be yielded to by debtors, such as those we are dealing with, who, though solvent if they would sell a part of their effects, prefer renewal at unfavourable rates to instant loss of property. All I can say is, that so long as the power of sale is left with the creditor, I do not think he should be armed (except in the case of a fraudulent debtor), with the further power of imprisonment, which seems habitually abused. There is, of course the general principle, that a man should be responsible in person and property for his debts. This we see aptly exemplified in the Hill tracts of Khandesh, where agricultural debtors are sold among the Guzurs like cattle, and are, I believe, a new and very valuable form of property; but the English Legislature has taken a more lenient view, and I do not see why the provisions of the English law, as embodied in 32 & 33 Vict. c. 62, should not be applied in India.

An insolvency law not likely to be much used unless made compulsory.

68. Then, as to the second stage, when the debtor has become insolvent. It seems opposed to all experience, but what I can learn of the character and habits of the agricultural debtor and his creditor on this side of India, leads me to think that neither would care much for an insolvency law. The debtor does not wish for any arrangement which will help to get him off the land, and would prefer holding on as a nominal proprietor, at rack-rent, to ouster and dispossession. The creditor would find the “sweating” custom more profitable than liquidation. Moreover, he does not ordinarily

wish the land itself, and prefers to receive its profits, while the liabilities rest with the nominal proprietor. The agricultural debtor, if offered the alternative of freedom from all claims on condition of surrendering all property, or indefinite liability and nominal ownership, would, I gather from the information before us, ordinarily elect for the latter. What he wants is to retain the land, and at the same time to get rid of the liabilities; and this is a desire which no insolvency law can gratify. If the amount of his debt is not more than the value of his land, he can himself liquidate it; if more, he prefers to immediate sale trusting to chance. It is on grounds of public expediency that an agricultural insolvency law can be best advocated; on the ground that it is desirable to put an end to the present state of things—to clear, that is to say, the insolvent off the land, and to compel the creditor to accept the outcome of his dealings, to become the owner of the land which he declines to take into possession, and to abandon the sources of profit which he finds in the sweating system. From this point of view, I think that an insolvency law is *most* necessary, but that it would be popular with either section whom it concerned, I doubt.

The draft Civil Procedure Code Bill contains a provision that after twelve years a decree should cease to have any effect. But this, again, will give no real relief to the debtor; for a sowkar ordinarily has by him several bonds, ranging over a term of years, and by obtaining on them decrees at different times he can extend the period so as practically to evade limitation.

69. Again, as to the inadequate prices fetched at the sale of rights and interests in the execution of civil court decrees. This is as frequent a cause of complaint in the North-west Provinces as in Bombay, the reason probably being the same in either case, viz., that the amount and value of the liens on the rights sold are not known, and a purchaser, other than the decree-holder, has no knowledge of what he is buying. The court selling the land has the means of ascertaining, through the revenue authorities, and from its own enquiries, most, if not all, of the charges on the rights and interests to be sold, and what those rights and interests are; and it should, I think, be compelled to do so, and to publish them with the notification of sale.

70. By section 62, clause 2, Regulation IV., 1827, "implements of manual labour and such cattle and implements of agriculture as may, in the judgment of the court from which the process issues, be indispensable for the defendant to earn a livelihood in his respective calling, or cultivate any land that he may hold for that purpose," were exempt from attachment.

By the present law (section 205, Civil Procedure Code), "all property whatsoever, moveable and immovable, belonging to the defendant, is liable to attachment and sale in execution of a decree." The draft bill makes no material change. By the English Bankruptcy Act, 1869, section 15, the tools (if any) of the bankrupt's trade, and the necessary wearing apparel and bedding of himself, his wife, and children, to a value, inclusive of tools, and apparel, and bedding, not exceeding 20*l.* in the whole, are exempted from sale. By the Insolvency Act, Rs. 300 worth of property may, in the Presidency towns, be retained by the debtor.

We have no papers before us to show why the provisions of Regulation IV., 1827, were repealed, but there is a strong concurrence of opinion in all officers consulted that the exceptionally stringent conditions of the law as it applies to mofussil debtors should be relaxed, and that a margin of necessaries and implements of trade or calling should be reserved from sale to a limit of Rs. 150 or Rs. 200. On the expediency of this I cannot entertain a doubt. The Marwari is armed with powers, natural and legal, enough to warrant Government in depriving him of this extraordinary weapon, the absolute ruin of his debtor.

Modifications in the law of imprisonment and limitation, an insolvency law, a revised procedure for the conduct of sales in execution of decrees, and the exemption of necessaries from sale, would relieve the ryot from some amount of disadvantage on the judicial side; but so long as the courts and the debtor are kept, as at present, in ignorance of any but the last stage of the progress of the debt on which the court adjudicates, I do not believe that any of the above measures will bring sensible relief. A further form in which relief might be given is to allow of sale of land only for debts in regard to which it has been hypothecated. This was earnestly advocated by Colonel Wingate, and subsequently by Sir William Muir, and seems, from the letter to the Bombay Government (at p. 313 of Mr. Lyon's Digest), to commend itself, so far at least as the Presidency town is concerned, to the Bombay High Court.

72. In collectorates in which it is thought unnecessary to introduce and gradually extend any such administrative measures as I have advocated for the protection of the ryot (or, if the plan is rejected, in *all* collectorates)—I mean the appointment of a village

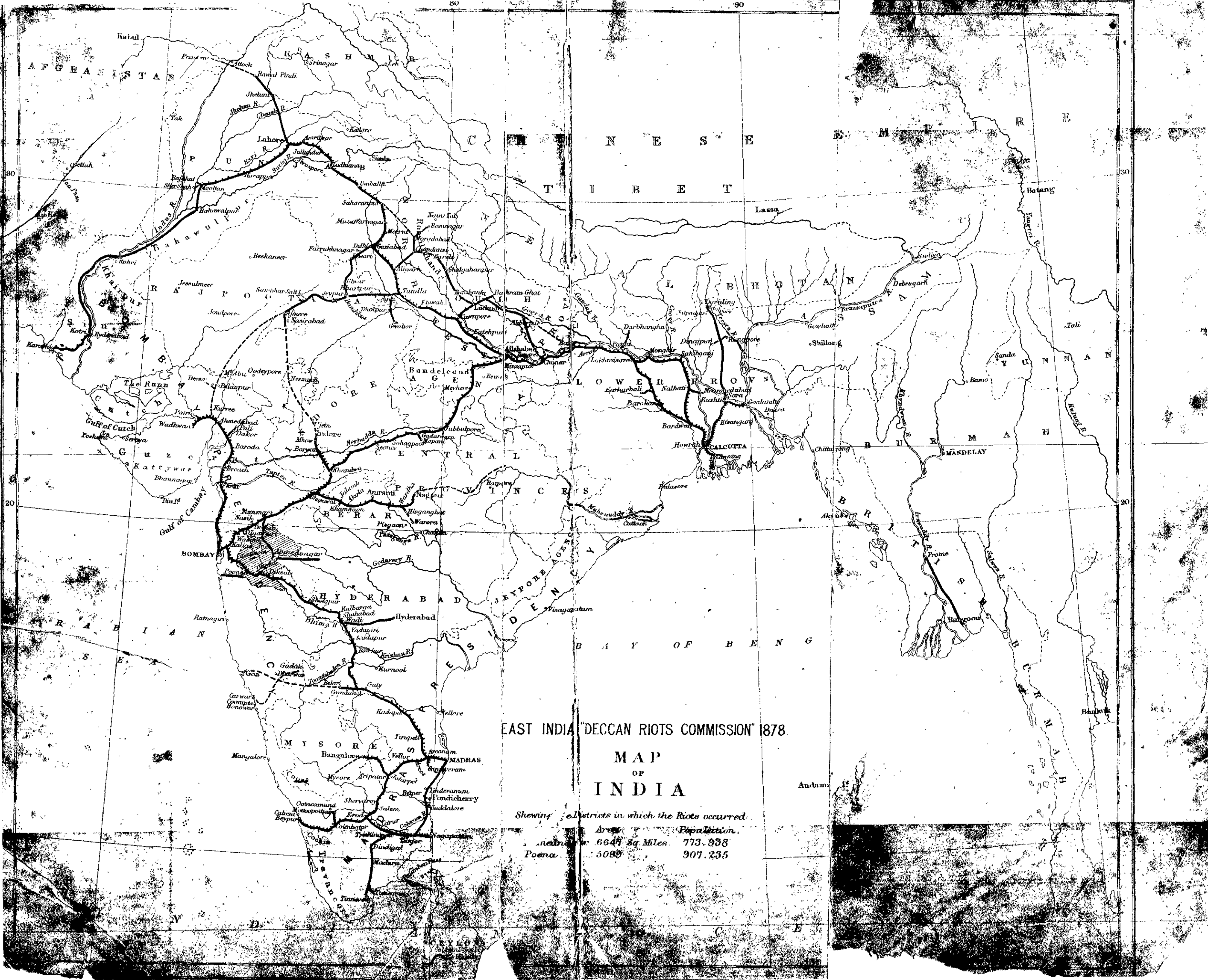
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EAST INDIA "DECCAN RIOTS COMMISSION" 1878.

MAP OF INDIA

Showing the Districts in which the Riots occurred.

	Area	Population.
Deccan	6647 Sq. Miles.	773,938
Poona	3090	907,235