

Dhananjayrao Gadgil Library



GIPE-PUNE-012172

X: 90 V, 54.231.1132

G1

12172

REPORT OF THE RETRENCHMENT COMMITTEE OF THE GOVERNMENT OF BOMBAY, 1931

CHAPTER I.

This Committee, which was appointed in accordance with the announcement of the Honourable the Finance Member in the Legislative Council made on 2nd March 1931, submitted its *ad interim* report to Government on the 22nd July. The object of this report was to suggest as early as possible means of retrenchment which could be realised in the present year in order to meet the deficit estimated at about Rs. 60 lakhs in the current budget. The task then remained of proposing permanent retrenchments which would render possible the balancing of future budgets. We understand that the deficit which would recur if the present proportion of expenditure to revenue were not adjusted is in excess of Rs. 1 crore, and this is the figure which we have had before our minds in the course of our deliberations.

2. After issue of our interim report we drew up and issued questionnaires to non-officials including retired Government servants, Members of the Legislative Council and Assembly, to the departments generally and individually to each department. We have examined the Chief Secretary, the Secretaries to Government, General Department and Public Works Department, the Chief Conservator of Forest, the Director of Agriculture, the Director of Information, the Director of Industries, the Director of Public Health, the Oriental Translator and the Works Manager, Daptri. The Surgeon General has also attended some of our meetings. We have heard the evidence of members of the Bombay Medical Union.

Our questionnaires were issued on 29th July. We met on August 24th to consider the replies but as many of them had not been received we adjourned on 28th until 14th September when we met again and adjourned on 21st. We reassembled after the Court Session on the 14th October and sat until the 5th November. We met again in Bombay from the 14th to the 25th of November.

3. We received a letter dated 18th September from the Secretary to Government, Finance Department, informing us that in order to be useful in framing the preliminary budget for 19-33 our proposals should be before Government by 20th October. We did not find it possible to comply within that period, but in a subsequent letter dated 7th October, the termination of the Committee's appointment was fixed for 21st November and we are submitting the present report by that date; but we wish to point out that there are many important subjects with which we have not had time to deal or which we have discussed but regarding which we have not yet had time to formulate our recommendations. This report therefore is to a extent incomplete. Our task may be regarded from two aspects: firstly the reorganization

of the various activities of Government so as to enable them to function on the reduced scale necessitated by the fall in the general revenues; period of which we are unable to foresee; and secondly the immediate balancing of the budget. It is the former task which, in the time at our disposal, we have been unable to complete. And in any case it must be clear that such reorganizations could not in many cases be brought into effect so as to affect appreciably the budget of the next year. Many of our recommendations must therefore be regarded as temporary adjustments required for the purpose of balancing the budget. There is a difference of opinion as to the extent to which lump cuts in the various grants are practicable; and the majority of the Committee will accordingly elaborate their views in a separate chapter.

CHAPTER II.

GENERAL RECOMMENDATIONS.

REDUCTION OF WORK.

4. We consider that in order to reduce establishment the first requisite is to reduce the quantity of work. We have been impressed by the unanimity with which departments have complained of the burden of routine work, which, by taking up an undue proportion of their time, interferes with the activities of officers in more useful directions. To the extent to which this excessive routine is unnecessary or could be carried out by less highly paid officers, it must be regarded as definitely uneconomical. And unless its volume is constantly checked it results in the undue swelling of establishments.

We have been supplied with lists of *returns* submitted by various officers. The number received in the Secretariat belonging to the various departments is as follows:—

	Returns and Reports.
Home Department	158
Revenue Department	70
Finance Department	37
General Department	83
Educational Department	19
Political Department	15
Public Works Department	95
Legal Department	7

There are also numerous other returns supplied within the departments themselves which do not go to Government.

These returns are submitted at intervals ranging from 1 day to 1 year and it is possible that some saving may be effected by lengthening these intervals; e.g. by submitting certain returns now sent monthly at an interval of 3 months. Some reports seem to be duplicated, e.g. in the Legal Department it is not clear why both a monthly and a quarterly return of expenditure by District Government Pleaders is necessary. Other reports do not appear necessary at all.

5. It is clearly not possible for the Committee to decide on the necessity of these various reports and we suggest that Departments should again examine the necessity for all the present reports and direct Heads of Departments to make a similar examination of all reports required by them, particularly of those which various officers have reported to be superfluous. We understand that a step in this direction has already been taken by reducing by 10 per cent. the second part of the General Administration Report as an experiment.

6. In this connection we have considered in its general aspect the possibility of reducing work by *delegation of powers*. We have not had time to go into the complicated question of the reorganization of the Secretariat, and we understand that proposals for relieving the Secretariat by delegating numerous powers of Government to the Commissioners were found in many cases to require legislation, but we consider these proposals to be in the right direction and would suggest that they should be carried out where feasible. It appears to us likely that in numerous other departments delegation of authority in matters great or small could be carried out with considerable advantage in the reduction of correspondence and without risk to the essential interests of the administration. We believe that the policy of centralization is expensive and we prefer, at any rate in the small matters of day to day routine, that the local head of an office should in the interests of economy be trusted to exercise the necessary supervision where it is required.

7. The question of risk arises more definitely in the relationship of the Audit and Accounts Department to the local offices. Those of us who are members of the Public Accounts Committee are aware of the complaints which are continually being made by district officers of the burden of work thrown upon them by the administration of the present system of audit and accounts. There seems reason to believe that a great deal of the correspondence referred to could be reduced by a less meticulous interpretation of their duty by the Audit Department. We note that the Auditor General has, in connection with a Central Retrenchment Committee, agreed to relax the strictness of departmental audit, and in view of the present necessity of reducing district establishments we recommend that Government should take up with the Audit Department the question of reducing the volume of the correspondence and possibly of simplifying the accounts and returns. !

PAY.

8. Proposals for a temporary cut in pay were made in our *ad interim* Report. We now desire to add the further recommendation that all increments of pay should be postponed by one year. We think that this can be carried out without undue hardship, and will give a further valuable relief to the emergency budget. But we couple the recommendation with the condition that it is found possible to introduce the rule simultaneously in all services and posts.

9. We also attached to our former report proposals for the future scales of pay for the Provincial services. In doing so we agreed with

the proposal which, we are informed, has been accepted by all Provincial Governments that those services should be divided into an upper and lower division to be known as Class I and Class II, Class I being intended to take the place of the All-India Services as in course of time they are transferred to the control of the Local Governments. We understand that the proposed scales have been adopted by Government and a complete list of them is now attached in Statements A and B to this report. It will of course be some time before the effect of these reduced scales which will affect new entrants only will be apparent in the budget.

The number and complexity of the different scales of pay in the subordinate services has made it impracticable for us to deal with them in general. We have been informed that Government are taking them up individually and meantime have accepted our proposal that all scales shall be reduced by 2 annas in the rupee pending the introduction of revised scales. Typical clerical scales for the mofussil and for Bombay City, which we have approved, are given in Statement C. As regards the starting pay of graduates we think the following scale to be suitable :—

		Bombay.	Mofussal.
		Rs.	Rs.
Pass Graduates	..	65	50
Honours Graduates	..	80	70

10. We make the following special recommendations by a majority :—

The Cabinet.—The pay of Ministers should be fixed at Rs. 3,000. A majority of the non-official members would couple this with a recommendation that the pay of Executive Councillors should also be reduced.

Note.—Khan Bahadur Allahbakh holds the view that as the Legislative Council recently discussed and negatived a reduction in the pay of Ministers, the Committee as being a Committee of the Legislative Council has a mandate not to make this proposal and should not have raised the question.

The Legislative Council.—That the pay of the President should be Rs. 2,500, and that the post of Deputy President should be made honorary.

Note.—Rao Bahadur Patil dissents from the latter proposal.

The High Court.—That the pay of the Judges should be Rs. 3,000, and that of the Chief Justice Rs. 3,500.

Judicial Commissioners.—That the pay of the Judicial Commissioner should be 2,625 and that of the Additional Judicial Commissioners Rs. 2,250.

Pay of Secretaries.—We have not had time to deal with Secretariat establishments in detail. The pay of Secretaries to Government should be reduced in a similar proportion.

OVERSEAS PAY AND PASSAGE CONCESSIONS.

11. The official members of the Committee being debarred from associating themselves with recommendations affecting the All-India Services, the views recorded in these matters are those of the non-official members only. By a majority they have come to the conclusion that as a temporary measure pending restoration of the financial position the

concession of the additional overseas pay and the passages granted by the Lee Commission should be withdrawn. In regard to new entrants they are of opinion that the O. S. P. should be reduced in the same proportion approximately as the new scales bear to the old scales, that is to say, by one-third, and that it should be calculated in sterling only.

TRAVELLING ALLOWANCE.

The orders already issued have resulted in a reduction of Permanent Travelling Allowance by 25 per cent. : of mileage by road to 1st Class Officers of 25 per cent., of daily allowances of 20 per cent. in the case of high officials, down to 10 per cent. in the case of 2nd grade officers : and of rail mileage of about 9 per cent. We recommend that the rail mileage should be further reduced to 1½ fare for journeys on tour. We are of opinion that the allowances permissible to third class officers are in certain circumstances, in view of the cheap methods of travel now available, inclined to be over-generous, and we recommend that the rules be reconsidered. We have already suggested to Government that in some departments it should be possible to reduce touring as a temporary measure ; and in some instances the speeding up of travel has probably made it unnecessary for District Officers to spend such long periods away from headquarters

13. We note that under Bombay Civil Service Rule 377 some Provincial Service Officers, e.g. Assistant Judges, are treated as 1st class officers for purposes of Travelling Allowance irrespective of pay, whereas other Provincial Service Officers are only so treated if their pay is Rs. 750 or over. We consider that this differentiation should be abolished and pay should be the criterion for all these officers, and that Rs. 750 should be the standard for officers now in service and Rs. 600 for new entrants who will be on reduced rates of pay.

14. *Compensatory Allowances.*—We have already dealt with in our former report, in which we recommended a cut of 10 per cent. in all allowances exceeding Rs. 10 that have been revised since 1919.

It has been brought to our notice that house rent allowances are in some instances attached to posts which involve permanent residence in Bombay. We are of opinion that as a general rule the pay of such posts should be consolidated and include all elements of compensation for the increased cost of living in the City.

15. *Special Pay*—We have been supplied with a list of special pay attached to certain posts. This is granted in addition to ordinary scale pay under the C.S.R. for additional responsibility, specific additions to the work of a post and for working in certain bad climates. We are aware of the arguments which are held to justify the grant of these allowances, and agree that in certain circumstances the system is an economical method of giving pay for special posts, but we are inclined to hold that the giving of additional pay for additional work has sometimes been overdone and ignores the fact that the whole time of a Government Servant is at the disposal of Government. Every department is involved in this problem, and it has not been possible for us to go into

the items in detail. We recommend that the Finance Department should institute a fresh enquiry into the justification of every allowance.

We are informed that the amount of the special pay has in some departments been recently considered and in a number of instances reduced. Apart from this, we desire that the theory should be reconsidered, and we think that it will be found possible to reduce the number of the allowances. All special pay is subject to the cut in salaries. We hold that Government has already accepted our suggestions that acting allowances should not be given for short periods of officiation, and for temporary additional duties, and that temporary vacancies should remain unfilled when this is administratively possible.

We approve of the suggestion that the Sind allowance should be given only during the hot weather.

MINOR RECOMMENDATIONS.

16. We recommend that the grant of Camel allowance in Sind in addition to daily allowance should be discontinued. This has already been done in the Revenue Department by some Collectors and we think the discontinuance should be universal.

We recommend that the limits for travelling allowance *plus* conveyance allowance allowed to Public Works Department Overseers in Sind should be reduced. The limits set by the Chief Engineer in Sind are already lower than the maxima allowed by Government, and we think there should be a further reduction.

LEAVE RULES.

17. Closely connected with the revised scales of pay, are the terms of leave. We make no comment on the Special Leave Rules, which affect chiefly the All-India Services. The rules for Indians serving in India appear in some respects to be unnecessarily generous and we think they could be modified without any hardship. Few officers avail themselves of the full amount of leave allowable. We understand that the Local Governments are awaiting a revised draft of Rules from the Auditor General which will embody certain suggestions to this effect which we made to Government early in the course of our discussions and we therefore are unable to say anything further at present in regard to details. We will only draw attention to the fact that under the present rules leave pay is fixed at the average pay of the 12 months of duty before the leave was taken. An officer holding temporarily a post on higher pay than his substantive post has therefore a strong inducement to take leave immediately after this acting period if otherwise he would revert to the lower pay of his substantive post. This is likely to cause leave to be taken unnecessarily and at an excessive cost to Government. We think that the rules should be so modified as not to give short periods of acting service an undue effect in raising the level of leave pay. This particular recommendation applies also to the Special Leave Rules.

CHAPTER III.

INDIVIDUAL DEPARTMENTS.

LAND REVENUE AND GENERAL ADMINISTRATION.

18. *Commissioners*.—We have discussed the question of the abolition of Divisional Commissioners and, as an alternative, the reduction of their number. The arguments for and against the retention of these officers have been discussed at length in the Legislative Council on several occasions, and it is unnecessary for us to repeat them. We are unanimously of opinion that the three Commissioners should be retained.

19. *Prant Officers*.—We are informed that there are not more than 2 in any district with the addition of a Personal Assistant in some of the bigger districts. We think that this does not leave any room for reduction.

A majority of us consider that all *Personal Assistants to Collectors* should be abolished.

20. There is at every district headquarters a *Huzur Deputy Collector* who does revenue and treasury and, in all except very large towns like Ahmedabad, magisterial work. We have examined this question and find with one dissentient that the scheme of introducing accountants in place of Huzur Deputy Collectors can only be carried out if appointments of magistrates are made to do the magisterial work and this would involve extra cost. There is, however, no objection to replacing the Huzur Deputy Collectors by senior Mamlatdars with first class magisterial powers. The net result of this will be to replace an officer on an average of Rs. 700 by one on Rs. 350 and will save Rs. 4,200 a year in each case.

Similarly we think that in Sind *Daftardars* who are of Deputy Collector's rank should be replaced by men of Mukhtiarkar's rank, as has already been done in some districts.

The result of these two proposals will be to reduce the number of posts of Deputy Collector's grade.

21. It has been suggested to us that Head Clerks who are now ranked with Chitnises in the Mamlatdars' grade should be reduced to their previous status.

22. We have considered the question of *amalgamation of Districts and Talukas* but have not had time to examine it in detail. A scheme has been worked out for dividing the Bombay Suburban Division between the Collectorates of Bombay and Thana, and the amalgamation of Broach with an adjoining district has been proposed. When the States in Panch Mahals are handed over to the Government of India there will clearly be no justification for a separate Panch Mahals District. The cost of administration of the Presidency gives rise to the prima facie conclusion that the number of Districts is excessive. We think that Government should investigate these and any other possible amalgamations with a view to reducing the total number of districts and talukas.

23. *Land Records Department.*—We think that in future Inamdars should pay for the survey and settlement of their villages. The cost is at present borne by Government but since this work is of great benefit to the Inamdar we see no reason why he should not pay for it.

We think that as a temporary measure one post of Superintendent of Land Records should be abolished and the Central and Southern Divisions combined into one charge. The Prant Officers will have to give assistance under the advice of the Superintendent, Land Records, as the work is beyond the powers of a single officer, but we think the experiment should be tried for the sake of economy.

We also recommend that the post of Superintendent, Land Records, Sind, should be amalgamated with that of Manager of Encumbered Estates, if this is possible. The pay of one of the officers will thereby be saved.

24. *Talatis.*—The suggestion has been made to us that a reversion should be made to the system of hereditary kulkarnis as a measure of economy. A majority of us is opposed to the suggestion. We consider however that the possibility of increasing the size of *sazas* and so reducing the number of *talatis* should be explored.

COST OF ESTABLISHMENTS.

25. We have referred elsewhere to the proportionate high cost of the general administration of the Presidency. The chief reason is undoubtedly the cost of establishments, and we recommend that a general reduction of 10 per cent. should be aimed at.

GOVERNMENT HOUSE.

26. The question has been raised of reducing the cost of Government House establishment such as the Bodyguard and Band. We understand that His Excellency has given this matter his personal attention and it is gratifying to be assured that a reduction of approximately 1½ lakhs is anticipated.

HEADQUARTERS OF GOVERNMENT AND THE MOVE TO MAHABLESHWAR.

27. The expenditure incurred on the moves of Government from one Headquarter to another has long been a subject of controversy and there is a variety of opinion within the Committee on the proper solution. The reported cost of the annual move to Mahabeshwar (viz. roughly 25,000) does not include the cost of upkeep of Government House. A majority of us is in favour of a definite abandonment of Mahabeshwar as a Headquarters. This would involve the disposal of Government House with an ultimate additional saving of about 35,000. A smaller majority of us is in favour of the maintenance of only one Headquarters, whether that be Bombay or Poona being left to the determination of Government. The Retrenchment Committee of 1923

were impressed with the advantages of Poona, and recommended the removal of the Headquarters to that place. But at that time there seemed a fair prospect of being able to dispose of the Bombay offices at a handsome profit and thereby pay for the cost of additional buildings at Poona. That prospect has disappeared.

The cost of the annual transfer to Poona has not been worked out, though *prima facie* it does not greatly exceed the cost of the move to Mahableshwar. But there are other considerations than retrenchment, and the majority of us is content to record the view that Government should remain in one headquarters throughout the year.

DIRECTOR OF INFORMATION AND ORIENTAL TRANSLATOR

28. We have discussed at length the possibility of amalgamating these two posts. We have taken the evidence of the Director of Information and the Oriental Translator and of the Secretary, General Department. The Director of Information's main activities are those of Commissioner under the Workmen's Compensation Act and the collection of labour statistics. His duties as Director of Information and Compiler of the General Administration Report are of less importance. As the present incumbent is a barrister as well as a journalist he is able to combine the duties though they have no intrinsic connexion. The Commissioner of Workmen's Compensation hears cases from Bombay, Ahmedabad and Sholapur, and the G. I. P. and B. B. & C. I. Railways, as the great bulk of cases arise within those limits. Other cases which are very few, are heard by the Judge of the Court of Small Causes, Karachi, and by local judges. The Director of Information has stressed the importance of the bulk of cases being heard by one officer as the law is new, and case law is being built up and immediate attention and disposal are necessary so that cases can be disposed of at once or settled without coming to court.

The Oriental Translator is Secretary to the Board of Examiners for Departmental Examinations and has ceremonial duties at Government House as well as translating and editing certain publications for Government. We think that the staff of this office could be reduced by 15 or 20 per cent.

A majority of us wish to abolish the post of Director of Information and to transfer his work as Director to the Oriental Translator, and his duties under the Workmen's Compensation Act to the regular judicial officers of the areas concerned, and the statistical work of the Labour Office to the Collector of Bombay. No special allowances should be required for these duties and we think the special pay of Rs 75 drawn by the Judge of the Small Cause Court, Karachi, for work under the Workmen's Compensation Act should be withdrawn.

EXCISE.

29. A majority of us have come to the conclusion that it is possible to abolish the post of Excise Commissioner and to hand over his duties to the Divisional Commissioners. Mr. Wiles supported by Mr. Humphrey

is opposed to this on the ground that excise is the most important of all the commercial enterprises of Government, and of vital interest to the Provincial Revenues. Recent administrative changes have tended more and more to centralise control, and the abolition of a central authority will inevitably react on the revenue.

We have considered the possibility of handing over the *Nasik Distillery* to private agency. We are told that after paying for rent, depreciation and all working charges there is a net profit of Rs. 11 lakhs. The majority of us think that Government should make inquiries to see if substantial firms would come forward to take up the contract and a larger profit could not be made by private agency.

As minority of us consider that experience shows that this would be a retrograde policy and prefers that Government should retain this monopoly in their own hands. There is moreover to-day a handsome profit. A considerable risk would be involved in entering into a contract for a period of years which involves the leasing of a very valuable property.

We have been advised by the Excise Commissioner that Government revenue could be substantially increased without increasing the quantity of liquor consumed if more shops were opened in areas where illicit distilling or smuggling from Native States is rife. A majority of us favour the introduction of this policy. Some of us prefer other means of suppressing the illicit traffic.

The Excise Commissioner has reported to us the following reductions in expenditure which he is putting into force under the orders of Government :—

	Rs.
(a) Abolition of 6 posts of Inspectors	
" 11 " Assistant Inspectors	
" 22 " Sub-Inspectors	
including pay, allowances and contingencies ..	78,997
(b) Reduction of constabulary staff and boat establishment by—	per annum.
5 petty officers	
61 Constables	
2 Tindals	
4 Lascars	21,024
	1,00,021
Less cost of converting 42 posts of constables into writer constables	-2,520
	97,501
(c) Withdrawal of excise staff from the Mahi Kantha States and abolition of 3 Sub-Inspectors	16,800
	1,14,301
Total ..	1,14,301

This sum of Rs. 1,14,300 is net permanent saving per annum which is 6½ per cent. of the total establishment charges. During the current year there will be a saving of Rs. 53,690 already reported to this Committee, and a further Rs. 24,000 to be effected before the end of the year making a total of Rs. 77,690. We consider these proposals very satisfactory.

FOREST DEPARTMENT.

30. We have heard the evidence of the Chief Conservator and discussed with him various schemes for reorganization. He has given us the following figures :—

	Rs.
Annual surplus, average of 1919-24 ..	26,13,000
,, 1924-29 ..	31,85,000
year 1929-30 .	36,63,000
,, 1930-31 ..	9,78,000
revised estimate, 1931-32 ..	19,81,000

Retrenchment of establishment has been effected since 1920 of Rs. 4,67,000 per annum. In 1929 a further reduction of Rs. 2,500 was made. In the present year reductions in permanent and temporary staff amounting to Rs. 36,208 are being made. The Chief Conservator has also made proposals for reduction of permanent travelling allowance and had climate and other allowances amounting to Rs. 30,000 per annum. Thus the permanent reduction in annual establishment charges below this year's budget figure is nearly Rs. 70,000. He is of opinion that the cuts in previous years and this year have brought down the establishment even below the minimum necessary for effective administration and that further cuts would react on revenue. In view of those figures we have been unable to arrive at any recommendation for further immediate retrenchment, but some of us are not satisfied that there is not scope for some amalgamation of divisions, and desire that Government shall investigate this possibility.

ADMINISTRATION OF JUSTICE.

31. We have been impressed with the general consensus of opinion outside the Judicial Department that the *vacations* at present enjoyed by judicial officers in addition to holidays are excessive. The High Court enjoys 10 weeks in the year, the Judicial Commissioner in Sind 4 weeks and other Courts 6 weeks. We are unanimous in suggesting that Government should discuss with the High Court forthwith the advisability of reducing very greatly the periods of vacation which in our opinion should not be more than half the present periods.

Shorter vacations and the cutting down of unnecessary routine which we have recommended above should enable this Department to share in the general reduction of staff which is being carried out.

In the *High Court* we propose a reduction of 10 per cent. in establishment.

Owing to the great decrease in work we recommend the abolition of one post of *Additional Judicial Commissioner* in Sind.

As to *District Courts* some of us are in favour of amalgamating Sholapur and Ahmednagar, an Assistant Judge being posted at Ahmednagar.

We agree to the following proposals for reduction in the number of Subordinate Judges' Courts which have been forwarded to us by the Home Department :—

- (1) Reduce one extra Sub-Judge at Umreth (Kaira).
- (2) Abolish the Second Sub-Judge at Dharwar.
- (3) Abolish the Vengurla Sub-Judge's Court.
- (4) Abolish one Sub-Judge in Nasik District.

We recommend that one of the three Courts at Kumta, Honawar and Sirsi should be abolished and that one other Court besides Vengurla should be abolished in Ratnagiri District, and that either Pen or Roha in Kolaba District should be abolished.

We agree with the District Judge's proposal to abolish Vadgaon in Poona District.

We agree also to the linking of Dhandhuka and Dholka and the sending of the Second Class Sub-Judge of Ahmedabad to Gogho twice a year

It seems probable that there is scope for reduction in other districts also and we recommend that this investigation should be continued.

We disagree with the practice of using a Sub-Judge to clear off the arrears in other Courts, as encouraging slackness in the disposal of work. In every other department an officer is held responsible for clearing off his own arrears and we see no reason why the same principle should not be observed in the Judicial Department.

A majority of us think that Judges of Small Causes Courts and the Presidency Magistrates should sit for six days in the week and not only five.

Minor recommendations for retrenchment are included in the List on page 22.

POLICE.

32. Various proposals have been made to us for reduction of the superior establishments, including the abolition of the Inspector General of Police himself and in the alternative of the Deputy Inspectors General. There is one Deputy Inspector General in Sind, one in charge of the C. I. D. and two in charge of the Northern and Southern Ranges respectively in the Presidency proper. A majority of the Committee are in favour of abolishing the two last.

We have been struck by the high percentage of cost per head of population of Police in Sind as compared with the Presidency. We wish to draw the attention of Government to the fact that the cost is roughly

Rs 2 per head in Sind as against Re. 1 in the Presidency. We are aware that the criminality is 3·39 per 1,000 as against 1·36 and that the area is 9·38 square miles per policeman as against 4·56 but we think the reasons for the high cost need to be investigated.

The functions of Police Inspectors and Deputy Superintendents have been explained to us. The majority of us think that the number of Inspectors should be reduced by 10 per cent.

We recommend that the post of District Superintendent of Police, Tatta District, be abolished and that the area be put under an Assistant Superintendent of Police and included in Karachi District.

PUBLIC HEALTH.

33. We have considered the proposal made to us that the post of *Superintending Engineer, Public Health*, should be abolished and have recorded his evidence and the views of the Secretaries to Government, Public Works Department and General Department. We are informed that although Government are unlikely to undertake any large works in this Department the demand from Local Boards and Municipalities for the Superintending Engineer's services has increased considerably in spite of the reduction in the contribution to centage charges now made by Government. The Superintending Engineer also has to scrutinise all plans for work for which a local body wishes to raise a public loan and he advises on the construction of schools and public buildings from the Public Health point of view. The majority of us agree that the post should be retained at present at any rate until the works now in progress have been completed. As regards cost the generally existing practice is that the whole of the cost of establishments in the case of drainage works and a part of them in the case of waterworks are refunded to local bodies by Government in the form of grants. A majority of us recommend that in future Government should withdraw from the giving of these grants, but this could not be done in any case where an undertaking has already been given by Government to remit these charges.

A minority of us wish, while retaining the Superintending Engineer as expert adviser, to abolish his specially trained staff by absorbing them in the Public Works Department in place of some of the temporary establishment at present employed there. They believe, though this is contrary to the opinion of the Superintending Engineer himself, that it is possible for these works to be carried out by the ordinary staff of the Public Works Department under the supervision and advice of the Superintending Engineer, Public Health, and that in the interests of economy, this should be enforced.

PUBLIC HEALTH DEPARTMENT.

34. We have discussed the possibility of amalgamating the Public Health with the Medical Department and so combining the resources of both, and also the possibility of retrenchment in the former. We have

read the reports of the Surgeon General and of the Director of Public Health and have heard the evidence of the latter and of the Secretary, General Department. The officers are against amalgamation on the ground that the activities of the two Departments are distinct and the Civil Surgeons do not usually have the special qualification required. We agree with them in not recommending amalgamation.

In the absence of District Health Officers we are in favour of retaining for the present the Assistant Directors of Public Health and this is a more economical system than the general appointment of District Health Officers, but we recommend the reduction of one territorial Assistant Director of Public Health. The post of Assistant Director of Public Health, Gujarat, is now vacant and may be abolished. This will save the pay of one Assistant Director of Public Health and at least two clerks making a total saving of about Rs. 7,200.

A majority of us also recommend that the reservation of one post for the I.M.S. should be cancelled.

MEDICAL DEPARTMENT.

35. We have recorded the evidence of members of Bombay Medical Union and have heard the views of the Surgeon General and have considered the possibility of improving the financial position of the hospitals in Bombay. In particular we have discussed the Union's proposal that persons who are able to pay should not be allowed to receive medical treatment free and so reduce the facilities available for the genuinely poor. While we agree by a majority with the Union's principle we do not think that the remedy of appointing almoners which they propose would achieve its end since they would be unable to investigate the condition of more than a fraction of those attending the hospitals.

A majority of us recommend as a temporary measure that every out-patient should pay a fee unless exempted by the medical officer. The fee should be very small, say one anna in Bombay and half an anna in the mofussil. It is also suggested that there should be 3 classes of in-patients, all paying a small fee unless specially exempted, with a more costly ward for those who asked for it and were willing to pay. It should be stipulated that the space for the poor be not reduced.

We find that the system of accounts used in the hospitals is unsatisfactory in that it does not make possible any comparison of the expenditure in different hospitals. We consider that some revision is necessary either in the direction of adopting a uniform system for all hospitals or in publishing a statement which will give the public the information which they require.

We are not in favour of the appointment of a Central Board with administrative powers to manage hospital funds, but one of our members proposes a central retrenchment committee for hospitals, while another would give more power to the existing separate boards.

It has been suggested that the appointment of Lay Secretary for the J. J. Hospital is unnecessary. We are informed that he has in 10 months

saved a sum equal to his own pay and Rs. 13,000 in addition, and that other hospitals are now to be brought under his supervision. At present he deals with Rs. 2·60 lakhs of stores and medicines and the addition of other hospitals will greatly enlarge the sphere of his activities. We think that the post should not be made permanent but continued for 5 years or for less if the new system could be introduced into all the hospitals in a shorter period. The position should then be reconsidered and the post abolished or the pay reduced to not more than Rs. 500.

We have also considered the new appointment of Venereologist. We understand that this officer was sent to England for training with a view to appointment in this post, and that it is particular importance in a seaport, in order to prevent the spread of this disease. The majority of us are in favour of its retention.

It appears that a certain number of incurable infirms who need attendance but no medical treatment are kept in the beds of certain hospitals at a cost of Rs. 4 a day when they could be kept in infirmaries at Re 1 a day. If these figures are correct it would seem advantageous to move these persons into wards now standing vacant in the J. J. Hospital and open three-fourths of the beds so vacated to sick persons. This would keep the total cost within the previous figure. We recommend that this course should be followed if the donors of the wards which now stand vacant can be persuaded to allow their use as infirmaries as a temporary arrangement.

We note with approval the decision of Government not to transfer any more Military Assistant Surgeons to civil employment.

We recommend that all bacteriological laboratories be made self supporting by the levy of sufficient fees to cover their cost.

We recommend that in view of the saving to be effected in pay a large proportion of Indian nurses should in future be recruited. We are informed that qualified Indian nurses are now obtainable in greater numbers.

AGRICULTURAL DEPARTMENT.

36. We have examined the Director of Agriculture, in particular on the question of retaining the post of Agricultural Engineer and those of Price Inspectors, and on the necessity of the Kopargaon Farm. We agree with him as to the necessity of the Price Inspectors and we think that in view of the value of the Kopargaon Farm to sugarcane research, the provision which is only about Rs 2,500 may continue. In regard to the post of Agricultural Engineer we are unanimous that the post should not be filled up, as a measure of retrenchment. Half of the Committee would prefer to abolish the post, the rest to keep it in abeyance.

We agree also that there is room for saving in the Agricultural College. Students from outside the Presidency are allowed to enter up to a maximum of 10 per cent. or 24 students. As each student costs Rs. 725 to Government whereas the fees are only Rs. 120 per head there would be a saving of $\text{Rs. } 605 \times 24 = \text{Rs. } 14,520$ if full fees could be charged.

We recommend that fees should be raised for students coming from outside the Presidency, to at least double those charged to others.

We recommend the abolition of the post of Divisional Superintendent of Agriculture and of one of the 4 Divisional Posts of Mechanical Assistants under the Agricultural College which are now kept in abeyance.

We are in favour of continuing grants to Agricultural Associations except such as are found to be moribund.

CO-OPERATIVE DEPARTMENT.

37. We have considered the proposal made to us of amalgamating this Department with the Agricultural Department, but the majority of us are not in favour. We think that 2 Assistant Registrars could be abolished and accept the Department's suggestion to abolish the Industrial Organisers and 2 Assistant Weaving Inspectors.

We have read the remarks of the Registrar in the last Administration Report on the work of the Honorary Organisers and the majority of us are agreed that they should be abolished, thus saving Travelling Allowance of Rs. 64,000. Rao Bahadur Patil, however, wishes to retain 50 per cent. and appoint only competent men.

We recommend that the scale of Societies to auditors be increased as proposed by Government from 180 to 200 per pair of one senior and one junior auditor. This will result in a reduction of 6 auditors.

Recent administration reports of the Registrar have laid stress on the number of weak societies, and pointed out the very large proportion of unauthorised arrears. We wish to emphasize the need for a policy of consolidation rather than of expansion in this Department.

INDUSTRIES DEPARTMENT.

38. It has been made clear to us that the grants to this Department are so small that any further reduction would make it difficult to carry on work. The question then is whether it should be abolished or retained as it is. We have heard the Director of Industries and the Secretary, General Department. The majority of us are in favour of retaining the Department. Even with the attenuated grants at his disposal the Director has been able to give useful assistance to minor industries; and we are convinced that it is desirable to retain the nucleus of a Department in being.

PUBLIC WORKS DEPARTMENT.

39. We have given this subject much thought. It would seem logical that, as financial considerations have greatly reduced the number of new works which can be taken up, there should be a corresponding decrease in the establishment charges and in the total expenditure. We are aware that there have been heavy reductions in establishment amounting to over Rs. 8 lakhs in the last few years and that the staff now in existence is claimed by the Department to be the minimum

necessary to maintain the existing works. They state that there is a minimum beyond which it is not possible to go with safety and that the existing temporary staff is included in and not additional to the necessary minimum. We hold, however, that in view of the paramount necessity of reducing expenditure a further cut must be made.

It has not been possible for us to recommend in detail the manner in which further reduction in establishments can be enforced, but we are satisfied that this Department must still find a considerable share of the total sum required, and we propose to leave the Department to apportion the cut as they think best. We are not at one as to the extent to which a reduction of expenditure can be enforced, but we are agreed that it should not be less than 14 lakhs. The cut may be found not only by the discharge of establishments but by the reduction of grants for repairs both in the Irrigation and the Roads and Buildings branches of the Department. We are aware that a certain risk will be run in reducing the maintenance grants for canals, and that too long postponement of repairs of roads and buildings may involve heavier charges in future. We think the position demands that this risk be faced. The fact that in the current year a sum of 16 lakhs has been borrowed from the Petrol Fund for road maintenance, which must next year fall on the general revenues, makes the case for a reduction of the road grants the stronger. We are agreed that it is inadvisable to borrow further from the Petrol Fund for this purpose.

40. Our enquiries have also led us to the conclusion that the arrangement (peculiar to this Department) by which the technical heads of the Departments are also Secretaries to Government is unsatisfactory. The Member in charge has no adviser whose angle of view is not that of the technical expert. We recommend that the system which is in force in the other Departments should be adopted here. The Chief Engineers should cease to be Secretaries to Government and thus be free to tour and devote their time to departmental work and the purely Secretariat work divided up among the other departments of Government. The initiation of this change would probably demand an additional Secretary as a temporary measure, but we are convinced that the revised system would eventually permit of the reduction of the Superior staff, both in the Secretariat and in the District organisation. It will moreover more readily accommodate itself to the proposals which we are making for the future of the Roads and Buildings Branch.

Meanwhile we are of opinion that it should be possible to reduce one charge of Superintending Engineer.

We are of opinion in any case that there is no ground for continuing the allowance of Rs. 250 per mensem now paid to the Chief Engineers for acting as Secretaries to Government since it is obvious that their duties in the latter capacity preclude the full performance of some of their duties in the former capacity.

41. We have investigated the question of handing over *Roads and Buildings* from the Public Works Department to local bodies and have examined the report of the Braganza Committee which visited Madras where all such work is done by local bodies. We think that the ultimate goal

to be aimed at in order to prevent the present overlapping of authority is the abolition of the Roads and Buildings Branch of the Public Works Department and the transfer of the work now done by them to local authorities. We realise that this cannot be done immediately and that certain conditions are requisite before general transfer is possible. A first essential is a body of qualified engineers, who can work unhampered by the changes and difficulties of local politics. In Madras there is a Local Board service of engineers who are Government servants appointed and removable by Government though paid from Local Board funds. There may be difficulties in the beginning about the maintenance of tanks and important Government buildings and other works of major importance in areas where there is no Executive Engineer of the Irrigation Branch, and a central inspecting agency will probably always be required. But it would be premature for us now to go into further details. We are informed by the Chief Engineer that an experiment has been made in handing over roads in 3 districts and that in the opinion of the Department it was a failure in one and a partial failure in the other two, and was more expensive to Government. Some of us, however, think that the results of the experiment are not conclusive and wish for a further experiment to be made by grouping certain divisions and maintaining Public Works Department establishment in part of it only while handing over the rest of the area to local boards. If the experiment proves successful it would be extended over a larger area. It is realised that a considerable time may elapse before such a scheme could be extended to all Local Boards, but this is no argument against its gradual introduction.

42. We have considered at length and discussed with the Chief Engineer the possibility of abolishing the *Consulting Architect to Government* in view of the improbability of the construction of many large buildings in future. It has been explained to us that besides doing work for the Central Government the Consulting Architect has important duties, such as examining the plans for buildings to be erected on Government land leased to private persons as building sites. He also has professorial duties in the J. J. School of Art. It appears that when there are a sufficient number of large buildings to be constructed, it is economical to retain the services of the Consulting Architect. But under present circumstances 3 of our members think that the Consulting Architect and his department should be abolished. The Government of India would then arrange for the construction of its own buildings while the Government of Bombay, being unlikely to build any large ones, could dispense with architectural advice for the less important ones. While agreeing that it is desirable to retain the nucleus of the Department in being, one member wishes to abolish the Consulting Architect and the junior Assistant, retaining the senior Assistant Architect who has British qualifications in charge of the department. Two other members, agreeing with the Chief Engineer, think that the best course is to retain the Consulting Architect and so get the benefit of his experience and seniority, and to abolish the two posts of assistant;

The abolition of the Consulting Architect would save annually
 Rs. 1,750
 133
 150

$2,033 \times 12 = \text{Rs. } 24,396,$

from which there would have to be deducted in the first year a lump sum for compensation.

The abolition of the two Assistants would save

Rs. 1,275
 135
 1,025
 135

$2,570 \times 12 = 30,840,$

from which some deduction for compensation would probably have to be made in the first year.

The Department costs Rs. 91,000 in all and brings in fees of Rs. 8,000 making a net cost of Rs. 83,000. The total abolition of the Department would therefore save this sum less the cost of such establishment as it might be necessary to transfer to the Public Works Department. The total of Rs. 83,000 includes Rs. 12,000 for the Quantity Surveyors branch referred to in the next paragraph.

The Committee is of opinion that the *Quantity Surveyor's branch* of this Department should be abolished, thus saving Rs. 12,000. The Chief Engineer has agreed to this.

43. We have considered a proposal to abolish the *Irrigation Development and Research Circle*. Evidence has been given to us that this Department has been instrumental in saving large sums in construction both in Sind and the Presidency. Hydrodynamic experiments carried out by the Superintending Engineer in charge of this circle have led to the more economical designing of aqueducts and sluice gates and have gone a long way towards solving problems connected with the deposit of silt which occur on most canals but are of particular importance in Sind. In the Deccan successful methods have been evolved of dealing with the menace of water-logging and salt. Drainage schemes have been carried out and salt land has successfully been reclaimed and its fertility restored. Modules have been designed and are being introduced on a whole canal in this circle in order to regulate the supply of water and eliminate waste. These are calculated to extend the area of irrigation possible with the existing supply of water by 20 per cent. and to reduce the risk of water-logging. The selection of land suitable for intensive irrigation based on a study of the physical conditions of the soil and sub-soil is one of the highly specialized duties of this circle.

These examples are quoted to illustrate the reasons which have led a majority of us to the conclusion that it would not be either wise or economical to interrupt the scientific researches and the practical application of the experiments carried out by the Superintending Engineer.

Economies amounting to Rs. 20,000 have been effected during the current year.

44. A majority of us do not think that any economy would be effected by handing over the revenue work of the Irrigation Department to the Revenue Department which does the actual collection, since there is no overlapping of work under the present system.

45. It was suggested to us that as the accounts of the *Dapuri Workshop* showed a debit balance it might be economical to close them down. We have examined this question in some detail, and have come to the conclusion that the shops are of greater value to Government than the somewhat misleading semi-commercial accounts would lead one to believe. The presentation of the accounts in a form more consonant with the true state of affairs is under investigation. The workshops contain valuable machinery and support a large staff, an actual profit is earned if the outturn is over Rs. 2,80,000 and when that figure is passed the profit increases rapidly. As in all such concerns returns are largely dependent on the size of the outturn, and we consider that the economical course is to obtain as much work as possible both from Government and private sources, for the workshops. The Works Manager has submitted proposals for effecting this purpose and we recommend that this policy be adopted. We would add that we have been impressed by the educational value of the workshops. Nine years ago all skilled labour had to be imported. Now 63 per cent. of it has been trained in the works ; and 38 apprentices are employed.

GRANTS TO LOCAL BODIES FOR PUBLIC WORKS.

46. The majority of the non-official members wish to put on record their opinion that no further reduction should be made in this grant.

STATIONERY AND PRINTING.

47. A semi-commercial concern (but belonging to the Revenue Department) is the Photo Zinco Press. It was suggested to us that the work could be more economically done by private agency. We are informed that some of the work is confidential, and much of it is of great importance to Government and great accuracy and reliability is essential, as for instance in the printing of village maps and of statistical reports. Expensive and up-to-date machinery is used and the same principles apply as to Dapuri. The greater the outturn the greater the profit. We would therefore make a similar recommendation that the Press should not be abolished but it should be given as much Government work as possible and arrangements made to attract more private work.

There is another press working in Poona, engaged almost entirely in the printing of forms, viz. the Yeravda Prison Press. This gives useful employment to prisoners, and we are informed cannot economically be dispensed with. But we can see little necessity for a special High Court Press in Bombay, with the Government Central Press available, and we recommend that its abolition be considered forthwith.

We have already recommended the curtailment of the number of reports and returns and we understand that the cost of printing is considerably increased by payment for overtime due to demands for the printing of certain reports at very short notices by a certain date. Reduction in the length of some of the reports should also be possible. Further economy should be feasible for the use of cheaper paper whenever permanence is not desired.

We estimate that if all these ways of effecting economy were fully explored it should be possible to make savings of Rs. 1 lakh under this head.

MISCELLANEOUS CHARITABLE GRANTS AND ALLOWANCES.

48. We do not think in view of the terms of the grant that the contribution to the Prince of Wales Museum can be reduced. We recommend the following cuts under the head "47, Miscellaneous" :—

<i>Home Department—</i>		<i>Cut</i>
<i>Rs.</i>		<i>Rs</i>
47,800	Children's Aid Society ..	7,800
5,000	Bombay Vigilance Association ..	1,000
8,000	Society for the protection of children in Western India ..	1,000
 <i>Political Department—</i>		
500	Seamen's Rest, Karachi ..	} 1,700 as the Government of India are now in charge of these interests.
1,200	Royal Bombay Seamen's Society	
 <i>General Department—</i>		
1,920	Madhagat Annachattra ..	1,920
2,500	Bombay Helpless Beggars Relief ..	250 (10 per cent.).
		13,670

Of this we understand that Rs. 2,100 cannot be cut this year as the grant has already been made.

		Rs.
49. Summary of proposed savings, etc.		
<i>Land Revenue and General Administration.</i>	10 per cent. on cost of establishment ..	11,99,200
	Abolition of Bombay Suburban Division ..	20,000
	Amalgamation of Wagra and Amod ..	4,800
	4 Personal Assistants to Collectors ..	19,200
	1 Superintendent of Land Records ..	4,800
	Amalgamation of Superintendent of Land Records, Sind, and Manager, Encumbered Estates.	4,800
	Government House ..	1,50,000
	Move to Mahableswar ..	60,000
	Abolition of Director of Information and Commissioner under the Workmen's Compensation Act.	26,000
	Special Pay of Judge, Court of Small Causes, Karachi, under the above Act.	900
	20 per cent. reduction in Oriental Translator's Office.	13,400
<i>Excise</i>	.. Abolition of Excise Commissioner ..	39,000
	Savings by reorganization of the Department.	1,14,000
<i>Forests</i>	..	70,000
<i>Administration of Justice.</i>	of 10 per cent. on High Court Establishment	1,09,300
	9 Sub-Judges ..	60,000
	1 Additional Judicial Commissioner in Sind	36,000
	Various Home Department establishment.	28,500
<i>Police</i>	.. Abolition of 2 Deputy Inspectors General.	52,000
	10 per cent. reduction in Police Inspectors	20,000
	District Superintendent of Police, Tatta .	4,000
<i>Education</i>	..	
<i>Public Health</i>	.. One Assistant Director of Public Health .	7,000
<i>Agriculture</i>	.. Fees in Agricultural College ..	2,800
<i>Co-operative Department.</i>	2 Assistant Registrars ..	12,000
	Travelling Allowance to Honorary Organisers.	64,000
	6 Auditors ..	14,400
<i>Public Works Department including Irrigation.</i>	A lump cut including—	
	one Superintending Engineer's Circle	40,000
	Consulting Architect	30,800 or 55,000
	Quantity Surveyor's branch	12,000.
		14,00,000
<i>Miscellaneous</i>	.. Charitable Grants ..	13,600
* <i>Stationery and Printing.</i>	Various proposals ..	1,00,000
Total ..		36,49,800
<i>Allowances, Over Seas Savings not ascertainable. Pay, Passages.</i>		

The following savings are only gradually realisable —

	Rs.
Huzur Deputy Collectors	84,000
Daftardars	13,000
Pay of Executive Councillors	No figure stated.
Pay of Ministers	36,000
Pay of the President of the Council	6,000
Pay of the Deputy President	750
Pay of High Court Judges	1,20,000
Pay of Judicial Commissioner in Sind	10 500
Pay of one Additional Judicial Commissioner	9,000

	2,79,250

CHAPTER IV.

50. The following members, viz., Messrs. Chikodi, Kamat, Rahmtoola and Rao Bahadur Patil constituting a majority of the Committee think it desirable to place on record at somewhat greater length the effect upon our enquiry of the orders of Government referred to in paragraph 3 of the report. In following the procedure that we did we had in mind the task of reducing the permanent expenditure of Government to a degree which would enable this Presidency to carry on the administration on a reduced scale, within the reduced revenues which seem likely to come to us in future. The carrying out of this task made it necessary for us to consult non-official opinion to a greater extent than we have yet done and though we have discussed at great length various activities of Government there are many matters connected therewith on which we should like to have been able to formulate more definite views. The letter of Government therefore which showed that the understanding of Government connected our labours more closely with the preparation of the next Budget than we had realised under our terms of reference took us rather by surprise. We feel ourselves, therefore, rather at a disadvantage in being called upon at this late stage to make proposals which may aid Government in balancing next year's budget. But we venture to put down in the following paragraphs the manner in which we think this can be done.

51. Although as shown above, we could not for want of time closely scrutinise expenditure in several important Departments, from the statistical information submitted by some Departments as well as from a comparative study of some other Provincial Budgets, it appears to us that there are grounds to believe that the administration of this Presidency is very expensive—perhaps far more so than the higher cost of living here may account for. We can at best make out a prima facie case in this regard and leave Government to find out if there is no real extravagance. For purposes of comparison we take the Punjab, which has nearly the same population as Bombay, and nearly the same number

of Districts. The comparative figures for some Departments on the basis of the 1931-32 Budget are :—

Expenditure on—	Bombay.		Punjab.	
	Revenue 15·20 crores.		Revenue 11·84 crores.	
			Bombay. Lakhs.	Punjab. Lakhs.
1. Land Revenue	73·37	40
2. General Administration	227	115
3. Police	189	175
4. Education	201	175
5. Medical	53	56
6. Public Health	24	24
7. Agriculture	30	54
8. Civil Works	105	118

It is noticeable from the above that the Punjab which has 29 districts as against 28 in Bombay, can manage, e.g., its Law and Order at a much lower cost than Bombay. If Bombay has a sea-port, the Punjab has also a special factor in its contiguity to the Frontier. Then again the United Provinces which has a total revenue of about Rs. 16 crores but twice the population and much larger area to look after spends for the Police 175 lakhs. We need not elaborate the point further. In fact, the Simon Commission Report has brought out prominently the fact that Bombay is a Province *De Luxe*, and spends per head of the population Rs. 8 as against Rs. 4 per head in Madras, 2·5 per head in Bengal and 5·5 in the Punjab. It may be observed that Bombay stands highest not only in spending on Education but even under other heads such as Land Revenue and General Administration, so also Law and Order, as will be clear from the following figures for 1929-30 contained in the Simon Commission Report (Volume II, page 233) :—

	Bombay.	Madras.	Bengal.	Punjab.
	Rs.	Rs.	Rs.	Rs.
Land Revenue and General Administration expenditure per head.	1·528	0·657	0·398	0·758
Law and Order	1·446	0·790	0·784	1·101

This means Bombay spends for its General Administration Rs. 1/8 per head as against annas 12 for Punjab. Whether the disparity is due merely to factors like density of population or the higher cost of living and, if so, to what extent, was relevant for our inquiry, in order to see if extravagance or waste does not contribute to the higher cost.

52. In this connection, the figures supplied to the Committee of the cost of the Secretariat in 1920 and 1931 are of considerable interest. The pre-reform cost was Rs. 13,15,648. It is now Rs. 21,94,000. Of this increase Rs. 3·08 lakhs is due to the increased number of appointments of Executive Councillors and Ministers. This leaves Rs. 5·71 lakhs to be accounted for.

The Committee could not go into this subject of Secretariat appointments and is unable to offer any conclusions as to the degree of retrenchment possible in the Secretariat. But we consider Government should take up the inquiry, and particularly obtain information in detail from the major Provinces showing the system in each Secretariat in order to find out whether expenditure in Bómbay is excessive.

53. Another direction in which permanent economy can be attempted is a further curtailment of the activities of the Public Works and Irrigation Departments. We are inclined to think that in the activities of the Public Works Department the Bombay Engineer appears to attempt too high an aesthetic standard of architectural detail and design in his buildings. He has a western outlook with an eastern purse. In our view, a good deal of saving may be effected if a simplicity of style is forced on the Engineers by Government. The building activities of the Public Works Department during the last decade entail a provision, as far as we can work out, of an average of one crore per annum for the Roads and Communications Branch, and an average of Rs. 75 lakhs for the Irrigation Branch (charged to Revenue). Considerable saving can be effected by the lowering of standard in the Building branch. We are not satisfied whether in the Public Works Department costs for establishments are not high. We could not obtain evidence of non-official retired gentlemen about the organisation of this Department within the time when we had to close our inquiry. We are unable to accept the view that what the present Chief Engineer thinks to be the irreducible minimum is the real margin below which we cannot go. The economies suggested by Mr. P. G. Shah, Special Inquiry Officer, have not been fully carried out and further inquiry into this Department seems to be needed.

As regards Irrigation development, the subject of financial results in the Deccan Canals is already engaging the attention of Government. In this connection the incidence of working expenses to Revenue earned, particularly in the Deccan Canals, appears to be very high.

54. We have indicated how Bombay tops other provinces not only in spending on Education but on, say, General Administration and Law and Order. It is necessary to state our views on this question frankly. It must be remembered that in the current year a reduction of 5 lakhs had been made in this Department. Other Departments have had not to suffer such a big cut in the current year. We hold the view that this Department, aiming to spread literacy, is the very foundation on which the fruition of other beneficent activities depends. Expenditure for Public Health, for instance, or for agricultural propaganda at the rate of Rs. 25 lakhs and Rs. 30 lakhs respectively is year after year partly wasted as long as there is no literacy in the village to understand why malaria or cholera is caused or why a particular crop is profitable or unprofitable compared to cost of cultivation.

We notice in this connection that the Accountant-General in his Appropriation Accounts for 1929-30 has commented on a tendency of

the Department to over-estimate certain requirements. For instance, there were savings under " Inspection " under Education as follows :—

				Rs.
1926-27	..	..	..	2,31,837
1927-28	..	..	..	3,92,619
1928-29	..	..	..	4,58,711
1929-30	..	..	..	1,87,486

The real problem is to ascertain whether we are getting full value for every rupee spent. We have no objection if Government investigate any causes of waste, provided the inquiry is at the hands of disinterested experts in education, and provided further that any amount saved or released is properly spent on no other purpose than spread of education. This Department concerns every phase of the life and well being of the country. We are not in favour, therefore, of arresting the progress of education by a cut in this Department as it may mean a disastrous setback from which it may take years to recover. As regards higher education, we find other Provincial Governments are spending comparatively more than Bombay, in fact Bombay in this respect is, as the Director of Public Instruction pointed out, lagging behind other Presidencies. In the United Provinces, for instance, which has more universities than one, the provision for university education is between 16 to 18 lakhs as against 1,22,000 in Bombay. The grants to non-Government Arts Colleges is between 5 to 6 lakhs as against 1,87,000 in Bombay. We are not in favour, in view of far-reaching considerations of any reduction in higher education or secondary education either.

55. We have dealt with some of the Departments which we had not the opportunity of examining thoroughly from the aspect of looking for permanent retrenchments. We consider that a real and abiding solution of the present financial trouble lies not in seeking temporary *ad hoc* retrenchments, but in finding out the real waste, and curtail activities which the revenue of the Presidency does not permit. We are not convinced that all avenues for retrenchments of a permanent nature are exhausted. We are however asked to apply our minds more to the immediate problem of suggesting retrenchments to meet the next year's deficit, which is anticipated to be a crore of rupees. We recognise the imperative need of a balanced budget and to that end suggest the following emergency cuts, which if accepted would bring the total to Rs. 1,21,00,000 including the saving of Rs. 35 lakhs from the 10 per cent. cut in salaries. In proposing these reductions, we wish to make it plain that it is the unprecedented emergency which is our justification for the admittedly haphazard method we are driven to follow. We are aware there is a certain element of risk, of deterioration or lowering of efficiency in several Departments but we venture to think this risk the Presidency must be prepared to take for some time. We have discussed the proposed cuts in Committee and if there are differences of view, they are about the degree to which the officials think they can go with us in each cut, rather than in the method over temporary cuts. We now enumerate the reductions we suggest :—

Emergency Retrenchments.

[Savings from the 10 per cent. cut in salaries] ..	35 lakhs.
Stoppage of increments of pay as recommended in paragraph 8. Expected saving, roughly ..	8 "
1. <i>Public Works Department</i> —	
(a) Stopping provision for new works next year	5 "
(b) 50 per cent. cut in Discretionary grants with officers on current year's basis ..	3 "
(c) Repairs to Buildings, residential and non-residential, on the basis of current year's provision which is 18 lakhs	6 "
(d) Repairs to communications. This year's provision is 34 lakhs	5 "
(e) Irrigation Branch. 15 per cent. cut on the basis of this year's provision of Rs. 21 lakhs for works and Rs. 46 lakhs for working expenses	10 "
(f) Public Works Department establishment (Roads)	4 "
(g) Tools and plant cut on a basis of .8 per cent. which is the excess over the sanctioned rate for tools and plant at 1½ per cent. saving ..	1 "
3. <i>Government House</i>	1½ "
[This is on the basis of economies which, we understand, His Excellency himself has been very kindly considering.]	
4. <i>Contingencies</i>	3 .
[At 5 per cent. on a total expenditure of about a crore, essential items under this head such as diets to be excluded.]	
5. <i>Travelling Allowance</i>	5 .
[This has been recently (1930) cut down by orders of Government. We propose a further emergency cut, only essential touring and movements to be allowed.]	
6. <i>Police Department</i>	9 "
(i) This is on the basis of 5 per cent. cut on the basis of this year 188 lakhs ..	
(ii) <i>Emergency Police</i> —	
On the basis that current year's provision need not be retained	8 "
7. <i>Printing and Stationery</i>	1 "
8. <i>Forests in addition to the cut surrendered</i> ..	1 "
9. <i>Land Revenue and General Administration</i> at 5 per cent. cut—Total 190 lakhs ..	9½ "
10. <i>Bombay Development Department</i> ..	1 "
11. <i>Allowances other than Travelling Allowance</i> ..	5 "
Total ..	1,21 lakhs

CONCLUSION.

56. The Committee has sat for 73 days and a Sub-Committee for preparing questionnaires also sat for four days. The attendance of members at the Committee was as follows :—

The Chairman	..	..	..	72 days.
Mr. Wiles	..	..	..	66 "
Mr. Humphrey	..	..	..	26 "
Khan Bahadur Allahbaksh	..	..	..	28 "
Mr. Hoosenally Rahimtoola	..	..	..	66 "
Rao Bahadur Patil	..	..	..	50 "
Mr. Chikodi	..	..	..	67 "
Mr. Kamat	..	..	..	71 "

Before closing the report the members of the Committee wish to place on record their appreciation of the ability and tact with which the Chairman has discharged his duties. They express their thanks for the valuable assistance they have received from the Secretaries, who were during the earlier discussions Mr. G. B. Phanse, Assistant Secretary, Finance Department, and thereafter Mr. C. H. Bristow, I C.S.

(Signed) RUSTOM JEHANGIR VAKIL.

(,,) P. R. CHIKODI (subject to a minute of dissent).

(,,) J. HUMPHREY.

(,,) B. S. KAMAT.

(,,) D. R. PATIL (subject to a minute of dissent).

(,,) HOOSENALLY M. RAHIMTOOLA.

(,,) G. WILES.

Bombay, 25th November 1931.

Note.—As Khan Bahadur Allahbaksh was not present at the discussion of the report his signature could not be obtained before the report was printed.

The cost of the Committee is as follows :—

	Rs.	s.	p.
Travelling, daily and subsistence allowance of non-official members	8,755	0	0
Extra cost to Government of Special Officer's appointment and pay of Secretary	3,315	14	0
Establishment	1,680	8	0
Printing	236	11	0
Making a total cost to Government of Rs. 13,988-10-0. This has been reduced by Rs. 463-8-0 foregone by one of the members, so that the total net cost is	13,525	2	0

(*Note*.—Mr. Chikodi's minute of dissent will be printed separately.)

NOTE.

Readers of the first three Chapters of the Report will be struck by the complete absence of any reference to the Education Budget. The reason for this is that in deference to the wishes of the majority, discussion of this subject was postponed until other Departments had been dealt with. In consequence of the decision of the majority as recorded in Chapter IV the question of the reduction of Education charges has therefore not come under discussion on its merits. We have been unable to associate ourselves with a number of the lump-cut recommendations contained in Chapter IV; and we find it necessary to record our view that in the present emergency the provincial contribution to Education must also share in the burden. This is not because we under-estimate in any degree the importance of Education in the administration, but because we feel that the Presidency finances cannot bear the cost of the present policy of providing, very largely at the expense of the general tax-payer, education for classes who can afford to pay for it. The complete exemption of the Educational Department can only be justified if the other activities of the State which directly benefit the people are not made to suffer. With the reduced revenues at our disposal this is quite impracticable.

R. VAKIL.
J. HUMPHREY,
G. WILES.

I wish to expand the above note very briefly.

It appears to me that a Committee, appointed for the purpose of framing proposals on which extensive retrenchments in the expenditure of the Province may be effected, falls short of its duty if it deliberately leaves untouched a Department whose expenditure accounts for 12·86 per cent. of the total annual budget. The attitude of the majority of the Committee on this subject is sufficiently indicated by the fact that in the main body of the report the question of education receives no word of mention of any kind. Nor do I consider that this defect is remedied by the purely negative references to this matter in Chapter IV which proposes drastic cuts in every other department.

In my view it is impossible for the very high expenditure which Government at present bear on Education to escape the incidence of retrenchment, as to the vital need for which there is universal agreement. Indeed it is the view of some of us that Government have undertaken in this matter of education a burden which is too great for the Provincial finances to bear. While I am in full sympathy with the view that provision and extension of educational facilities are among the first needs of the Province, I maintain that this object must be pursued on

sound lines, and above all that the policy of Government must be such that it can be met by practical measures of finance, however far it may in consequence fall short of the ideal which all would like to achieve.

In my opinion there is urgent need for reform on the following lines :—

1. Revision of the Primary Education Act of 1923, with a view mainly to ensure—

(a) that a larger share of the cost shall be borne by Municipalities and by District Boards, and

(b) that the control by Government (who provide from general revenues the preponderating share of the cost of Education), of expenditure on Education by means of inspection of schools, shall not be relaxed.

2. Secondary Education and still more University Education should be made to a much greater extent self-supporting, and the Government grants should be made dependent on the levy of adequate fees on the pupils and students themselves.

In my view this would result in substantial saving to Government, and would at the same time go far to ensure that the money spent on education is properly spent, thereby improving the standard of both teachers and pupils. The Majority Chapter makes reference to this question of waste, but in the same passage it quotes savings effected on inspection, which it appears to me must be largely contributory to such waste.

J. HUMPHREY.

Minute of dissent by Rao Bahadur D. R. Patil.

I am sorry I cannot agree to all what my colleagues say. On some of the suggestions put forward by my colleagues I must record my dissent. I agree to their views subject to the following reservations :—

1. *Salary of Ministers.*—I cannot agree to any proposal for the reduction of the salary of Ministers unless a corresponding reduction is made in regard to the salary of the Executive Councillors. A reasonable reduction was already made when the original rate of Rs. 5,333-5-4 was brought down to Rs. 4,000. Any further reduction would be undesirable unless and until a uniform scale of pay is adopted for the two wings of Government Members.

2. *Deputy President.*—The salary paid is small and only for the period when the Council is in session. The economy proposed is too trivial having regard to the importance and dignity of the office.

3. *Police Inspectors.*—I do not want these Police Inspectors, who form a superfluous body of men in the Police Force. The Deputy Superintendents of Police can manage to run the district with the aid of Sub-Inspectors. The existence of Inspectors does not seem to add to the efficiency of the Force. They are a sort of parasites without sufficient responsibility.

4. *Honorary Organizers*—Much of the success of the co-operative movement has been due to these Honorary Organizers. Their propaganda has been instrumental in promoting the movement in the Presidency. Their advice is sought by various Co-operative Societies in the mofussil. To abolish these posts altogether would not be advisable. I would urge the retention of at least 50 per cent of these and suggest that duly competent men be appointed hereafter.

5. *Treasury Deputy Collectors.*—I agree with my colleagues that there is no need for the highly paid Deputy Collectors to be in charge of Treasuries. But I do not think it is necessary to have these replaced by Mamlatdars. The Treasury Work can be done by trained Accountants under the supervision of the Collector or any of his Assistants, while the magisterial work performed by the Treasury officers can be easily distributed among the local magistrates. I would urge for the simplification of the administration in every direction, and not for the complexity which adds so much to the cost.

25th November 1931.

D. R. PATIL.

Note by Mr. Hoosenally M. Rahimtoola.

The Committee in its *ad interim* Report had recommended a salary cut on a graduated scale. Government applied a flat rate of 10 per cent. It will be seen from the following table that the sacrifice by salary cut works out in actual practice at a graduated scale in the reverse order :—

Actual salary.	Net salary after deducting income and super-tax.	Net salary after deducting surtax on income and super-tax without salary cut.	Net salary after deducting 10 per cent. cut and income and super-tax.	Net sacrifice for salary cut.	Percentage of net sacrifice to salary.
Rs.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	
80,000	66,302 1 4	62,877 9 8	59,968 12 0	2,908 13 8	3.62
64,000	53,635 6 8	51,044 4 4	48,568 12 0	2,475 8 4	3.86
48,000	41,750 0 0	39,132 13 0	36,956 4 0	2,176 9 0	4.54
36,000	31,406 12 0	30,258 7 0	28,406 4 0	1,852 3 0	5.15
24,000	21,625 0 0	21,031 4 0	19,562 8 0	1,468 12 0	6.12
12,000	11,250 0 0	11,062 8 0	10,125 0 0	937 8 0	7.82
6,000	5,718 12 0	5,648 7 0	5,146 14 0	501 9 0	8.36
2,400	2,325 0 0	2,306 4 0	2,092 8 0	203 12 0	8.49
1,200	1,200 0 0	1,175 0 0	1,080 0 0	95 0 0	7.92
720	720 0 0	720 0 0	648 0 0	72 0 0	10

STATEMENT A

STATE OF T A.

Showing the present and proposed time-scales of pay of Class I and Class II Services.

Service	Present		Proposed		Remarks
	Class I scale	Class II	Class I	Class II	
Agriculture } Forest } Veterinary }	320—40—1,200	250—20—750	300—25—400—30 550 E.B.—35— 760—40—1,000	200—15—320— E.B. 20—600	
Public Works Department.	<i>Junior Senior</i> 1st. 320 .. 2nd. 360 .. 3rd. 400 .. 4th. 400 440 5th. 440 480 6th. 480 520 7th. 520 560 8th. 520 600 9th. 560 640 10th. 600 680 11th. 640 720 12th. 680 760 13th. 720 800 14th. 760 840 15th. 800 880 16th. .. 920 17th. .. 960 18th. .. 1,000 19th. .. 1,040 20th. .. 1,080 21st. .. 1,120 22nd. .. 1,160 23rd. . 1,200	250—20—750	<i>Junior Senior</i> 300 .. 325 .. 350 .. 350 375 375 400 400 430 425 460 450 490 480 520 510 550 E.B. 540 585 570 620 600 655 630 690 660 725 .. 760 .. 800 .. 840 .. 880 .. 920 .. 960 .. 1,000	200—15—320—E. B. 20— 600	

Education (Men)	..	320—40—1,200	250—20—650	300—25—400—30— 550—E. B. 35— 780—40—1,000.	200—15—320— E. B. 20—600.
.. (Women)	..	320—25—770	200—10—340— 15—400 <i>Men.</i>	300—25—750	200—10—340—15—400
Medical	..	400—40—1,200	200— ⁴⁰ / ₃ —400— 50—450 <i>Women.</i>	350—25—400—30— 550—E. B. 35— 760—40—1,000.	<i>Men—</i> No change.
			250— ⁴⁰ / ₃ —450— 50—500		<i>Women—</i> No change.
<i>Public Health.</i>					
(1) Assistant Directors of Public Health	..	450—35—800—40—1,200		No change.	
(2) Officer in Charge, Public Health Laboratories	..	450—25—700—40—1,100		Do.	
(3) Director, Vaccine Institute	..	450—40—850—70—1,200		Do.	
(4) Director, Public Health	..	1,700—50—1,950		Do.	
<i>Excise.</i>					
Superintendents	..	....	300—40— 1,100	300—25—400—30— 550—E. B. 35— 780—40—1,000.	
<i>Registration.</i>					
Sub-Registrar, Bombay	..	...	360—30—600		320—20—480
Joint Registrar, Bombay	..	....	330—30—450		300—20—380
<i>Co-operative Societies.</i>					
Assistant Registrars	..	....	250—20—750		200—15—320— E. B. 20—600.

PRESENT AND PROPOSED SCALES OF PAY FOR DEPUTY COLLECTORS.

<i>Present</i>	<i>Proposed</i>
Grade II (69).	
300	280
350	300
400	320
450	340
500	360
550	380
550	400
Efficiency Bar	420
	Efficiency bar
- 600	440
600	460
650	485
	510
	535
	560
	585
	610
Grade I (15)	Grade I (18)
750	640
800	680
850	720
Selection (3)	760
1,000	800
1,100	
1,200	

Existing scales of pay for Mamlatdars confirmed.

PRESENT AND PROPOSED SCALES OF PAY FOR SUB-JUDGES.

<i>Present</i>	<i>Proposed</i>
	Class II
<i>Second class</i> (136)— Rs. 300 for 2 years probation.	<i>Second grade</i> — Rs 200—20—380 first two years on probation and 240 in the third year.
Rs. 350—50/2—550—E.B —50/2—650.	<i>First grade</i> — 410—25—610
<i>First class</i> (22)— Rs. 750 Rs. 800 Rs. 850	Class I Rs. 640—40—800
<i>Selection grade</i> (4)— Rs. 1,000 Rs. 1,100 Rs. 1,200	

STATEMENT B.

Showing the present and proposed pay for selection grades and administrative post above the time-scale of Class I, Class II Services employed in Transferred Departments.

Service.	Present.		Proposed.		Remarks.
	Class I.	Class II.	Class I.	Class II.	
<i>Agriculture.</i>					
	<i>Selection grade.</i>		<i>Selection grade.</i>		
Post of Director of Agriculture	1,200—50—1,350 1,600—50—1,800	Nil.	Nil. 1,450—75—1,750	Nil.	
<i>Forest.</i>					
Conservator	1,450—75—1,750	Nil.	1,250—50—1,500		
Chief Conservator	2,000—100—2,200	Nil.	1,600—100—2,000		
<i>Engineering.</i>					
Superintending Engineers	1,450—75—1,750	Nil.	1,250—50—1,500		
Chief Engineers	2,000—100—2,100 200—2,500	Nil.	1,600—100—2,000		
<i>Veterinary.</i>					
	<i>Selection grade.</i>		<i>Selection grade.</i>		
	1,200—50—1,350	Nil.	Nil.		
Education (Men)	<i>Lower selection grade.</i> 1,200—50—1,350	<i>Selection grade.</i> 650—30—800	<i>Selection grade.</i> 1,200—50—1,350 (Numbers to be settled later).	<i>Selection grade.</i> Nil.	

		<i>Higher selection grade.</i>			
		1,400—50—1,500			
Post of Director of Public Instruction	..	2,000—100—2,100— 200—2,500		<i>Director of Public Instruction.</i>	
				1,600—100—2,000	
Education (Women)	..	<i>Selection grade.</i>	<i>Selection grade.</i>	<i>Selection grade.</i>	
		800—25—1,000	400—25—500	800—25—1,000	400—25—500
	<i>Medical.</i>	<i>Lower selection grade.</i>			
		1,200—50—1,350			
		<i>Higher selection grade.</i>			
		1,400—50—1,500			
Surgeon General	.. ..	2,000—100—2,100— 200—2,500		<i>Head of Medical Department.</i>	
				1,600—100—2,000	
Civil Surgeons	.. ..		500—50—800	300—25—400— 30—550 E. B. 35—780—40— 1,000	
			<i>Selection grade.</i>		
			1,000		

STATEMENT C.

The following table gives the scales of pay recently accepted by Government in the case of subordinate services:—

Clerks in the Secretariat and clerks in the High Court.

50—3—95—5—100—E.B.—5—160.

Clerks outside the Secretariat in Bombay City and Suburban District.

50—5/2—90—E.B.—5—140.

*Clerks in the mofussil: Revenue and Excise Establishments
(Lower Grade.)*

30—5/2—60; and 65—5/2—80.



2

Ad Interim Report
of the
Retrenchment Committee of the
Government of Bombay
1931

[For official use only]

POONA

PRINTED AT THE YARAYDA PRISON PRESS

1931

AD INTERIM REPORT OF THE RETRENCHMENT COMMITTEE OF THE GOVERNMENT OF BOMBAY, 1931

On Monday, March 2nd, 1931, the Honourable the Finance Member announced in the Legislative Council that he would advise Government to appoint a Retrenchment Committee consisting of two officials and five non-officials. A few days later, on March 6th, he made a further announcement regarding the personnel of this Committee, which was appointed by Government "to enquire into the possibility of reducing provincial expenditure". The personnel as finally approved by Government was as follows —

Official Members

The Honourable Sardar Sir Rustom Vakil, Kt., Minister for Local Self-Government.

Mr. G. Wiles, C S I, C I E, I C S, Secretary to the Government of Bombay, Finance Department.

Non-Official Members

Mr. J. Humphrey, O B E.

Khan Bahadur Allahbaksh Haji Mahomed Umar

Mr. Hoosenally M. Rahimtoola

Rao Bahadur D. R. Patil

Mr. P. R. Chikodi.

Mr. B. S. Kamat.

Mr. G. B. Phanse, Assistant Secretary, Finance Department, was appointed to act as Secretary to the Committee, while, during the Poona sittings, the services of Mr. C. H. Bristow, I. C. S., Settlement Commissioner and Director of Land Records, were put at the disposal of the Committee, as a Special Officer.

2. During a very early stage of our discussions we decided that our work could best be dealt with by dividing it into two categories: (1) proposals for immediate retrenchment to deal with the deficit of 61 lakhs in the current year, and (2) proposals for permanent retrenchment. The present report deals only with the former aspect of the question and we submit it at the earliest possible date in order that Government may be in a position to issue orders as soon as possible and so effect as large a saving as the lapse of part of the current year will allow. The same consideration also weighed with us in forwarding to Government, before our investigations were complete, several suggestions regarding restriction of leave and transfers, curtailment of touring and a general tightening up of the leave rules of the Vacation Departments. The letters which we sent to Government embodying our recommendations in these matters will be found in Appendix A.

3. In order that all avenues of retrenchment should be explored, we invited suggestions from a number of non-official members of the Legislative Council. We wish to acknowledge with gratitude the assistance given us by those members who responded to our request. Some of the suggestions made by them will be found to be covered by our recommendations. Some others have been reserved for consideration as measures of permanent retrenchment.

4. We felt, when we began our investigations in Bombay, that our work would be facilitated by immediate consultation with the Heads of Departments. A circular was therefore issued by us to all Heads of Departments and officers asking for proposals for savings and suggesting a standard 6 per cent reduction of expenditure. As a result of this circular and the subsequent discussions which we had with some Heads of Departments, who at the invitation of the Committee appeared personally before us, the savings indicated in Appendix B have been found possible. In some cases promises of savings have been made but the exact amounts have not been stated and so could not be included.

5. It is necessary to deal in detail with some of the more important questions raised on various departmental budgets and with items that received special attention

PUBLIC WORKS DEPARTMENT

6. We include in our recommendations a cut of Rs. 56,600 under Roads and Buildings. Further reports on the subject are still to be received. We are unable to suggest a curtailment of the grants for maintenance of communications in view of the application of Government to the Government of India to be permitted to divert the Provincial share of the petrol tax to expenditure on maintenance of roads, since we understand that the underlying condition of the application is that such relief was not to be used in reducing what would be considered the normal expenditure on roads during the current year. A proposal has however been put to us that the entire expenditure of Rs 15 lakhs for the Tapti Valley Project should be charged to the Petrol Fund. This would save the whole of the interest on this sum (amounting to about Rs. 94,000), and we are strongly in favour of this being done.

7. As regards Irrigation the possibility of combining the Development and Research Circle with the Deccan Irrigation Circle was discussed by us. The Department regards the suggestion as impracticable; but they point out that the cost of experiments in the Development and Research Circle has been heavily reduced and staff has been amalgamated. It is further claimed that experiments in hydrodynamic work have saved Rs. 25 lakhs in the last eight years in the cost of irrigation works in Sind, and it is hoped to effect a cut of Rs. 20,000 this year in the departmental expenditure. As there is no possibility of effecting any further economy in the current year, we have deferred further investigation of this question to our later report.

8. In the Deccan, the Nira Valley Project is estimated to cost 132 lakhs. It has been reported to us by the Department that if alterations and improvements costing 32 lakhs were carried out on both canals, this would result in such saving of water that the Vir Reservoir Scheme, estimated to cost a crore of rupees, would be rendered unnecessary. Out of this sum of 32 lakhs, an expenditure of 25 lakhs has already been incurred. In view of this report, we are of opinion that the Vir Scheme should be abandoned. The resultant saving in interest charges in future years will be very considerable.

9. Out of the balance of 7 lakhs referred to above Rs 4,39,000 is the cost of constructing branches 2 and 3 at the tail of the Nira Right Bank Canal in Malsiras and Pandharpur Talukas. Branch No 1 already irrigates most of Malsiras Taluka and the main canal if joined to the Mhaswad Canal will greatly increase the supply of water and irrigate the south part of Pandharpur. A Conference of District and Irrigation Officers, to whom we referred this question, expressed the opinion that with the exception of this linking up with the Mhaswad Canal, the rest of the construction work on Branches 2 and 3 should be deferred. We accept this opinion, and recommend the saving in the present budget of Rs 3,83,000 in the Head 55 which is equivalent to a saving in debt charges of about Rs. 25,000.

10. We discussed in some detail the question of the large temporary staff in the Public Works Department. It was pointed out to us that the existence of this temporary staff in the permanent Divisions was an anomaly, and the Retrenchment Officer, in 1926, was convinced that this staff should be made permanent. It seems probable that the making permanent of the bulk of this temporary staff will not effect any saving. But we propose to discuss the whole question of temporary establishments when further information has been obtained, not only with reference to one particular Department, but other Departments as well.

11. One of our colleagues raised the general question of handing over the management of certain roads to District Local Boards. We have however decided to postpone consideration of this item till we are shown that this is likely to result in economy.

12. In addition to the above savings we recommend the postponement of the following works:—

Budget Head 41.—

	Rs.
Presidency Excise Buildings	... 22,900
Hyderabad Jail	... 7,000
Sunat Quarters for 12 Constables	... 6,600
Shikarpur Canals Quarters for Police	... 25,000
Superintending Engineer, C C., Repairs to buildings ..	92,800
Total	... <u>1,54,300</u>

13. Under the loan heads 55, 59 and 60, we recommend postponement of expenditure totalling Rs. 6,24,000. Such postponement will effect a saving in loan charges of about Rs. 43,000.

14. It will be noticed from the above and from the summary of surrenders given by officers (Appendix B) that only the Superintending Engineer, Central Circle, has proposed to cut down substantially the repairs grants to buildings. We recommend that the total grants under this head, excepting the Electrical Division where a smaller cut is indicated, should be cut down by 15 per cent, and would leave to the Department the distribution of the reduced grant over the classes—residential and non-residential. The resulting savings are estimated to be Rs. 2,63,000. This includes the Rs. 93,000 already surrendered by the Superintending Engineer, C. C.

15. We have already made a recommendation to Government (*vide* Appendix A) that discretionary grants should be reduced and have suggested the possibility of a 50 per cent reduction. Some of the reductions under this head have already been included in the surrenders proposed by officers. The balance of savings is estimated at Rs. 1 lakh.

16. We have considered very carefully the question of the retention or abolition of the post of the Superintending Engineer, Public Health. We obtained evidence on this subject from the Secretary to Government, General Department, and from the Secretary, Public Works Department. It is reported that the officer concerned does at present not only highly specialized work of superintendence, but carries out also some works in an executive capacity. The Department has in progress some 17 major works on behalf of local authorities; and we are satisfied that since it is not possible at present to hand over the control of the works to the district staff or engineers, his appointment must be retained for the current year. We will however revert to this matter when dealing with measures of permanent retrenchment.

17. Similar evidence was also put before us regarding the office of the Consulting Architect. We consider that the employment of this officer is economical only as long as he is fully occupied. We realize however that no recommendations which we could make under this head at this stage would bring in any relief in the current year. We have therefore agreed to deal with this subject in our later reports.

EXCISE DEPARTMENT

18. We had an opportunity of examining in great detail the Commissioner of Excise and we agree that the cuts proposed by him totalling Rs. 53,690 should be accepted. The Commissioner thought that further savings in expenditure and a certain amount of betterment in revenue were possible in his department, but it is not possible to mention any definite amount in this connection.

FOREST DEPARTMENT

19. The Chief Conservator of Forests who gave evidence before us, pointed out that the Department had been very heavily cut down

and was at present undermanned. By cutting down departmental works and similar other items, he has agreed nevertheless to reduce expenditure by nearly Rs. 1,38,000. Further cutting down of works in this Department is likely to affect revenue detrimentally. Under these circumstances, we feel that there is little chance of any immediate savings in this department except perhaps in the item of passages, cost of which is put down at Rs. 23,000 in the current year. Further investigation into the working of the Department will be made.

EXECUTIVE COUNCIL AND MINISTERS

20. There are at present 4 Members of the Executive Council and 3 Ministers, making a total of seven. A majority of the Committee are of opinion that the total should be reduced to four, and that there should be two Members and two Ministers. It is believed that such reduction would not only save money but would facilitate work, obviating as it would do references to so many different persons. There would also be a certain amount of saving in the menial and general clerical establishment. We recommend that this reduction should be brought about as soon as possible and that at any rate no vacancies should be filled up until the total number of appointments has been reduced as proposed. We think it necessary to record that the Chairman does not associate himself with this recommendation and did not take part in the discussion. Rao Bahadur Patil is strongly opposed to this proposal. He thinks that since the new reformed constitution will contain no Executive Councillors but only Ministers, we should not by a recommendation to reduce the number of Ministers, violate the spirit of the new constitution in advance.

DISTRICT LOCAL BOARD GRANTS

21. When the management of District Local Boards was handed over to non-officials in 1921 Government decided to make an annual grant of Rs. 5,000 to each board to pay for the staff of account clerks and peons who had formerly been part of the Collector's establishment. Government continued the subsidy in 1923 when the new Local Boards Act was passed. As District Local Boards have now had ample time to get into working order under non-official management, a majority of us recommend that this grant may be reduced by 25 per cent. The total budget provision on this account during the current year is Rs. 1,35,000. The extent to which savings would be possible from this amount depends on a number of considerations, such as the period of notice and the date on which orders are passed. We think however that an estimate of Rs. 15,000 would be justifiable.

HOME DEPARTMENT

22. It will be noticed from the summary of surrenders offered by officers that the Inspector-General of Police reports the possibility of reducing his grants for the current year by an amount of Rs. 1,62,000. We accept this figure for the time being. We had an opportunity of examining the Inspector-General with reference to further reductions

in his budget; but at the time of submitting this report we have not been able to obtain from Government the further information we require. Our investigations therefore do not permit of any definite recommendation at present. We will however revert to this Department in the course of our later report. In the meanwhile, we recommend the following changes in certain other matters within the purview of the Home Department.

23. After discussion with the Department we propose a reduction in the rates of *bhatta* to witnesses. The rates prevailing at present and the revised rates which we now recommend are shown in Schedule I attached to this report. We are of opinion that these revised rates should be brought into force at once. We further recommend a revision under the head "Travelling Allowances to witnesses" of the existing rates which are regulated by High Court Circular No. 18 (3) and are shown, along with our proposed changes, in Schedule I.

24. During our early sittings, we made several suggestions to departments of Government which seemed to call in our opinion for further investigation. In response to one such suggestion the Remembrancer of Legal Affairs reports that Government have decided to reduce by 10 per cent the daily fees payable to Public Prosecutors under Rule 45 of the Law Officers Rules. In this connection we had at one time considered the advisability of taking the High Court administration under our detailed examination. For the present, however, we are content to deal only with one aspect of the question: it has been shown to us that while the Original Side of the High Court brings in a certain amount of revenue, the Appellate Side is worked at a loss. We understand that this is due to the low stamp duty charged on appeals. It is also reported that no duty is levied on appeals from Aden. We recommend by a majority that Government should consider the revision of the Stamp Duty in both these instances.

PESHWA'S DAFTAR

25. There remains, in the list of new items in the current year's budget, one item which a majority of us feel cannot be regarded as essential in our present financial condition—the selection and publication of documents from the Peshwa's Daftar. A majority of us recommend, Mr Kamat dissenting, that Government should withdraw the grant on this account.

EDUCATION

26. We have given careful consideration to the question of cutting the grants under this head. We propose to make further investigations before making our final recommendations. In the meanwhile, however, we offer the following suggestions for immediate action.

27. We approve of the proposal put to us that a saving of Rs. 50,000 is possible during the current year if scholarships which fall vacant are not filled up. Our approval is however subject to the proviso that the interests of the backward communities should not suffer by such a step.

28. One of our colleagues raised the question of stipends given by Government to teachers in the various training colleges. Our information is that this kind of training is in great demand, and that numbers of teachers are in a position to pay their way without the assistance of any extraneous body, this being so, there is no reason why Government should continue this subsidy. We therefore recommend that the grant for stipends should be reduced and estimate a probable saving of Rs. 2,500.

29. A reduction of 5 per cent has been made in the budget in the grants for primary education. A majority amongst us is of opinion that there is no valid reason why this reduction made in the grant for primary education, which in their opinion is of greater importance, should not be extended to secondary education and colleges. On the other hand, the minority feels that a reduction of these grants would have such a crippling effect on the secondary schools that they would not be able easily to recover. The annual saving from the recommendation would amount to nearly Rs 2,08,000.

30. The budget provision for "Reforms" is Rs 4 lakhs this year. We think it very unlikely that the whole of this amount will be spent in the current year and we propose that this estimate be reduced to 1 lakh.

PUBLIC SERVICES

NEW ENTRANTS

31. During our earlier sittings in Bombay we examined the scales of pay proposed by the Finance Department for new entrants to the Provincial Services. These scales, together with the emendations made therein by us, are shown in Appendix D. With reference to the lower services, in order to avoid detailed revisions of a large number of scales, we have already recommended to Government that all new entrants to these services should be paid on the present scales of pay, subject to a deduction of 2 annas in the rupee.

PRESENT INCUMBENTS

32. The question of effecting temporary reductions in the salaries of the present Government servants engaged our attention for a long time. The effect on the feeling of security of the Services cannot be ignored. But we believe that extraordinary action of this kind has now become absolutely essential to maintain financial equilibrium. The present general depression has in our opinion affected the earnings of all classes of society and we see no reason why Government servants should not share in the burden. We consider our recommendations further justified by the facts that there has been a great fall in commodity prices, and that the rise in salaries given to all Services alike after the war was granted in consequence of the general rise in the cost of living, and could equally well have been given in the form of a cost of living bonus. At the same time we recognize that all salaries from top to bottom must be dealt with simultaneously in the interests of equity and that statutory difficulties if any in the way of

doing this must be left to the authorities to deal with. This having been agreed to our difficulty lay in devising percentages of reduction which in our opinion would distribute the burden equitably.

33. We recognize the force of the twofold argument put before us that in the first instance the fall in prices has benefited mainly the lower salaried servants, and that in the second instance salaries of over Rs. 166 a month have already been subjected to progressively increasing reductions by the emergency-income-tax proposals of the Government of India. Without ignoring these considerations the following four members, viz. Mr. Kamat, Mr. Chikodi, Rao Bahadur Patil and Mr. Rahimtoola, consider it undesirable to deprive the lowest ranks of the advantage given to them by the fall in commodity prices and propose to exempt all salaries below Rs. 40 in the mofussil and Rs. 60 in Bombay. Above this level they recommend the following cuts:—

Monthly pay

Up to Rs. 199	...	5 per cent
From Rs. 200 to 499	...	6½ "
From Rs. 500 to 999	...	7½ "
Rs. 1,000 and above	...	10 "

The estimated saving in a year is Rs. 25½ lakhs.

The Chairman prefers the following scale:—

up to Rs. 40	...	3½ per cent
above Rs. 40 up to Rs. 499	...	5 "
above Rs. 500 up to Rs. 1,499	...	6½ "
Rs. 1,500 and above	...	7½ "

Estimated saving * Rs. 26½ lakhs.

Mr. Wiles and Khan Bahadur Allahbakhsh consider that in view of the great increase in the income-tax, which was admittedly put on as a means of reaching salaries which could not otherwise be reduced, the maximum cut should not exceed 6½ per cent and their scale is therefore—

Up to Rs. 40	...	3½ per cent
Above ,, 40 to Rs. 499	...	5 "
Above ,, 500	...	6½ "

Estimated saving about * Rs. 25½ lakhs.

* These two estimates have been worked out as approximately as possible, in view of the difficulty that we did not have readily available separate figures for salaries below Rs. 40 and of salaries between Rs. 1,000 and Rs. 1,500 and those over Rs. 1,500.

Mr. Humphrey disagrees with any cut in salaries which will result in Government breaking their pledges to the All-India and Provincial Services. Such action would, in his opinion, be disastrous not only morally but also from the point of view that it would create a precedent which may be brought forward as an argument successfully in the future. He would therefore prefer to restrict the cut to allowances. If, however, a cut can be made without breaking any pledge or contract he is in favour of the cut of—

Up to Rs. 40	...	Nil.
Rs. 41 to Rs. 499	...	5 per cent
Above Rs. 500	...	6½ "

34. He further suggests that the Government of India should be asked to pay to the Provincial funds the additional Income and Super Tax which will be collected from Government services in this Presidency.

35. We are agreed that for the purposes of this cut "special pay" should be included in pay. We are further agreed that the cut should be a temporary one and should be made up to the end of the financial year 1932-33.

36. The total cost to Government of salaries worked out in 1928-29 was :—

	Rs
Pay below Rs 40 p m	. 150 lakhs
„ 40 to 59 p m.	... 41 „
„ 60 to 199 „	. 144 „
„ 200 to 499 „	... 67 „
„ 500 to 999 „	.. 44 „
Above „ 1,000 „	... 91 „
	<hr style="width: 10%; margin: 0 auto;"/> Rs. 537 lakhs.

37. We recommend that if any cut in salaries is carried out, similar cuts should be enforced in the case of local bodies which receive grants-in-aid from Provincial revenues.

38. We wish it to be understood that the percentages we have proposed above are intended to give a general indication of our attitude. There might in practice be found instances where adjustment will have to be made in the interests of equity in the salaries on the marginal line. We prefer to leave it to Government to adjust these inequalities in the manner they deem fit.

39. We have investigated the question of allowances and find that all permanent travelling allowances above Rs. 75 per month and all other travelling allowances have been cut down last October. We are of opinion that this cut should now be extended. Permanent travelling allowances below Rs. 75 and above Rs. 10 should, in our opinion, be reduced by 10 per cent. Almost all other allowances we find to be in the nature of compensatory allowances. We recommend all allowances partaking of the nature of compensatory allowances should be subjected to a 10 per cent cut. We would however exempt from this cut such allowances as have already been cut to this extent. The reduction should be so effected that no allowance would fall below Rs. 10 per mensem. We would also leave entirely untouched those allowances which were in existence before 1919, and have not been increased since then. Two members of the Committee are in favour of a higher cut

40 Our recommendations detailed above are, as we have made clear, intended in the main to reduce the current year's deficit. We estimate that they will entail definite savings this year of Rs. 28,66,400. But apart from these definite items we have made several suggestions, the savings of which cannot be computed exactly. We should not,

therefore, be unwarranted in assuming that our proposals, apart from reduction in salaries, would save about 30 lakhs this year. The extent of savings under salaries depends on the date at which orders are passed on the subject.

POONA
22nd July 1931.

(Signed) RUSTOM JEHANGIR VAKIL.
 „ G. WILES.
 „ B. S. KAMAT.
 „ P. R. CHIKODI.
 „ J. HUMPHREY.
 „ *HOOSENALLY M. RAHIMTOOLA.
 „ ALLAHBAKSH

Note.—At the time of going to Press Rao Bahadur D. R. Patil's signature had not been obtained.

* Subject to a minute of dissent.

Minute of Dissent by Hoosenally M. Rahimtoo'a

I am not in favour of measures which would check the spread of education. I am not convinced that all other possible directions in which retrenchment could be effected have been fully explored. I do not agree with the recommendation in paragraph 37.

Bombay, 14th July 1931.

HOUSENALLY M. RAHIMTOOLA

APPENDIX A

I

No. 1849-B

OFFICE OF THE RETRENCHMENT COMMITTEE

Bombay Castle, 16th April 1931.

From

G. B. PHANSE, ESQUIRE, B.A. (OXON), J.P.,
Secretary to the Retrenchment Committee,

To

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
Finance Department

Sir,

I am directed by the Chairman and Members of the Retrenchment Committee to address you as under.

As a result of their discussions, the Committee have decided that the recommendations which they would make should be divided into two categories, viz. (1) Retrenchment of a temporary nature, intended to be effective for the current year and designed primarily to cover the deficit for this year, and (2) Retrenchment of a permanent nature affecting a longer period. The Committee desire that under the first category a reduction of provincial expenditure to the extent of 60 lakhs should be aimed at and that the attention of all Heads of Departments should be drawn to this fact. I am therefore to request that Government may be pleased to issue instructions to all Controlling Officers to exercise the greatest circumspection in incurring expenditure, pending suggestion for retrenchment.

I am to add that the Committee would be very grateful if they were kept informed of the action taken on this letter.

I have, etc.,

(Sd) G. B. PHANSE,

Secretary to the Retrenchment Committee

No. 1849-B

OFFICE OF THE RETRENCHMENT COMMITTEE:
Bombay Castle, 27th April 1931.

From

G. B. PHANSE, ESQUIRE, B.A. (OXON), J.P.,
Secretary to the Retrenchment Committee;

To

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
Finance Department.

Sir,

The Retrenchment Committee examined at one of their sittings the list of new minor works costing more than Rs. 5,000 and proposed to be financed in the current year from the discretionary grants under the head "41, Civil Works—Provincial". On a perusal of the items put before them the Committee came to the conclusion that at least 50 per cent of the works under this head could probably be postponed without risk. I am therefore directed to request you to consider the possibility of ordering a reduction of budget grants at once under this head to the extent of 50 per cent. In respect of the balance I am directed to request that Government may consider the advisability of directing that the officers controlling these discretionary grants should be asked to submit a list of works which they consider to be of imperative necessity and that they should postpone all other works.

I have, etc.,

(Sd) G. B. PHANSE,
Secretary to the Retrenchment Committee.

III

No. 1849-B/1

OFFICE OF THE RETRENCHMENT COMMITTEE.

Poona, 12th June 1931.

From

G. B. PHANSE, ESQUIRE, B.A. (OXON), J.P.,
Secretary to the Retrenchment Committee,

To

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
Finance Department

Sir,

I am directed by the Chairman and members of the Retrenchment Committee to convey the following requests to Government

The Committee have now been sitting for some time past and have found, during the course of their discussions, that there are a number of directions in which, pending more detailed inquiries, there seems to be scope for economy. They have therefore decided that these points should be brought before Government forthwith so that immediate action can be taken thereon. I am particularly to mention the following:—

(1) In the opinion of the Committee, considerable savings could be effected by restricting leave to only very urgent cases.

(2) Posts which fall vacant owing to leave or other reasons should, as far as this is possible, not be filled up.

(3) The Committee feel that there is room for the leave rules of the vacation departments to be tightened up, and that at any rate in the case of the Subordinate Courts, the vacations are too long.

(4) The Committee agree with the proposal put to them that all new entrants to the subordinate services should be given the existing scales of pay subject to a deduction of 2 annas in the rupee

(5) Touring should be curtailed as far as possible. The Committee are aware that in many instances the travelling allowances given to touring officers are fixed; they feel nevertheless that economies could be effected in this matter by curtailing touring and effecting savings on such items as cartage

(6) Transfers of officers should be restricted.

(7) "Diet and Road Money to witnesses" is an item that admits of considerable reduction in the matter of maxima.

(8) The Committee feel that officers on the verge of retirement should not ordinarily be given extensions.

I am to request that Government may be moved to issue orders on the lines indicated above as early as possible.

I have, etc.,

(Sd) G. B. PHANSE,
Secretary to the Retrenchment Committee.

APPENDIX B

Estimated savings offered in replies to the Committee's letter

	Rs.
Finance Department	14,900
Political Department	4,800
Legal Department	400
General Department	3,500
Revenue Department (chavdis)	40,000
Separate Department	5,000
Inspector-General of Prisons	1,12,000
Inspector-General of Police	1,66,000
Military Secretary to His Excellency the Governor	16,000
Director of Agriculture	51,300
Director, J. J. School of Art	1,300
Principal, Veterinary College	3,800
Resident, Aden	4,800
Consulting Architect	300
Director of Industries { Technical Education	1,400
Industries	7,800
Police Surgeon, Bombay	3,900
Superintendent, C. V. D.	4,400
Director of Land Records	15,600
Superintendent of Land Records, Sind	6,800
Electrical Engineer	35,900
Salt and Excise, Sind	17,700
Chief Engineer, Lloyd Barrage	60,500
Director of Information	28,000
Superintending Engineer, Public Health, Dapuri	1,700
Superintending Engineer, N. C.	2,500
Commissioner of Police, Bombay	25,800
Commissioner in Sind (excess grants to D. L. Boards)	9,400
Factory and Boiler Department	24,700
Director of Information	3,900
(Grant-in-aid to Poona City Municipality (S. E., Public Health)).	52,800
Commissioner in Sind	7,000
Commissioner, C. D.	3,000
Deputy Commissioner, Upper Sind Frontier	8,000
Collector, Karachi	5,000
Do. Thar Parkar	4,000
Do. Nawabshah	3,000
Do. Hyderabad	6,700
Do. Larkana	13,500
Do. Sukkur	3,400
Do. Panch Mahals	5,400
Do. Ahmednagar (regrouping of Talukas)	45,000
Do. East Khandesh	12,300
Carried over	8,43,200

APPENDIX B—(contd)

		Rs
	Brought forward .	8,43,200
Collector, Nasik	.	23,000
Do. Sholapur	.	2,400
Do. Poona	.	29,800
Do. Satara	..	17,900
Do. West Khandesh	.	2,100
Do. Ratnagiri	.	7,800
Do. Bijapur	.	10,900
Do. Belgaum	.	8,000
Do. Kanara	...	1,300
Do. Dharwar	...	15,000
Do. Bombay	3,500 } ...	13,900
	10,400 }	
Court of Small Causes, Karachi	..	2,600
Chief Judge, Small Cause Court, Bombay	...	4,500
District Judge, Nadiad	.	1,800
Do. Surat	.	2,300
Do. Sukkur	...	2,100
Do. Hyderabad	...	400
Do. Ahmednagar	.	9,800
Do. Bijapur	...	1,000
Do. Ratnagiri	.	600
Do. Dharwar	...	11,000
Additional Joint Sub-Judge, West Khandesh	...	1,300
	Total ...	<u>10,12,700</u>

APPENDIX C

Total Savings

	Rs.
Shown in Appendix B	... 10,12,700
Public Works Department—	
Irrigation	... 3,36,400
Roads and Buildings	... 2,54,000
Civil Works etc. (para. 9)	... 1,54,300
Excise Department	... 53,700
Forest Department	... 1,36,300
Grants to District Local Boards	.. 15,000
Home Department—	
Travelling allowance and Bhatta to witnesses	... 35,000
Remembrancer of Legal Affairs—fees to Public Prosecutors.	12,400
Peshwa's Daftar	... 5,000
Curator, Satara Museum	... 1,700
Education—	
Scholarships	... 50,000
*Ismailia College	... 19,000
Stipends to teachers	.. 2,500
5 per cent cut in Grants—University and Secondary	... 2,07,800
Reforms	... 3,00,000
Discretionary grants	... 1,00,000
Repairs to Buildings grants	... 1,70,000
	28,65,800

* This provision has been made in the current year's budget. But there is prospect that the expenditure may be met from the endowment fund itself. This amount is therefore expected to be saved.

APPENDIX D

Statement "A" showing the Present and Proposed Time-Scales of Pay of Class I and Class II Services employed in Transferred Departments

SERVICE.	PRESENT SCALE.		PROPOSED SCALE.		Remarks.																																																																																																																										
	Class I.	Class II.	Class I.	Class II.																																																																																																																											
Agriculture * Forest * Veterinary * }	320-40-1,200		250-20-750																																																																																																																												
Public Works Department*	<table border="0"> <tr><td>1st year ...</td><td align="center">320</td><td align="center">Senior</td></tr> <tr><td>2nd</td><td align="center">360</td><td align="center">.</td></tr> <tr><td>3rd</td><td align="center">400</td><td align="center">.</td></tr> <tr><td>4th</td><td align="center">400</td><td align="center">440</td></tr> <tr><td>5th</td><td align="center">440</td><td align="center">480</td></tr> <tr><td>6th</td><td align="center">480</td><td align="center">520</td></tr> <tr><td>7th</td><td align="center">520</td><td align="center">560</td></tr> <tr><td>8th</td><td align="center">520</td><td align="center">600</td></tr> <tr><td>9th</td><td align="center">560</td><td align="center">640</td></tr> <tr><td>10th</td><td align="center">600</td><td align="center">680</td></tr> <tr><td>11th</td><td align="center">640</td><td align="center">720</td></tr> <tr><td>12th</td><td align="center">680</td><td align="center">760</td></tr> <tr><td>13th</td><td align="center">720</td><td align="center">800</td></tr> <tr><td>14th</td><td align="center">760</td><td align="center">840</td></tr> <tr><td>15th</td><td align="center">800</td><td align="center">880</td></tr> <tr><td>16th</td><td align="center">.</td><td align="center">920</td></tr> <tr><td>17th</td><td align="center">.</td><td align="center">960</td></tr> <tr><td>18th</td><td align="center">.</td><td align="center">1,000</td></tr> <tr><td>19th</td><td align="center">..</td><td align="center">1,040</td></tr> <tr><td>20th</td><td align="center">..</td><td align="center">1,080</td></tr> <tr><td>21st</td><td align="center">..</td><td align="center">1,120</td></tr> <tr><td>22nd</td><td align="center">.</td><td align="center">1,160</td></tr> <tr><td>23rd</td><td align="center">..</td><td align="center">1,200</td></tr> </table>	1st year ...	320	Senior	2nd	360	.	3rd	400	.	4th	400	440	5th	440	480	6th	480	520	7th	520	560	8th	520	600	9th	560	640	10th	600	680	11th	640	720	12th	680	760	13th	720	800	14th	760	840	15th	800	880	16th	920	17th	960	18th	1,000	19th	1,040	20th	1,080	21st	1,120	22nd	1,160	23rd	1,200	<table border="0"> <tr><td>Junior</td><td align="center">Senior</td></tr> <tr><td>300</td><td align="center">...</td></tr> <tr><td>325</td><td align="center">.</td></tr> <tr><td>450</td><td align="center">.</td></tr> <tr><td>350</td><td align="center">375</td></tr> <tr><td>375</td><td align="center">400</td></tr> <tr><td>400</td><td align="center">430</td></tr> <tr><td>425</td><td align="center">460</td></tr> <tr><td>450</td><td align="center">490</td></tr> <tr><td>480</td><td align="center">520</td></tr> <tr><td>510</td><td align="center">550</td></tr> <tr><td>540</td><td align="center">585</td></tr> <tr><td>570</td><td align="center">620</td></tr> <tr><td>600</td><td align="center">655</td></tr> <tr><td>630</td><td align="center">690</td></tr> <tr><td>660</td><td align="center">725</td></tr> <tr><td>..</td><td align="center">760</td></tr> <tr><td>..</td><td align="center">800</td></tr> <tr><td>..</td><td align="center">840</td></tr> <tr><td>..</td><td align="center">880</td></tr> <tr><td>..</td><td align="center">920</td></tr> <tr><td>..</td><td align="center">960</td></tr> <tr><td>..</td><td align="center">1,000</td></tr> <tr><td>..</td><td align="center">...</td></tr> </table>	Junior	Senior	300	...	325	.	450	.	350	375	375	400	400	430	425	460	450	490	480	520	510	550	540	585	570	620	600	655	630	690	660	725	..	760	..	800	..	840	..	880	..	920	..	960	..	1,000	<table border="0"> <tr><td>300-25-400-30-</td><td align="center">200-15-320-20-600</td></tr> <tr><td>550-35-760-40-1,000</td><td align="center">.</td></tr> <tr><td>250-20-750</td><td align="center">200-15-320-20-600</td></tr> </table>	300-25-400-30-	200-15-320-20-600	550-35-760-40-1,000	.	250-20-750	200-15-320-20-600	
1st year ...	320	Senior																																																																																																																													
2nd	360	.																																																																																																																													
3rd	400	.																																																																																																																													
4th	400	440																																																																																																																													
5th	440	480																																																																																																																													
6th	480	520																																																																																																																													
7th	520	560																																																																																																																													
8th	520	600																																																																																																																													
9th	560	640																																																																																																																													
10th	600	680																																																																																																																													
11th	640	720																																																																																																																													
12th	680	760																																																																																																																													
13th	720	800																																																																																																																													
14th	760	840																																																																																																																													
15th	800	880																																																																																																																													
16th	920																																																																																																																													
17th	960																																																																																																																													
18th	1,000																																																																																																																													
19th	1,040																																																																																																																													
20th	1,080																																																																																																																													
21st	1,120																																																																																																																													
22nd	1,160																																																																																																																													
23rd	1,200																																																																																																																													
Junior	Senior																																																																																																																														
300	...																																																																																																																														
325	.																																																																																																																														
450	.																																																																																																																														
350	375																																																																																																																														
375	400																																																																																																																														
400	430																																																																																																																														
425	460																																																																																																																														
450	490																																																																																																																														
480	520																																																																																																																														
510	550																																																																																																																														
540	585																																																																																																																														
570	620																																																																																																																														
600	655																																																																																																																														
630	690																																																																																																																														
660	725																																																																																																																														
..	760																																																																																																																														
..	800																																																																																																																														
..	840																																																																																																																														
..	880																																																																																																																														
..	920																																																																																																																														
..	960																																																																																																																														
..	1,000																																																																																																																														
..	...																																																																																																																														
300-25-400-30-	200-15-320-20-600																																																																																																																														
550-35-760-40-1,000	.																																																																																																																														
250-20-750	200-15-320-20-600																																																																																																																														

Education (men) *	320-40-1,200	250-20-650	300-25-400-40- 550-35-760-40-1,000	200-15-320-20-600
Education (women) *	320-25-770	200-10-340-15-400	300-25-700	200-10-340-15-400
Medical *	400-40-1,200	<i>Men</i>	350-30-500-40-1,100	<i>Men</i>
		200-40/3-400-50-450		200-20/2-320-20-440
<i>Co-operative Societies.</i>		<i>Women</i>		<i>Women</i>
		250-40/3-450-50-500		200-20/2-300-25/2-375-25-450
Assistant Registrars †		250-20-750		200-15-320-20-600

* Scales proposed by Finance Department under these heads were approved by the Committee (vide Minutes of Wednesday, April 15, 1931).

† Maximum of 600 proposed by Finance Department was generally approved

Statement "B" showing the Present and Proposed Pay for Selection Grades and Administrative Posts above the Time-scales of Class I and Class II services employed in Transferred Departments

SERVICE.	PRESENT SCALE		PROPOSED SCALE		Remarks
	Class I	Class II.	Class I.	Class II	
Agriculture	<i>Selection Grade</i> 1,200-50-1,350	Nil.	<i>Selection Grade</i> 1,000-40 (or 50)-1,200		
Post of Director of Agriculture *	1,600-50-1,800		Same as at present approved		
<i>Forest—</i>					
Conservator†	1,450-75-1,750	Nil.	Do		
Chief Conservator‡	2,000-100-2,200	Nil.	Do		
<i>Engineering—</i>					
Superintending Engineers †	1,450-75-1,750	Nil.	Do		
Chief Engineers‡	2,000-100-2,100-200-2,500	Nil	Do		
<i>Veterinary</i>	<i>Selection Grade</i> 1,200-50-1,350	Nil	<i>Selection Grade</i> 1,000-40 (or 50)-1,200		
<i>Education (Men)</i>	<i>Lower Selection Grade</i> 1,200-50-1,350	<i>Selection Grade</i> 650-30-800	<i>Same as present.</i>	<i>Selection Grade</i> 600-25-700	
	<i>Higher Selection Grade</i> 1,400-50-1,500				
<i>Education (Women)</i>	<i>Selection Grade</i> 800-25-1,000	<i>Selection Grade</i> 400-25-500	650-25-850	400-25-500	

Medical	<i>Lower Selection Grade</i> 1,200-50-1,350 <i>Higher Selection Grade</i> 1,400-50-1,500		Same as at present.
Surgeon-General†	2,000-100-2,100-200- 2,500		Do
Civil Surgeons		500-50-900 <i>Selection Grade</i> 1,000	450-90-510-40-750 <i>Selection Grade</i> 850 or 500-40-860 without selection grade.

* Committee approved of a scale of 1,450-50-1,750.

† For these officers, a scale of 1,250-50-1,500 was approved by the Committee.

‡ For these officers and the Director of Public Instruction, the Committee approved of a scale of 1,600-100-2,000

The Committee agreed that both Deputy Collectors and Sub-Judges should rise to a maximum of Rs 800, and that the lower scales should be revised on the lines of other services

With reference to the I C S, the Committee were of opinion that the Senior Scale for Collectors should go to about Rs 1,500 Commissioners should get Rs. 2,000-2,500

SCHEDULE I

The diet allowance given at present to witnesses and complainants is governed by High Court Circulars. It varies according to circumstances. But the maxima are as follows:—

- (i) witnesses of the class of smaller cultivators and labourers, annas 8 per diem,
- (ii) witnesses of higher class; Re 1 per diem;
- (iii) witnesses of superior class; Rs. 3 per diem.

Note.—Class (i) will generally include smaller cultivators and labourers; class (ii) patils, ordinary landowners, clerks, artisans and men of business and professional men, etc.; class (iii) will comprise European, East India and Indian gentlemen, large landowners, professional men of high position and the like

The Committee have agreed that these scales should be reduced thus:—

For Class I, above	..	Re 0- 6-0 per diem
For Class II, above	..	" 0-12-0 "
For Class III, above	..	Rs. 2- 4-0 "

Scales for Bombay City are slightly different from these scales. On a proportionate reduction, they would be as follows:—

Class I	..	Rs. 1-8-0 per diem
" II	..	" 3-0-0 "
" III	..	" 6-0-0 "

Travelling allowances given at present for the above three classes are as follows:—

(i) when the journey is by road, the actual expenses incurred, provided the same be reasonable;

(ii) when the journey is wholly or partly by rail or steamer —

(a) witnesses of class (i) above third class railway or steamer fare,

(b) witnesses of class (ii) second or intermediate class railway or steamer fare according to the discretion of the Court,

(c) witnesses of class (iii): first or second class railway or steamer fare according to the discretion of the court

The Committee agree that under (b) of class (ii) above "intermediate, or if not available, third class railway or steamer fare" should be substituted for "second or intermediate", and that under (c), witnesses of class (iii) should be given first class fare only in exceptional cases for which reasons should be given



Report of the Deccan Canals
Financial Improvement Committee
1932

3

[Price—Annas 6 or 8d]

BOMBAY

PRINTED AT THE GOVERNMENT CENTRAL PRESS
1932

Obtainable from the Superintendent, Government Printing and Stationery,
Bombay, or through the High Commissioner for India, India House,
Aldwych, London, W.C.2, or through any recognized Bookseller

TABLE OF CONTENTS

Jan 1911
B. D. O'EFFEN

Paras.	INTRODUCTORY.				Page
1	Origin of Committee	..	..	..	1
2	Personnel	.	..	..	1
3-5	Evidence	..	.	..	1
CHAPTER I—THE FINANCIAL POSITION.					
6-10	Financial data and results	..	..	..	2
CHAPTER II—ECONOMIC FACTORS.					
11	Area and Revenue	..	..	..	6
12	Revenue due to cane	.	.	.	6
13	Lack of substitutes for cane	..	..	..	6
14	Canals depend on cane	..	..	..	7
CHAPTER III—POSSIBILITIES OF EXTENSION OF CANE.					
15	Products of cane	..	..	..	7
16	The gul market	.	.	..	9
17-18	Rival sources of gul supply	..	..	.	8
19	Cane area	..	..	..	8
20	Prices of gul	.	..	..	9
21	Effect of rainfall	..	..	..	9
22-23	Departmental Rules	..	..	..	9
24-26	The Block System	.	.	..	10
27	Bund Rules	..	..	..	12
28	Expansion of cane area for gul	..	..	..	13
CHAPTER IV—SUGAR.					
29	Scope for Indian made white sugar	..	..	..	14
30-33	Sugar prices	..	..	..	14
34-35	Factory supply of cane	..	..	..	15
36	Factory season	..	..	..	15
37-40	Cost of cane	..	..	..	15
41-42	Improved varieties	..	..	..	16
CHAPTER V—LAND FOR SUGAR FACTORIES.					
43-44	How land can be obtained	..	..	..	17
45	Acquisition	..	..	..	17
46	The Java System	..	..	..	18
47	Compulsory leases	..	..	.	18
48	Compulsion Justifiable	..	..	..	19
49	Fixing the rent	..	..	..	19
50	Legislation required	..	..	..	19
51	Size of factories	..	..	..	20
52	Railway facilities	..	..	..	20
53	* Financial aid	..	..	..	20

Paras.		Page
CHAPTER VI—WATERLOGGING AND DRAINAGE.		
54	Necessity for drainage	21
55-59	The Cess	21
CHAPTER VII—MISCELLANEOUS.		
60-65	Agricultural Policy	23
66	Irrigation Establishment	25
67	Accounts	25
68-69	Memorandum by the Sugar Technologist, Imperial Council of Agricultural Research	27
70-71	Conclusion	28
	Summary of Conclusions	29
	Note by Mr. C. H. Bristow	35
	Minute of Dissent by Rao Bahadur G. K. Chitale	37
	Minute of Dissent by Mr. N. E. Navle	46
	List of References	47
	Appendices	48
	Plates	72

X9 (D26):6.231.N3t

G2

REPORT ON THE DECCAN CANALS FINANCIAL IMPROVEMENT COMMITTEE, 1932.

INTRODUCTORY.

ORIGIN AND PURPOSE OF THE COMMITTEE.

1. On 6th August 1931 a Resolution was moved in the Bombay Legislative Council requesting Government to appoint a Committee to consider and report as to how the financial aspect of the Irrigation Works in the Deccan can be improved. The resolution was accepted by Government and was carried into effect by the issue of Government Resolution, Public Works Department, No. L.C. 1924 dated 14th October 1931, appointing a Committee

“...to consider and report after taking evidence as to how the financial aspect of the Irrigation Works in the Deccan can be improved, having regard to the fact that the present return on the sum of Rs. 10 crores sunk in their construction is very meagre, and to suggest ways and means to improve the same.”

PERSONNEL.

2. In the same Resolution the composition of the Committee was announced as follows :—

Chairman.

Mr. B. S. Kamat, M.L.C.

Members.

Mr. C. H. Bristow, I.C.S., Special Officer attached to the Retrenchment Committee.

Mr. C. C. Inglis, B.A., B.A.I. (Dub.), M Inst C.E., I.S.E., Superintending Engineer, Irrigation Development and Research Circle.

Ra'o Bahadur G. K. Chitale, M.L.C.

Mr. Fenton Millar (General Manager, Belapur Company, Limited).

Mr. N. E. Navle, M.L.C.

Khan Bahadur Abdul Latif Haji Hazrat Khan, M.L.C.

Mr. J. S. Reid, B.Sc. (Eng.), I.S.E., Executive Engineer, Special Irrigation Division, was appointed to be Secretary to the Committee. The Secretaryship was taken over on 5th December 1931 by Mr. W. A. Evershed, B Sc. (Lon.), Assoc.M.Inst. C.E., I.S.E., who assumed charge as Executive Engineer, Special Irrigation Division, on that date.

EVIDENCE.

3. The first business of the Committee, which commenced its sittings on 30th October 1931, was to draw up a questionnaire. A general questionnaire was issued to certain individual irrigators and to Irrigators' Associations, and a departmental questionnaire was sent to Government officials in the Deccan Irrigation Circle as soon as possible. Subsequently

a third questionnaire was drawn up and issued to representatives of financial, industrial, and commercial interests in Bombay whose views on certain aspects of the problems before us were required.

4. We have heard the evidence of the following Government officials, viz. the Superintending Engineer, Deccan Irrigation Circle, the Executive Engineers, Nira Left Bank Canal Division and Mutha Canals Division as well as selected Sub-divisional Officers. The Director of Agriculture and the Deputy Director of Agriculture, Southern Central Division, also gave evidence before us.

5. In addition to obtaining information from replies to our general questionnaire, we visited Baramati, Belapur, and Kopergaon, and recorded the evidence of the Irrigators' Associations on the Nira, Pravara, Godavari, Girna, and Kadva Canals. The representatives of these Associations were in all cases the President, the Secretary, or some prominent member, but evidence and discussion was not confined to them alone, and other irrigator members expressed their views. At Belapur, we took the evidence of experts, agricultural and technological, in the employ of the Belapur Company. Several gentlemen and firms who were invited by us to give evidence were unable to attend our meetings in Bombay, but the evidence of Sir Joseph Kay and Messrs. Ralli Brothers was very useful.

CHAPTER I.

THE FINANCIAL POSITION.

DATA.

6. The problem is, as already indicated in the terms of reference, how to improve the return on the outlay of the canals. It is convenient to indicate the state of affairs by Tables I and II (see next page). The figure of Rs. 10 crores of capital has been mentioned by Government while issuing instructions as to the formation of this Committee. This figure includes many small canals and minor tank works where in some cases no cane is grown at all. We understand that the subject of our enquiry is the Major Canals and not the Minor Irrigation Works. Accordingly, for the purpose of this report, a comparison of year to year data is the main consideration and that given in these two tables applies to the chief cane areas only viz. the Nira Left Bank Canal, the Mutha Canals, the Pravara Canals, the Godavari Canals, the Krishna Canal and the Nira Right Bank Canal.

FINANCIAL RESULTS.

7. The Major Canals of the Deccan were constructed between 1875 and 1929 for the purpose of protecting the Eastern Deccan from famine. The total outlay and the return on capital in 1929-30 according to the Irrigation Administration Report are given below (See Table II also).

TABLE I.

Financial Data and Results for the chief cane producing canals compiled from Administration Reports.

Year.	Capital outlay to end of year.	Gross assessed revenue.	Working (Direct and Indirect) expenses.	Net assessed revenue.	Return on capital outlay.	Working expenses on capital outlay.
	Rs.	Rs.	Rs.	Rs.	Per cent.	Per cent.
1924-25	7,29,05,330	22,62,545	11,14,468	11,48,082	1·57	1·57
1925-26	7,63,99,869	25,55,070	11,99,030	13,56,040	1·78	1·57
1926-27	7,91,30,383	29,08,379	11,77,456	17,30,923	2·19	1·49
1927-28	8,08,22,242	28,18,137	11,49,512	16,68,625	2·06	1·42
1928-29	8,24,37,939	25,37,290	13,95,794	11,41,496	1·39	1·69
1929-30	8,41,96,945	24,91,761	13,76,574	11,15,207	1·33	1·63

TABLE II.

Year.	Gross assessed Revenue.	Percentage return on capital outlay.	Total cane area for canals excluding overlap.	Total area of other crops irrigated by canal.	Total area of cane on tanks, wells bandharas, etc.	Total cane area in the Presidency excluding Sund.	Average price per palla of gul (sales from Co-operative Society's shop).	Average price of Java White sugar at Calcutta.	Average annual rainfall on Nira Left, Godavari, Pravara areas.
1	2	3	4	5	6	7	8	9	10
	Rs.	Per cent.	Acres	Acres	Acres.	Acres.	Rs /Palla.	Per maund. Rs. a. p.	Inches.
1924-25 ..	22,62,545	1.58	25,123	1,56,597	33,251	58,374	24.4	14 1 7	19.34
1925-26 ..	25,55,070	1.78	26,436	1,92,415	38,463	64,899	33.4	10 13 9	14.60
1926-27 ..	29,08,379	2.19	28,207	1,50,859	37,131	65,338	25.8	11 13 11	14.31
1927-28 ..	28,18,137	2.06	29,488	1,21,198	34,510	63,998	21.9	10 6 0	24.63
1928-29 ..	25,37,290	1.39	23,357	1,20,326	37,411	60,768	21.0	9 12 6	22.51
1929-30 ..	24,91,781	1.33	19,806	1,41,765	43,209	63,015	25.8	9 0 2	19.27
1930-31 ..	..	..	20,032	1,21,816	..	..	24.1	8 8 3	..
1931-32 ..	..	..	..	..	..	..	14 1	10 11 0	..
							(9 months only).	(approx. in Bombay at the moment).	

Note.—Figures of rainfall, revenue, and percentage return have been compiled from the Administration Reports.

Acreege figures have been compiled from various official sources.

Gul prices are based on actual sales in Co-operative shops.

Sugar prices are taken from the Report of the Indian Tariff Board on the Sugar Industry except for 1931-32.

Year.	Canal.	Capital cost.	Net assessed revenue	Return percentage.
		Rs.	Rs.	
1929-30	Krishna	9,49,807	52,526	5.53
	Nira Left	1,28,02,462	5,91,692	4.62
	Mutha	65,55,233	2,95,474	4.50
	Godavari	1,03,25,861	68,322	0.66
	Pravara	1,50,07,048	2,19,284	1.46
	Nira Right	3,85,56,534	-1,12,091	-0.29

For purposes of comparison we give similar data for 1926-27, being the year in which the best result was attained (Appendix I).

Year.	Canal.	Capital cost.	Net assessed revenue	Return percentage.
		Rs.	Rs.	
1926-27	Krishna	9,49,807	27,111	2.85
	Nira Left	1,10,56,697	8,26,837	7.48
	Mutha	65,50,461	2,03,990	3.11
	Godavari	1,03,09,941	2,15,882	2.09
	Pravara	1,50,36,408	3,55,870	2.37
	Nira Right	3,52,27,019	1,01,233	0.29

8 As the works were designed for protective purposes it cannot be said that they should yield a certain minimum return or otherwise must be considered a failure. For protective works no fixed percentage of return can be laid down. Moreover there are indirect advantages in the saving of expenditure on measures to meet years of scarcity and in enhanced return of revenue.

9. The percentage of return is, however, important as showing the amount of the burden which has to be borne by the general taxpayer. Also the capital cost is such an enormous sum that in the present financial situation it is of the greatest importance that the biggest return possible should be obtained, and the object of our appointment is to make proposals to this end.

10. The most striking feature of the figures given above is the heavy load of debt due to the lack of development of the Nira Right Bank Canal, which has only recently been completed. While the six Major Canals together costing Rs. 8,41,96,945 pay as a whole a return of 1.33 per cent. the Nira Right Bank Canal costing Rs. 3,85,56,534 involves a loss of 0.29 per cent. We have throughout kept in mind the urgency of finding some remedy for this great annual loss.

CHAPTER II.

ECONOMIC FACTORS.

AREA AND REVENUE.

11. Appendices II and III show that the total area under cane in the last 5 years on the 6 Major Canals was as follows :—

					Acres.
1925-26	..	..	..	..	26,436
1926-27	..	..	..	..	28,207
1927-28	..	..	..	..	29,488
1928-29	..	..	..	..	23,357
1929-30	..	..	..	..	19,806
Total	..	..	..	..	1,27,294

Average per year .. 25,459 acres.

As nearly all this is grown in blocks and for every acre of cane there are three acres of block and the block water rate was Rs. 22 per acre, the revenue per annum from water rate received by Government on account of the block area can be computed to have been in the neighbourhood of Rs. $(25,459 \times 3 \times 22) = \text{Rs. } 16,80,294$.

The total gross revenue of the same canals for the same years was :—

Canal.	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
	Rs.	Rs.	Rs.	Rs.	Rs.
Nira Left	8,22,305	10,92,240	10,23,540	9,19,787	9,07,799
Mutha	3,49,942	3,66,586	3,90,094	3,72,084	4,29,970
Godavari	5,71,900	5,48,897	5,65,452	4,76,795	4,16,231
Pravara	6,36,823	6,59,104	6,49,366	5,76,997	5,27,075
Nira Right	88,979	1,90,764	1,26,254	1,28,422	1,39,465
Krishna	85,031	50,788	64,431	63,205	71,241
Total	25,55,070	29,08,379	28,18,137	25,37,290	24,91,781

Grand total .. Rs. 1,33,10,667

Average per year 26,62,131

REVENUE DUE TO CANE.

12. In other words more than half the gross revenue is derived from cane blocks. The proportion is actually higher as the cane figures do not include the charges for overlapping cane, which would bring the cane block revenue up to about Rs. 18 lakhs.

LACK OF SUBSTITUTE FOR CANE.

13. Cane takes twice as much water as fruit trees and 6 to 12 times as much as most bhussar crops and it takes water all the year round. Of possible substitutes for cane, viz. fruit trees, cotton, groundnut, vegetables, etc., fruit trees are a capitalist's crop. They pay no return for 3 to

5 years and they can only be grown on areas reserved for fruit trees or in areas with abnormally good drainage because they do not thrive where the sub-soil water comes within 8 feet of the surface. Vegetables require the close proximity of a railway or bus service running direct to a market. For all other crops the amount of water used is very small compared to that required for cane, so that even if there were a largely extended area of other crops they would not serve as a substitute for cane.

This can be most easily explained by an example :—

Suppose a canal is designed for 16,000 acres of cane and 48,000 acres of seasonal crops in the rabi season the canal capacity required would be

$$\frac{16,000}{40*} + \frac{48,000}{80*} = 400 + 600 = 1,000 \text{ cusecs.}$$

Now 1 acre of cane requires 8 acre-feet of stored water and 1 acre of seasonal crop requires 1 acre-foot of stored water.

The storage would therefore be $16,000 \times 8 + 48,000 \times 1 = 176,000$ acre-feet.

Now it is obvious that none of this storage could be used for cotton and groundnut, which require water in the monsoon season; consequently to use up the storage provided (176,000 acre-feet), 176,000 acres of rabi crops would have to be grown; but the canal, which has a capacity of only 1,000 cusecs could only irrigate $1,000 \times 80 = 80,000$ acres of rabi, so that to use the storage water provided for cane, the capacity of the canal would have to be doubled and there would have to be 176,000 acres per year of suitable land available and a demand for 176,000 acres of rabi crops.

Actually there is no demand for such an area of rabi crops if the canal were doubled in size, and there are several technical difficulties which would make such a canal undesirable. These need not be dealt with here.

CANALS DEPEND ON CANE.

14. Past experience shows that the development of canals has followed and has not preceded sugarcane, so that we are forced to the conclusion that the financial position of the canals depends mainly on the area of cane which is grown profitably under them. It is of course necessary that the cane be grown profitably as otherwise it cannot continue for more than a year or two.

CHAPTER III.

POSSIBILITIES OF EXTENSION OF CANE.

PRODUCTS OF CANE.

15. The extension of cane depends upon the possibility of extending the market for its products either by increasing their consumption or by capturing part of the market supplied from rival sources. There are

(*40 acres of cane and 80 acres of seasonal crops can be irrigated per cusec of canal capacity.)

only two main products of cane namely gul and white sugar. The former is the only one for which cane is grown by cultivators in the Deccan at present. The only sugar factory is at Belapur (Ahmednagar District) and there the Company grows its own cane. So at present the area under cane grown by cultivators depends entirely on the gul market.

THE GUL MARKET.

16. Gul is eaten by all the cultivating classes in the villages and by the bulk of the middle classes and labouring classes in towns. It is consumed chiefly at festivals, but is also cooked with vegetables. It is never used in tea. The great increase in tea drinking has very largely increased the consumption of white sugar but not at the expense of gul. On the other hand, we are told that certain kinds of cakes used on festival occasions and made with gul are to some extent being replaced by confectionery made with sugar which lasts better. Gul eating is largely a matter of custom and this factor appears also in the preference for certain types of gul shown by certain persons. Deccan gul is of a superior quality and some people will eat no other. It will be seen from this that the consumption of gul is steady but not likely to increase unless there is a great increase in general prosperity. There are also some signs of gul being given up for sugar for certain purposes.

RIVAL SOURCES OF GUL SUPPLY.

Gul grown on the canals has to compete directly with gul grown under wells in the Deccan and Southern Maratta Country. It also is in direct competition with the rather inferior quality of gul grown in other provinces. Deccan gul is exported to Hyderabad, Khandesh and Gujarat. But cheap United Provinces gul is also imported into Gujarat and from Kolhapur, Mysore, and Madras comes into Bombay. It should also be mentioned that new large irrigation projects in Madras, Hyderabad, and Mysore are now being developed. The gul market in the Deccan is therefore sensitive to any increase in the supply from these sources, and the canal irrigator must keep pace with any reduction of the cost of production in other provinces if he is to hold his own.

18. We have ascertained that in the Mysore State the area under sugarcane now varies between 30,000 and 40,000 acres, mainly under existing tanks. When the irrigation under the Krishnaraja Sagara across the Cauvery river fully develops it is anticipated that an additional 40,000 acres would come under sugarcane cultivation. Similarly, we find from official figures that in the Hyderabad State (Deccan) 20,000 acres of cane can be cultivated under the Nizamsagar Canal.

CANE AREA.

19. From Appendix II and Plate I it will be seen that the total area of cane grown in the Presidency excluding Sind has been in the neighbourhood of 60,000 acres during the 8 years from 1922-23 to 1929-30. The greatest area is 68,000 and the smallest 58,000. The

area under tanks, wells, and bandharas has varied from 33,000 to 43,000 acres, while that under canals rose from 21,000 in 1922-23 to 29,000 in 1927-28 and since then has fallen abruptly to 19,800 in 1929-30. While 1929-30 had the lowest area under canals it had the largest area under tanks and wells. An examination of the rainfall figures (Appendix II and Plate II) shows that the variation in the area of cane under wells and tanks varies directly in accordance with the rainfall of the previous monsoon. The canal figures show no such variations (Plate III). They rise to a peak in 1927-1928 and then fall steeply. From 1913 onwards the Godavari Canal areas were being developed and from 1923 a large new supply of water was rendered available on the Pravara from Bhandardara. It is evident that the area under cane under canals went on increasing with the greater supply of water available until 1927-28 after which it received a check.

GUL PRICES.

20. In Appendix V the prices of gul are given. From 1920-22 the price was Rs. 41 per palla of 240 lbs. It then fell to 27 and 24 and rose to 33 in 1925 after which it fell rapidly to 25 in 1926 and 21 in 1927. When it is realised that a fall of Rs. 4 per palla means a loss of Rs. 132 or more per acre and that the price in 1927 was half of that in 1922-23 equivalent to a reduction in the value of the gross outturn by Rs. 660 per acre (33 pallas at Rs 20), the enormous effect of this fall on the prospects of the canegrower will be evident. The price would not have fallen had the demand remained strong. A fall in price is proof of a slackening demand and the continuous fall shows that the market is fully supplied if not glutted.

EFFECT OF RAINFALL.

21. We would draw attention to a further point. While the area under canals was rapidly falling away the ample rains of 1927-28 and 1928-29 allowed an increase in the area under tanks and wells from 34,000 to 37,000 and 43,000 in 1929-30 (Appendix II and Plate III), so that the decrease of 10,000 acres of cane on canals between 1927-28 and 1929-30 was almost made up by an increase of 9,000 acres under tanks and wells. We can only account for this on the supposition that the price which proved deterrent to the canal irrigator was not deterrent to the irrigator from a well. In other words, cane can be produced more cheaply under wells than under canals presumably owing to the better economic balance of the holding managed by the owner himself with his own bullocks. We mention this as showing how the position of the canal irrigator was threatened when the price of gul fell to Rs. 21. At the present rate of Rs. 15 it is still more precarious.

DEPARTMENTAL RULES.

22. It has been stated in evidence before us, both by some officers of the Irrigation Department and by tenant farmers and big cultivators who appeared as representatives of the Irrigators' Associations, that the

contraction in cane area is partly due to the prejudicial effect of the Departmental Rules and the general rigidity with which (1) the Block System and (2) the Bund Rules for water distribution are enforced. It is alleged that these rules are too complicated for the illiterate cultivators to follow and for want of elasticity lead to harassment on the part of the subordinates of the Department. It is urged that their simplification and some relaxation in administering them is necessary if expansion of cane area is to be expected in these days of slump. We understand that the question of simplification of rules is being already dealt with by Government and we urge that this be carried out as far as possible.

23. We do not think an examination of the rules for water distribution comes within the purview of our enquiry, nor are we in a position to suggest any modification of the rules in the absence of such examination. We are informed that a Conference of Departmental Officers is examining this question. We have not had the benefit of being furnished with any information as to the conclusions of the Conference in regard to the alleged hardships caused by the rules. We can only state that during our inspection of the canal areas and in the course of evidence taken at Baramati and Kopergaon we heard strong complaints against some of these rules and the manner in which they are enforced, and observed a general feeling of discontent. We however did not go into evidence as the subject was outside the scope of our enquiry. Our main concern is to judge from the financial point of view whether the rules, directly or indirectly, lead to contraction in cane plantation, and secondly if any relaxation thereof would lead to a material expansion of cane area and therefore of the irrigation revenue.

- THE BLOCK SYSTEM.

24. The main objects of the block system, it may be briefly stated, are to secure (i) standardisation of the control and distribution of water, (ii) rotation of crops for maintaining the fertility of the soil, (iii) concentration of cane in suitable areas and (iv) selection of suitable soils, the system as a whole aiming at orderly and economical irrigation which will benefit the cultivators and Government, and will restrict damage. Land under cane, especially in deep soils, is likely to lose its fertility if it is irrigated continuously. The rules therefore lay down that only $\frac{1}{3}$ rd of the allotted area, that is one acre in three shall be planted with cane each year and the cultivator can plant the other two parts with bhusar crops. If an irrigator chooses to leave $\frac{2}{3}$ rds of his block area fallow he can do so, but he must under the rules pay for the canal water whether he takes the water or not, or even if he grows the bhusar crops on the monsoon rains. The basic idea of the block system is borrowed from the "Phad" system which has been in vogue in the Nasik District from ancient days, and its application to the Deccan Canals dates back from 1905 when Sir M. V. Hveshvaraya was in charge of and introduced it on the Nira Left Bank Canal. The area allotted for a block may be in more than one plot—provided such plots are on the same outlet; $\frac{1}{3}$ rd of the area of these plots which form a block is intended for

cane and 3rds for bhusar crops and the allotment is for a period of six years. The irrigators feel it a hardship that they have to pay for the water for the bhusar crops (Rs. 15 per acre of cane grown) each of the six years even when rains are plentiful. On the other hand, it is contended by the Irrigation Department that the arrangement is an insurance to the cultivator against failure of the monsoon at a comparatively small cost, and but for such a six-yearly arrangement it would be difficult to guarantee water on a sudden general demand in the midst of a season. It is also an encouragement to grow bhusar crops which experience showed before the introduction of blocks in 1905 were being neglected in favour of cane only. It is urged that the intelligent cultivators know the value of rotation. This may be the case but the bulk of them are not likely of their own accord to keep their lands free from heavy irrigation in a definite proportion in the absence of the block system. We are inclined therefore to hold that the abolition of the block system would tend to be detrimental to the lands suitable for cane and ultimately to the irrigation revenue

25. It has been suggested that if the block system cannot be abolished, at all events there should be no compulsion to pay for canal water for the bhusar crops when the irrigator chooses to take his chance with the monsoon rains. We understand that the rates for water for bhusar crops have been recently revised. It is not for us to suggest how far Government can go further in this respect consistently with the state of their finances. We can only point out that a remission of the water rate on the area not covered by cane in a block would amount to Rs. 15 for every acre of cane grown on the basis of the existing block rate of Rs. 20 per acre. It is suggested by witnesses, both official and non-official, that such a remission would go a long way towards inducing irrigators to go in for more cane. Indeed some witnesses have even suggested as an encouragement for the expansion of the cane area a reduction of Rs. 15 per acre in the present water rate of Rs. 45 on the analogy of reduction of railway fares to attract greater traffic. We have considered these suggestions from the point of view as to whether or not any lowering of the rates would result in permanent expansion of the cane area and an improvement of the revenue. If it is intended to be a relief to the irrigators in their present distress, it is a matter outside the scope of our enquiry. We have stated in Chapter II that the average gross revenue for the years 1925-30 from the Major Canals was Rs. 26.62 lakhs a year, of which the average revenue from cane block was Rs. 16.80 lakhs per annum, the average acreage of cane alone being 25,459. Now the rate per acre of block was $(Rs. \frac{45+15+6}{3})^* = Rs. 22$. If there had been a remission of Rs. 21 on the bhusar crops for say 3 in every 6 years, the irrigators' idea being that they should only pay for water to such crops in blocks when they actually required it, the remission would have been the equivalent of about Rs. 10 per acre

*These rates are (i) Rs. 45 for cane, (ii) Rs. 15 for two seasonal crops and (iii) Rs. 6 for the monsoon crops. (ii) and (iii) are the mean of the rates for heavy and light crops.

per annum for the bhusar and would have reduced the block rate to an average of Rs. 18 per acre. The resultant loss in the revenue of Rs. 16·80 lakhs would have been $25,459 \text{ acres} \times 3 \times (22-18) = \text{Rs. } 3,05,508$. To make good this deficit would have required an additional area of 6,789 acres of cane only at the water rate of Rs. 45 per acre, or of 16,973 acres of block at the rate of Rs. 18 per acre. The other suggestion to reduce the water rate for cane from Rs. 45 to Rs. 30 would have brought the block rate down to Rs. 17 per acre. The loss in revenue (based on Rs. 16·80 lakhs) would have been $25,459 \text{ acres} \times 3 \times (22-17) = \text{Rs. } 3,81,885$, to make good which an additional 12,730 acres of cane only at the water rate of Rs. 30 would have been required, or 22,464 acres of block at Rs. 17 per acre. We do not think that an expansion to the extent of an additional 12,730 acres of cane is possible merely by lowering the water rate to Rs. 30.

26. If the revenue is to be improved to obtain a return of, say, 4 per cent. on the capital outlay, the expansion of cane, it is obvious, will have to be far more than what we have indicated above. Now so far as cheapening the cost of production is concerned a remission of Rs. 15 per acre in the water rate is only a fraction of a rupee per palla of gul in the irrigators' cost towards counteracting the present low prices of gul. This small difference of annas 8 per palla cannot turn the loss into a profit where the fall in prices has been from Rs. 25 to Rs. 15 since 1925. It will thus be seen that supporters of the idea of lowering the rates, directly or indirectly, as a measure for improving the situation are only basing their case on a pious hope. We are convinced that whatever the merits or the faults of the block system may be, we cannot expect to secure the necessary extension of cane area simply by the lowering of the water rate as long as the present unfavourable economic factors in the gul market prevail. If lowering of the water rates for bhusar or cane is justifiable on other grounds, it is a different matter outside our enquiry.

BUND RULES.

27. Coming to the question of the Bund Rules of the Irrigation Department, which form the second main complaint of the irrigators, it may be explained that these rules are intended (i) to prevent excess water wasting on to and damaging adjoining lands, and (ii) to improve control of the water; other advantages are facilities for inspection and terracing along the bund lines. The rules lay down that land prepared for cane plantation must be divided into units of 20 gunthas ($\frac{1}{2}$ acre plots), and these must be surrounded by earthen bunds of prescribed dimensions. On behalf of the irrigators it is stated that the extra labour involved in making these bunds increases costs of production, that planting of cane along the water channel is prohibited and that the system leads to harassment from the subordinates of the Department who withhold giving water, thereby causing loss to the irrigator if he does not conform to the dimensions of the bunds even by

a fraction. It is admitted that bunds are necessary for irrigation and we have seen that the Belapur Company voluntarily take up more space with bunds than are required by the Irrigation Department's rules (Appendix VI and Plate IV), although we recognise that they stand in a different category with the ordinary cultivator.

We are not concerned with the merits of the system, although we shall welcome any removal by Government of any legitimate grievances in the matter of the irrigators' alleged hardships. In fact since we finished our deliberations we understand that steps have been taken or are now under consideration to modify some of the rules, with reference to advance payment for demarcation, plantation in *pot pats*, and irrigation of areas less than one unit. We have been told that the cumulative effect of the rules is general discontent and it results in restriction of the cane area. We are not inclined to share this view. In our opinion, the dominating factor is the price of gul. In 1925-26 and 1926-27 prices ruled better, and the cane area was 28,207 in 1926-27 and 29,488 in 1927-28 (Table II *ante*), although the Bund Rules were in force. As in the case of the Block System so also in this, we have no firm grounds to believe that the abolition or modification of the rules *per se* would prove such a great incentive to cane expansion as to give us the needed improvement in the revenue.

EXPANSION OF CANE AREA FOR GUL.

28. We believe we have so far made it clear that the prospect of any large expansion of cane (Plate I) grown for the manufacturing of gul is remote, and any such expansion is improbable unless the cost of production can be reduced relatively more than it has been reduced in other Provinces. Low prices and the stress of hard times have compelled the cultivators to modify their extravagant use of manure which was common during the boom until recent years. The price of manures has fallen and wages are falling. The present cost of production is considerably lower than that of a few years ago, but the price of gul last season was down to Rs. 14 a palla in Poona. The only chance of considerable reduction now lies in the introduction of improved varieties of cane. It is by this means that the output in Northern India has been so greatly increased and we find that "Pundia" which is a cultivators' cane has been discarded at Belapur and has disappeared from the estate. Even in this direction there is less room for improvement in the Deccan because Pundia is already a far better cane than the thin canes previously used in Northern India, and the position is that Northern India is catching up the Deccan rather than that it has got ahead from a level start. The fact remains that the cost of cane in Northern India is 4 to 5 annas per maund or Rs. 6-13-0 to Rs. 8-8-0 per ton (Tariff Board's Report on Indian Sugar Industry, page 59, para. 48). Costs of cane per ton grown on the Deccan Canals are discussed later in this report.

CHAPTER IV.

SUGAR.

SCOPE FOR INDIAN WHITE SUGAR.

29. We trust we have shown that the canals cannot depend on the area of cane grown for *gul*, as this is not an expanding market. The only other market for cane depends on the manufacture of white sugar and we are of the opinion that it is in this direction that we must look for methods of improving the irrigation revenue. The annual import of white sugar into India is approximately one million tons and the quantity manufactured in India was for the season 1930-31 120,000 tons. Clearly there is a vast market for Indian made sugar if it can take the place of that imported (Appendix VII).

SUGAR PRICES.

30. About 75 per cent of the imported sugar comes from Java and it is with this article—plantation white sugar—that Indian made factory sugar has to compete. The Tariff Board Report shows (pages 76 and 77) that Java can without loss land sugar in India at Rs. 4 per maund or Rs. 5-7-0 per cwt. At present when there is a temporary surcharge on all import duties this is equivalent to Rs. 14-8-0 per cwt duty paid. The present market quotation is Rs. 15-11-0 in Bombay inclusive of Town Duty or about Rs. 15 net per cwt for sugar exported from Bombay to other parts of India.

31. It has to be noted, however, that the Tariff Board has recommended a duty of Rs. 7-4-0 per cwt for sugar of the grade of Java White, and this is the duty which, including the surcharge—is at present in force for revenue purposes. The Government of India have introduced legislation to declare the sugar industry protected for fifteen years, the duty on imported sugar to be Rs. 7-4-0 per cwt for the first seven years and thereafter to be reconsidered at the end of that time. After the removal of the temporary enhancement the duty paid price of Java sugar in India would be Rs. 12-11-0 per cwt at port, and it is therefore this price which we must consider.

32. On the figures given to us by our colleague Mr. Fenton Millar a well equipped factory of 350 to 400 tons daily capacity controlling its own estate and growing all its own cane could produce sugar at Rs. 7-8-0 per maund or Rs. 10-3-3 per cwt, so that on the basis of an import duty of Rs. 7-4-0 per cwt such a factory could withstand foreign competition. There is, therefore, *prima facie* a strong case for the success of sugar factories in the Deccan.

33. We have to emphasise the fact that Mr. Fenton Millar's figures of cost of production are based on the following conditions:—

- (i) A factory of not less than 350 tons daily crushing capacity.
- (ii) Complete control of its cane supplies, that is, having its own plantation and growing its own cane under modern methods of cultivation.

(iii) A manufacturing season extending to 180 working days.

Such a plantation could, it is stated, land cane at the factory at a cost, inclusive of charges for depreciation of agricultural machinery and overhead, of 8 annas per maund.

FACTORY SUPPLY OF CANE.

34. We are also informed by witnesses in Bombay representing financial interests and by the Belapur authorities that a requisite condition for the success of a sugar factory is the control of an adequate supply of cane for a sufficiently long period, this condition can be fulfilled only if the factory grows its own cane, and it can only do this if it controls a sufficient area of land, and does so for a long period and can secure the land at a reasonable price. It is necessary therefore to compare a factory so situated with one which had to depend upon outside supplies, i.e. cane purchased from cultivators.

35. It is obvious that a factory cannot succeed unless it is kept fully supplied with its raw material, cane. The position of a factory entirely dependent on the willingness of cultivators to sell cane would clearly be hopeless, since the cultivators have an alternative market (if not a very profitable one) in gul, while the factory cannot exist without cane. Consequently, even if the requisite supply were forthcoming, the cultivators would be in a position to demand the maximum price for cane and the whole of the factory's profits would be absorbed therein.

FACTORY SEASON.

36. It is further economical that the factory should be kept working for as long a season as possible, since the longer the season the smaller the overhead charges. One of the advantages of a factory in the Deccan as compared with Northern India is that a longer ripening season is possible and this means a longer crushing season. A season of 180 working days may be attained in the Deccan while 120/130 days is the normal in the North of India. To make it possible to obtain this advantage a special system of planting is required so as to control the ripening period and so ensure a continuous supply of mature cane throughout the manufacturing season. It would be difficult, if not impossible, to secure this result unless the factory planted its own cane.

COST OF CANE.

37. Apart from this there is the question of the cost at which cultivators can grow cane as opposed to the cost of cane grown by a factory (Appendix VIII). We were informed by the irrigators at Baramati that they would sell at Rs. 17 per ton, but that the price would depend on the price of gul. Rs. 17 per ton of cane is equivalent to 10 annas per maund and this confirms the estimate submitted by the Agricultural Department to the Tariff Board of annas 10/4 per maund. To this must be added the cost of cartage to the factory which would be a greater distance than that to the gul furnace which is allowed for in the

estimate. Nine pies should be added on this account; The cost of cultivators' cane at the factory would therefore be annas 10/9 to 11 per maund.

38. The statement of cost of growing cane supplied by the Belapur Company shows Rs. 387 per acre for an average yield of 38 tons or Rs. 10·2 per ton (Appendix VIII). This is exclusive of overhead charges and any allowance for depreciation of agricultural machinery. Adding these the cost of cane landed at the mill is Rs. 13·6 per ton (8 annas per maund).

39. The Agricultural Department now gives Rs. 425 per acre as the average cost of cane grown by cultivators and states that this could be reduced by improved methods of cultivation to Rs. 375 (Appendix IX). Both these figures are exclusive of cultivators' profit which may be taken at about Rs. 60 if they are to get a return which will induce them to go on growing cane.

The Agricultural Department's figures are for an outturn of 36 pallas of gul, or 33 tons of cane. Reduced to cost per ton of cane the figures on the basis of Rs. 425 per acre are .—

	Rs.
Cost per ton	12·88
Cultivators' profit	1·82
Cartage to factory	1·28

Total cost per ton landed at factory	15·98

Even assuming the cost could be reduced by improved methods to Rs. 375, the total cost per ton landed at the factory would be Rs. 14·46.

40. It is clear from the above that the cost of production of cultivators' cane even if they adopt improved methods is going to be considerably higher than that of cane grown by the factory itself. It is thus advantageous for factories to grow their own cane:

IMPROVED VARIETIES.

41. We have also to take into account the quality of the cane which is grown by the cultivator—Pundia—and that of factory-grown cane. The recovery of sugar per 100 cane for Pundia is about 10 while that from the improved varieties grown at Belapur is 11. This means that to produce 1 maund of sugar a factory purchasing Pundia will have to buy $\frac{100}{10}$ maunds at 11 annas per maund = Rs. 6·88 (the price at which the cultivators said they would sell the cane), whereas if it grows improved varieties by modern methods it will require $\frac{100}{11}$ maunds at annas 8 = Rs. 4·50. It is obvious that this difference of Rs. 2·38 per maund of sugar in the cost of raw cane is sufficient to make sugar production on the former system unprofitable. Taking Rs. 3·0 as the total cost of manufacture of a maund of sugar, it would raise the cost from Rs. 7·50

to Rs. 9·88 per maund or from Rs. 10·21 to Rs. 13·40 per cwt. It is true that cultivators may adopt the newer kinds of cane and also improved methods of cultivation, but there will always be their profit to pay and they will naturally wish to make this as high as possible. Moreover improvement, if we depend on the cultivators, would take a very long time to become general and would be possible only after extensive propaganda.

42. It was represented to us that capital for sugar factories will not be available unless the tenure of the land for cane is assured for a long period. It is, indeed, obvious that no one would risk Rs. 10 to 30 lakhs in establishing factories if after 10 years or so the factories were to be left with no area of cane which they could control and so be ruined. Sir Joseph Kay, Chairman of the Board of Directors, the Belapur Company, gave 30 years with the option of two renewals as the necessary period of a lease. We agree that the period should be not less than 30 years with the option of at least one renewal.

CHAPTER V.

LAND FOR SUGAR FACTORIES.

HOW LAND CAN BE OBTAINED.

43. The next question is as to the means of obtaining land for factories. The Belapur authorities consider that 6,000 acres is a minimum. We are informed that there are, however, small factories in Northern India dealing with 60 tons a day and to supply these for a season of 120 days an area of cane of 200 acres or 600 acres of land in all would be necessary. It is just possible that by agreement a few holders of large adjoining pieces of land might be able to provide the smaller area, but even then, the holders of the rest of the land on that outlet would have to be included if any combination is to be made. On the other hand it is certainly not possible that 6,000 acres could be obtained voluntarily, and the available area of Government land is too small. We are thus driven to the conclusion that if land is to be obtained for factories some form of compulsion will be inevitable. Moreover the period of ripening of cane must be so arranged as to give the longest possible crushing season.

44. There are three possible methods :—

- (1) Acquisition of land.
- (2) The Java System.
- (3) Compulsory leasing for long periods.

ACQUISITION.

45. Acquisition was used in the case of the Belapur Company. It involves the raising of a very large sum in capital to pay for the land and this means a heavy load on the factory in capital outlay. Acquisition is unpopular with land owners who thus lose all connection with the

land. We do not recommend this method except for land to be occupied for non-agricultural purposes such as the factory buildings.

THE JAVA SYSTEM.

46. Under the Java System land is leased to the factories for long periods but the owner has the use of it for $1\frac{1}{2}$ years in every three years. It is an old established method in Java and it appears that no one refuses to lease his land. There is no such custom in the Bombay Presidency, and the evidence given shows that land would be required anyhow for nearly 2 years out of 3, allowing for preparation, planting of sann for manure, harvesting beyond the 12 months' period of growth, and so on. Also Adsali cane takes 18 months. This leaves about one year for the owner to use the land between two crops of cane, but the Belapur witnesses say that, rather than the Java System, they would prefer to have the land at their disposal all the time. There can be no doubt that there would be difficulties in getting the owner to give up possession punctually if he were allowed in for a year. It would of course be open to a sugar company to lease part of their lands back to the owners when not required for cane by mutual agreement. It would also be necessary under the Java System to preserve the survey boundaries, thus limiting the possibilities of ploughing by machinery as opposed to bullocks.

COMPULSORY LEASES.

47. Leases for 10 years are very common in canal areas particularly of land for cane. On undeveloped canals like the Nira Right Bank Canal a system of long leases is the only method by which a rapid extension of the cane area can be brought about, and they are definitely profitable to the owner who as a rule has not the capital or skill to start irrigation himself. For the purpose of factories only two modifications of the ordinary lease are necessary, (1) that the period should be extended, and failing a voluntary agreement (2) that the lease should be compulsory. There is *prima facie* no reason to suppose that this compulsory leasing would be very unpopular at all events in the undeveloped areas provided a fair rent was paid. The owner does not lose his ownership and in many cases he secures a bigger income than he, as a man unskilled in irrigation, could get from the land, and left to himself he would possibly lease the land to an irrigator if he could find one to take it. This is what happened on the Godavari and Pravara Canals. In the case of factories, however, the factories cannot run away as the tenants did when the market fell. In the long run too, it will be beneficial to the countryside by introducing capital, providing work, and giving a practical demonstration of cane growing which is the only way in which the growing of irrigated crops can be extended. We hold that leases should be on a voluntary basis as far as possible, but where this is not possible we do not see any other way but compulsion of getting the requisite land; without land the sugar industry cannot succeed.

COMPULSION JUSTIFIABLE.

48. The compulsory principle is justifiable on the following grounds:—

- (1) In the general interests of the community in establishing so important an industry and for the development of the tract.
- (2) The depressed condition of cane cultivation owing to the lack of a wide market for its products.
- (3) The impossibility of providing a market by the encouragement of sugar factories if only voluntary methods are used.

FIXING THE RENT.

49. The method of fixing the rent remains to be considered. The simplest way would be a Board of three with the occupant (or his representative), a representative of the factory, and a revenue officer as Chairman to be nominated by the Collector. The Chairman of our Committee however considers that the Chairman of this Board should be any person nominated by Government for this purpose. An officer of the Special Irrigation Department should also be present (without any right to vote) to advise on the quality and suitability of the land for irrigation. The rent should be that which the Board may consider to be fair and reasonable.

LEGISLATION REQUIRED.

50. The legislative provisions necessary would be briefly on the following lines:—

(1) No factory shall be established without the previous sanction of Government. This appears to be necessary because the allocation of the available water supply for a long period and the best possible development of the area will have to be decided by Government. Government must also protect the interests of existing canegrowers on the older canals. Any factory sanctioned shall be notified in the *Bombay Government Gazette*.

(2) The Local Government may declare a particular area to be a "Sugar Factory Area".

(3) In any sugar factory areas, the Local Government may order that such land as it thinks fit shall be leased to a sugar factory and it may specify the date by which the lease shall be executed, and the period of the lease.

(4) If the occupant and the factory are unable to agree upon the amount of rent, either party may apply to Government for the appointment of a Board.

(5) The Board shall consist of the occupant (or his representative), a representative of the Company, and the revenue officer nominated as Chairman of the Board.

(6) This Board shall fix such rent as they consider reasonable.

(7) There shall be only one appeal from the Board's decision. The majority think the appeal should be to the Collector. The minority consider the appeal should be to the District Court.

(8) No Civil Court shall have jurisdiction to entertain any suit on the amount of rent or the period of the lease.

SIZE OF FACTORIES.

51. As regards the size of the factories we have been supplied with comparative figures (estimated) between large and small factories by Mr. R. C. Srivastava, Sugar Technologist, Imperial Council of Agricultural Research, and by Mr. Fenton Millar (Appendices X, XI and Plate V). These figures agree in showing that both the return on capital cost and the efficiency (and consequently the cheapness of production) increase with the size of the factory. We think that it is for those who are going to open factories to decide the size for themselves. In this connection we suggest that in order to lessen the load of unproductive expenditure on the canals the first necessity is to increase the return on the Nira Right Bank, the largest and newest canal. As stated elsewhere the capital cost was Rs. 3·86 crores and the return is a minus quantity equivalent to —0·29 per cent. On all the older canals there is some return, but here there is a dead loss. This canal should therefore be the first point of attack. Also, being undeveloped, the establishment of factories will clash exceedingly little with any existing cane cultivation and will introduce capital and technical skill into a neighbourhood where both are most needed. Our primary specific proposal therefore is the establishment of several factories in the Nira Right Bank Canal area.

RAILWAY FACILITIES.

52. We must here refer to the necessity of a railway if the area under the Nira Right Bank Canal is to be developed. We understand that there is a project for a branch of the Barsi Light Railway from Pandharpur to Lonand which would traverse this area, but that the project is held up for lack of funds. As a railway is essential for development we recommend that if the Barsi Light Railway cannot undertake the project, steps should be taken to allow an extension of the existing railway from Dhond to Baramati through Bauda and Akluj to connect if convenient with the Barsi Light Railway at Pandharpur.

FINANCIAL AID.

53. A majority of us think that Government should not advance loans, take shares, guarantee interest, or take any part in the management of these factories.* We are convinced that if facilities for the provision of land for an adequate period, the provision of an assured supply of a prescribed quantity of water, and freedom of internal distribution be given, the necessary capital under the present tariff conditions will be forthcoming from the public.

*The Chairman, Khan Bahadur Abdul Latif Haji Hazrat Khan, and Rao Bahadur G. K. Chitale differ on this point and think that Government help may be given in very exceptional cases.

CHAPTER VI.

WATERLOGGING AND DRAINAGE.

NECESSITY FOR DRAINAGE.

54. We have been impressed while visiting the canal tracts with the large areas of land spoiled by waterlogging and salt efflorescence and the possibilities of reclaiming it by drainage as has been done at the Baramati Experimental Salt Area. The following figures of the area damaged by waterlogging have been supplied to us by the Superintending Engineer, Irrigation Development and Research Circle (Appendix XII).

Fully damaged areas on the Canals.

Canal.	Cultivated commanded area in the perennial section.	Damaged areas.				
		1918	1920	1924	1925	1928
	Acres.	Acres.	Acres	Acres	Acres.	Acres.
Nira Left Bank Canal ..	81,051	8,249	..	..	{ 9,081 11 2%	9,407 12%
Godavari ..	100,000	..	{ 10,497 10%	..	{ 13,439 13 4%	17,000 17%
Pravara ..	95,933	..	..	{ 1,954 2%	5,821 6%	13,407 14%

These figures are for land which has gone out of cultivation. An equal or larger area has been partially damaged and the damage is increasing both in intensity and area. It is obvious then that the problem is a serious one, and the loss of revenue on the 40,000 acres odd already out of cultivation is of grave importance. We have seen such areas completely restored to fertility by drainage and we think that as far as possible all damaged areas should be drained. This is particularly necessary as it frequently happens that land situated on a ridge and intensively irrigated escapes damage while the adjoining low-lying areas, not necessarily irrigated, become waterlogged.

THE CESS.

55. It has been admitted in evidence before us both by official and non-official witnesses, that drainage is highly essential for remedying the damage from waterlogging and salt efflorescence. At present only about Rs. 60,000 are being spent annually by Government on drainage; although the need is great, there is no prospect of an increase of such works in the present financial stringency. Nor should the general taxpayer be asked to spend more money to undo the damage caused by those whose lands have benefited by the opening of the canals. That the areas under command of the canals have benefited very greatly from the construction of the canals built at the cost of the general taxpayer, is

proved by the high rent obtained, particularly for land under perennial irrigation, as compared with unirrigated land. The canals were built to protect the areas subject to famine, but they have done more and given the owners of land a large income from rent which they have done nothing to earn. We give the following figures showing multiples of rent of land used for cane and of unirrigated land in the canal area for the years 1922-26, *vide* pages 13 and 14 of the "Report on Certain Questions connected with Irrigation on the Deccan Canals" by Mr. C. H. Bristow, I.C.S. These figures are somewhat out of date but serve as a guide.

Name of Canal.	Multiple of assessment on cane land	Multiple of assessment on unirrigated land	Excess multiple of Column 2 over Column 3.
Nira Left Bank	19.74	3.36	16.38
Mutha Right Bank	20.88	3.27	17.61
Mutha Left Bank	16.60	4.06	12.54
Pravara Right Bank	26.91	4.07	22.84
Pravara Left Bank	22.36	3.46	18.90
Godavari Right Bank	11.34	3.57	7.77
Average	19.63	3.63	16.00

56. We think it only fair that the owners of land so benefited should pay some share of this unearned rental value to supply funds for remedying the incidental damage due to the irrigation from which they have benefited, and this additional burden should not be thrown on the general taxpayer. This is not an entirely new principle as it is a principle of all land revenue assessment that it should be based on the potential and not on the actual value of land. We consider that such a cess would be fair in the interest of the financial improvement of the canal revenues and it should be leviable on all those who could benefit by taking water for irrigation, but do not do so.

57. From a reference to the Mysore State authorities we understand that since the year 1881 the Mysore Government have undertaken many large irrigation projects of which Vani Vilar Sagara and Krishnaraja Sagara works are large examples. Since 1888 the State has laid down the principle according to which, when an irrigation project is undertaken, contribution is levied from the landholders benefited by such irrigation works. The contribution per acre varies from a third to a fifth of the difference between the local market values of an acre of dry land and of an acre of wet land. The contribution which is in the nature of betterment levy is recoverable from the owner in return for the increase in the value of the land due to the supply of water for irrigation and is levied by means of agreements entered into with the holders of the land so benefited. When once a contribution is fixed the practice is to distribute it over a number of years and collect the annual instalments along with land revenue. The amount of contribution is fixed according to the character and permanence of the water supply, the quality of the soil, and other factors. The rules further prescribe

that "Where holders of not less than 5/6ths of the occupied area execute *Mutchalikas* under these rules and the holders of the remaining area refuse to do so the matter should be reported in the statement of the estimate (of the project) for the orders of Government, and Government then decide whether the work should be abandoned by reason of such refusal or the refusing landholders should be compelled to pay their due share of contribution." The Mysore Government has also an irrigation cess imposed since 1868 and it is levied on all irrigated lands at one anna per rupee of assessment and it provides a fund for the upkeep of irrigation works and repairs of tanks.

58. We recommend that a cess be levied on the extra rental value due to the canals. We are unable to agree as to what proportion of the extra rental value should be taken, some say $\frac{1}{4}$ th, some $\frac{1}{8}$ th. We leave the decision on this point to Government as the question is technical. We are agreed that the cess should be levied on all land for which a supply of water is assured, whether water is or has been taken or not. We wish to make it clear that this cess should not be leviable on land for which an assured supply of water is not available, nor on land for which water had been refused (unless the refusal was of a penal nature, e.g. on account of failure to pay up arrears etc.), nor would it be levied on damaged land. We would stipulate further that the proceeds of the cess should be spent primarily on drainage and improvements and none outside the canal areas. We consider that this solution is better than the method of a lump sum cess on the betterment value in the first instance which has been adopted by the Mysore State authorities in developing their canals (*vide* paragraph 57).

59. In view of the present low prices of produce we would recommend that for those already paying water rate a remission should be allowed equal to the amount of the cess. The cess would thus fall on those who could, but do not take water, and would prove an incentive to the taking of water and so would lead to the spread of irrigation.

CHAPTER VII.

MISCELLANEOUS.

AGRICULTURAL POLICY.

60. The Director of Agriculture has submitted a note for the consideration of the Committee putting forth his views regarding the Agricultural Development of the Deccan Canal zone. We have carefully considered the note particularly in its bearing on the financial circumstances of the canals. The note proposes that a comprehensive and constructive policy of agricultural development should be formulated, of which the framework should include *inter alia* the following specific items.

61. (1) *Agricultural Finance*.—It is suggested that financial aid to cultivators be given more freely and should provide for (a) long term loans at (b) low rates of interest (c) in kind rather than in cash.

The subject of agricultural finance does not strictly come within the purview of our deliberations; the Provincial Banking Enquiry Committee has recently gone fully into the question. There is no lack of credit facilities in our opinion in the canal areas from the Scwkar or the Co-operative Societies. Indeed as the Banking Enquiry Committee puts it "... it is not the number of credit agencies or the volume of cheap credit available to a farmer but the business knowledge how judiciously to use his borrowings that forms the vital factor in the problem of his indebtedness."

62. (ii) *Promotion of agricultural industries.*—The suggestions under this heading are as follows :—

(a) *Sugar manufacture in large, small, or village factories.*—This matter is dealt with in the body of the report.

(b) *Livestock, i.e. dairying, rearing cattle and sheep.*—While we all agree that the encouragement of dairying and livestock (especially cattle for agricultural purposes) is most desirable, it is a matter for the Agricultural Department itself to put forward a practical scheme. There is no reason whatever why such subsidiary industries should not be taken up in the irrigated areas and we think that the first point to be studied is the probability of such schemes being financially successful. Given this assurance we feel convinced that intelligent irrigators would readily take up such schemes if the Agricultural Department got into touch with them.

(c) *Fruit.*—Fruit culture is expanding and the need for encouragement is in respect of horticultural details. It must be borne in mind however that except for papayas, bananas, etc., fruit trees are long lived and it is therefore necessary for the Irrigation Department to see that such operations are carried out in suitable lands. In illustration of this we have been informed that on the Nira Right Bank Canal the water level has already risen to within 10 feet of the ground surface over a large part of the canal tract even though there is only a very small area of perennial irrigation. To protect the irrigators from a loss on their investment it is necessary to confine fruit growing to areas where there is no risk of the subsoil water level rising subsequent to plantation, because experience has shown that this is fatal to their productivity.

63. (iii) *Colonisation.*—The Director proposes that expert dairy farmers, cane growers, tobacco growers, sann-fibre growers, etc., should be imported into the country-side in the midst of the existing population. Under the present circumstances we see difficulties in this, for naturally an outsider will not be willing to come into the area unless he sees a clear prospect of profit therefrom. In the past we have the example of the Saswad Malis who emigrated in turn to the Nira Left Bank Canal, the Godavari and the Pravara Canals, but at present there is no great sign of such emigration to the Nira Right Bank Canal presumably we think due to the present depression in prices; in fact we hear of some cases of Gujarati farmers who have been cultivating cane on the Deccan Canals and who are now returning to Gujarat because it pays them better to

do so. The tenant farmers who brought skilled knowledge to the Pravara and Godavari were, as the Director admits, the first to withdraw when prices became unfavourable.

64. (iv) *Technical propaganda, especially agricultural.*—This again is mainly an agricultural matter and we are of the opinion that the lines of such propaganda should be decided by co-operation between the Departments concerned.

65. (v) *Standing Committee.*—To carry the policy of Government regarding agricultural development into effect, it is suggested that there should be a standing sub-committee of the honourable Board with the Finance Member as Chairman. This sub-committee would carry out its plans through the medium of certain officials including (i) a Revenue Officer, Deccan Canals, (ii) the Chief Engineer for Irrigation, and (iii) the Director of Agriculture. These latter officials could be formed into a Development Board with the Commissioner, Central Division, as Chairman, the connecting link between this Board and the sub-committee of the honourable Board, being the Chief Secretary to Government. The Director attaches much importance to the appointment of a Revenue Officer analogous to that for the Lloyd Barrage. This Committee has already come to the conclusion that there is no prospect of any rapid increase of irrigation for crops other than sugarcane for the manufacture of sugar. We therefore consider there is no justification for starting new committees nor for appointing a Revenue Officer, Deccan Canals, under existing circumstances.

IRRIGATION ESTABLISHMENT.

66. We have considered the question of the reduction in working expenses and irrigation establishment. One of our colleagues suggested that a limit should be laid down, say 25 per cent of the gross revenue of each canal, beyond which the cost of establishment including working expenses should not go. We are not convinced that such an arrangement is workable. We understand that during the past two or three years a reduction in the numbers of the staff employed on irrigation has been effected. This has been carried out by amalgamation of charges, postponement of new works except those of an essential nature, the taking over of roads and buildings where possible, and other means. We are also aware that while a 10 per cent. emergency cut has been effected in the pays of certain officials, pays of other officials have been reduced or are being considered with a view to reduction. We further understand that some posts are being abolished so as to reduce the cadres. We suggest the problem of further economics may be examined by Government at the hands of the Expert Committee which has been announced since the close of our deliberations.

ACCOUNTS.

67. We desire to point out that the system of administrative accounts followed in the annual accounts and statistical statements as published in the Administration Reports of the Public Works Department appears

to be somewhat misleading. In the following statement (*vide* also Appendix XIII) we give the annual costs of establishment for 1929-30 and 1930-31 on the Nira Left Bank Canal as supplied to us by the Superintending Engineer, Irrigation Development and Research Circle, for comparison with those of the Accountant General :—

*Cost of Establishment of the Nira Left Bank Canal
in 1929-30 and 1930-31.*

		1929-30	1930-31
		Rs.	Rs.
Canal working expenses	.. { A. G.'s ..	2,12,130	2,88,797
	.. { Actual ..	1,13,743	1,36,891
Remodelling	.. { A. G.'s ..	2,66,426	1,32,616
	.. { Actual ..	60,928	48,956
Roads	.. { A. G.'s ..	Not known.	Not known.
	.. { Actual ..	1,440	1,440
Total		4,78,556	4,21,413
		Actual ..	1,87,287

It appears that in some cases more than half of the Accountant General's total has been applied in the form of overhead charges. Some of these, we are informed, consist of :—

1. A pro rata distribution of the total establishment charges of a circle over the P. W. Major Heads according to the works outlay in that Circle.
2. 1/10th share of the Secretariat establishment is charged similarly pro rata (presumably Public Works Department Secretariat only).
3. 1/9th share of leave allowances in England is charged similarly pro rata.
4. 1/9th share of the establishment of the Electrical and Mechanical Engineers to Government is charged pro rata.
5. 1/7th of 1/2 of the Consulting Architect's establishment is charged pro rata.
6. Actual establishment charges pertaining to the Revenue establishment or Survey establishment under Heads " XIII " and " 15 " are charged under those heads only and are not distributed pro rata.

While we realise that some percentage overhead charges must be added for the Secretariat establishment and others, we are not in a position to know how such percentages have been determined and think that some of them might be reconsidered. We are of the opinion that the cost of the Electrical Engineer to Government and the Consulting Architect to Government, for instance, is not a fair charge against irrigation and that it would be better to charge fees for work actually done whenever necessary. There seems no point in further discussion of this matter and of the incidence of working expenses without understanding the exact significance of the figures. We recommend that all such overhead charges and distribution of debits effected by the Accountant General should be

communicated in detail to the Superintending Engineers and Executive Engineers concerned in order that they may know where they stand with regard to the financial position of the irrigation works under them.

MEMORANDUM BY THE SUGAR TECHNOLOGIST, IMPERIAL
COUNCIL OF AGRICULTURAL RESEARCH.

68. Subsequent to the drafting of this report some of us had an opportunity of meeting Mr. R. C. Srivastava, Sugar Technologist, Imperial Council of Agricultural Research, at which he gave us after his tour in the Canal tracts an outline of his observations regarding sugar factories in the Deccan. He shortly afterwards submitted a memorandum which appears as Appendix XIV

It will be seen that the figures of Mr. R. C. Srivastava differ in some respects from those given on Plate V, that is, of estimates for large and small factories. The figures given in Plate V have been supplied by our colleague Mr. Fenton Miller who has been in charge of the Belapur estate and factory. It may be briefly stated that Mr. Miller considers the figures of the Sugar Technologist are underestimated for the small factory in the following items, viz., manufacturing materials, allowances for current repairs and renewals, and depreciation. In the last item Mr. Srivastava makes a much smaller allowance than Mr. Fenton Miller. This is of course a matter for decision by the management. Mr. Miller was requested to submit figures for a season of 120 days whereas Mr. Srivastava has calculated on 130 working days which reduces the overhead charges. It should be pointed out that both Mr. Miller (*vide* Plate V) and Mr. Srivastava have based their calculations on Pundia cane, they are agreed that with improved varieties the prospects for small factories would be greatly enhanced. As regards the large factory of 400 tons daily capacity similar differences apply and Mr. Miller assumes a price of Rs. 15 while Mr. Srivastava takes Rs. 14 per ton.

Mr. Srivastava has suggested various forms of technical assistance from Government to promoters of small factories. The Committee agrees that in order to ensure the success of small factories some technical advice will be necessary in the initial stages. With such assistance, Mr. Miller considers a recovery of 9 per cent. of sugar quite possible, whereas in his estimates on which he showed 8.5 per cent. (Plate V, small factories) he had not contemplated such supervision and assistance.

The majority of the Committee are not in favour of granting any subsidies to factory owners.

For the reasons set forth in the report we do not agree with Mr. Srivastava that land can be obtained for factories without some form of compulsion in respect of leases.

Regarding Mr. Srivastava's statement that several parties from Java are at present enquiring into the possibilities of establishing sugar factories in India and that they may find the Deccan canal area particularly suitable for setting up factories, a majority of the Committee agree with the Sugar Technologist in holding that it would be undesirable to allow Java people to secure land under the canal area and thus virtually to frustrate

the object of protection to the Indian industry. Our colleague, Mr. Inglis, holds however that it would be highly desirable financially for such factories to be established so far as the canals are concerned ; he realises that there are strong objections to such a course, but he considers them to lie outside the terms of reference of the Committee.

69 Our colleague Mr. Bristow left India on leave before Mr. Srivastava's memorandum could be discussed. He left a note embodying his views on the memorandum, *vide* page 35 *post*.

CONCLUSION.

70. The Committee sat for 23 days, the attendance of members being given below : —

	Days.
The Chairman, Mr. B. S. Kamat ..	23
Mr. C. H. Bristow	21
Mr. C. C. Inglis	22
Rao Bahadur G. K. Chitale	17
Mr. Fenton Miller	18
Mr. N. E. Navle	17
Khan Bahadur Abdul Latif Haji Hazrat Khan	17

71. The members of the Committee desire to record their thanks to the Chairman for the tactful and able manner in which he has conducted the business of the Committee. They also appreciate the valuable assistance given by the Secretaries, namely, Mr. J. S. Reid in the initial stages, and thereafter Mr. W. A. Evershed in the course of the investigations and the preparation of the report.

(Signed) B. S. KAMAT.

(„) C. H. BRISTOW.

(„) C. C. INGLIS.

(„) G. K. CHITALE

(subject to a minute of dissent).

(„) J. FENTON MILLAR.

(„) N. E. NAVLE

(subject to a minute of dissent).

(„) ABDUL LATIF HAJI HAZRAT KHAN.

SUMMARY.

For convenience a summary of the conclusions and recommendations of the Committee are given below.

INTRODUCTORY.

- Paras.
- 1-2 .. Records the formation and personnel of the Committee.
- 3-5 .. The issue of questionnaires and taking of evidence from both officials of the Irrigation and Agricultural Departments and from Irrigators' Associations and representatives of commercial interests.

CHAPTER I—THE FINANCIAL POSITION.

- 6 .. Explains the data to be considered.
- 7-8 .. Remarks on the financial figures of recent years.
- 9 .. Points out that the general tax-payer bears a large burden in view of the small return on the capital invested and that the object of the Committee is to make proposals to effect the biggest return possible.
- 10 .. A striking feature of the figures is the loss on the Nira Right Bank Canal of which the capital cost is nearly Rs. 4 crores.

CHAPTER II—ECONOMIC FACTORS.

- 11-12 .. From a consideration of the area and revenue, it is concluded that more than half the gross revenue is derived from cane blocks and that this proportion would be higher if overlap were included.
- 13 .. Reasons are given for the conclusion that cane cannot be replaced by substitutes such as fruit, cotton, groundnut etc. and points out that the canals were constructed on the basis of cane being the main crop.
- 14 .. The conclusion is reached that the financial position of the canals depends on cane.

CHAPTER III--POSSIBILITIES OF EXTENSION OF CANE.

- 15 .. The only products of cane are gul and sugar. The conclusion is that the cane area depends on the gul market,

Paras.

- 16 .. Gul—its use, quality, and consumption. It is concluded that the market for gul is steady but not likely to increase without an increase in the general prosperity of the people.
- 17-18 .. Gul grown on the canals competes with that grown on wells in the Bombay Presidency as well as with gul imported from other Provinces. This will increase with the completion and development of new schemes in certain provinces. Points out that large acreages under cane will shortly result from schemes nearing completion in Mysore and Hyderabad states. It is concluded that the gul market is affected by outside supplies and that irrigators must keep pace with reduction of cost of production of gul from outside.
- 19 . Points out that canal cane does not increase or decrease according to rainfall like that grown on wells, but that canal cane increased with the supply of water made available as new canals were opened as long as the price was favourable.
- 20 .. Remarks on the decrease of the price of gul since 1922 and concludes that the market is fully supplied.
- 21 . Points out that cane on wells fluctuates with the rainfall, and that the deficiency of canal cane in recent years has been made up by cane on wells with good rainfall. This shows the precarious position of the canal irrigator.
- 22-23 .. Evidence has been given that the reduction of cane area is due to the prejudicial effect of departmental rules, and that simplification if carried out would help to increase the area.
- 24 .. Objects of the Block System are stated. It is concluded that abolition of the system would be detrimental to revenue.
- 25 .. Describes suggestions from cultivators that bhushar crops in blocks should not be charged when irrigators prefer to chance the rainfall. An alternative idea is to reduce the cane rate by Rs. 15 per acre. The financial effect of these suggestions is approximately estimated and it is concluded that it would be impossible to get the large additional area of cane that would be necessary to make up the deficit in revenue. The proposal is merely a pious hope on the part of its supporters.
- 26 .. The Committee is convinced that extension of cane area cannot be obtained by the lowering of water rates so long as unfavourable economic factors prevail.

Paras.

- 27 .. Explains the Bund Rules and irrigators' complaints thereon. It is understood that modification of some rules is under consideration. The Committee does not consider that the rules have resulted in restriction of the cane area, but believes that the dominating factor is the price of gul, and hence that abolition of the rules would not improve revenue.
- 28 .. The prospect of expansion of cane area for gul is considered to be remote unless the cost of production can be reduced to compete with that in other Provinces. This can best be attained by the adoption of improved varieties and methods.

CHAPTER IV—SUGAR.

- 29 .. The only other market for cane is in the manufacture of white sugar for which there is vast scope if imported sugar can be replaced.
- 30-33 .. Details regarding prices of sugar and import duties are given and it is concluded that with legislation contemplated in the matter of a protective import duty there is a strong case for the success of sugar factories. Conditions on which the above conclusion is based are (1) factory of 350 tons daily capacity, (2) factory control of cane and (3) a season of 180 days.
- 34-35 .. A comparison between a factory dependent on its own cane and one obtaining its supply of cane from outside (the cultivators) is given and the advantages of the former are made clear.
- 36 .. The advantages of a long working season are explained, also the fact that the Deccan makes this possible whereas the season in North India is 120-130 days.
- 37-40 .. The cost of cane is detailed. Cultivators' cane would cost annas 11 per maund at factory, compared with annas 8 per maund for a factory growing its own cane. It is therefore concluded that it is advantageous for factories to grow their own cane.
- 41 .. Details of the advantages of improved varieties over Pundia cane as found by the Belapur Company are given.
- 42 .. Evidence was given that the tenure of land for cane must be assured for a long period if capital is to be forthcoming. The Committee agreed that the period should be for not less than 30 years with the option of at least one renewal.

Paras.

CHAPTER V—LAND FOR SUGAR FACTORIES.

- 43 .. Discusses the problem of providing land and the conclusion is that some form of compulsion will be inevitable.
- 44-47 .. There are three methods possible. Acquisition is not recommended on account of its expense and unpopularity. The Java System is described and the difficulties which would occur are pointed out. For long term leases two modifications of ordinary leases would be necessary, viz. to extend the period and (failing a voluntary agreement) to make the lease compulsory. The advantages of the long term lease are pointed out. It appears to the Committee that this is the only satisfactory method to ensure success for the sugar industry in the Deccan.
- 48 .. Compulsion as regards leases is justifiable.
- 49 .. The Committee suggests that a Board should be formed to fix rents.
- 50 .. A brief outline of the legislative provisions necessary is given.
- 51 .. The question as to whether large or small factories should be recommended is left for those who think of starting such factories to decide, although from figures supplied it is shown that the return on capital and efficiency increase with the size. The Committee proposes that factories should be encouraged on the Nira Right Bank Canal area first.
- 52 .. Refers to the lack of railway facilities on the Nira Right Bank Canal and recommends that steps be taken to expedite the matter.
- 53 .. Government participation in financing factories is negatived by a majority of the Committee, but all agree that with facilities as regards land, supply of water, distribution, etc., the public will produce the necessary capital.

CHAPTER VI—WATERLOGGING AND DRAINAGE.

- 54 .. Large areas have been spoilt by waterlogging and salt—figures of the area damaged—serious nature of the problem. The Committee considers all areas should be drained,

Paras.

- 55 .. Small sum spent annually by Government on drainage at present—no prospect of increase—general tax-payer should not pay for drainage—high rents obtained for land under perennial irrigation—figures showing multiples of rent of land used for cane compared with land not irrigated.
- 56 .. It is considered fair that owners benefited should pay a share of the unearned rental value to provide funds for drainage.
- 57 .. Principle of a betterment contribution as applied in Mysore State is detailed.
- 58-59 .. The Committee recommends that a cess be levied on the extra rental value due to canals. The cess should be spent primarily on drainage and improvements and none should be spent outside the canal area.

CHAPTER VII—MISCELLANEOUS.

- 60-65 .. Remarks on a Note submitted by the Director of Agriculture regarding his views on the need of an agricultural policy. He suggests that (i) financial aid be given more freely to cultivators, but against this is the warning given by the Provincial Banking Enquiry Committee. In (ii) are suggested sugar factories, which is fully dealt with in this Report; other agricultural industries, which the Committee points out is a matter for the Agricultural Department; and fruit, which the Committee points out needs careful consideration from the fact that the sub-soil water table must be taken into account. Colonisation forms item (iii) of the Note but there are difficulties under present conditions. (iv) is regarding technical propaganda, especially agricultural, on which the Committee expresses the opinion that it is a matter for co-operation between the Departments concerned. In (v) two new committees are proposed to formulate and carry out the policy to be decided upon. The members of this Committee do not consider there is justification for new committees under existing conditions.
- 66 .. Consideration of the working expenses and establishment charges on canals is mentioned and the Committee suggests that the possibility of further economies be examined.

Paras.

- 67 .. The Committee points out that the system of accounts (*vide* Administration Reports) appears to be misleading, especially with regard to overhead charges. The Committee recommends that such overhead charges debitable to irrigation projects be communicated to the Superintending and Executive Engineers concerned.
- 68-69 .. The Committee remarks on a memorandum regarding sugar factories submitted by the Sugar Technologist Imperial Council of Agricultural Research which was received after drafting the report. Figures are explained. The Committee are not in favour of subsidising factories, but some technical advice will be necessary. The Committee does not agree that land can be obtained without compulsion in some form. Mr. Bristow submits a note on the matter as he had left India when the discussion took place.
- 70-71 .. Concluding remarks.

Note on the memorandum submitted by Mr. R. C. Srivastava, Sugar Technologist, Imperial Council of Agricultural Research, India, on the sugar and gur industries in the Deccan Canals area, by Mr. C. H. Bristow, I.C.S.

On the main points which he within his special sphere the Sugar Technologist corroborates the opinions already formed by the majority of the Committee from the evidence laid before them. These are :—

- (1) that the profits from gur-making are never likely to be large but improved methods may prevent loss,
- (2) that sugar factories in the Deccan should be able to compete with imported sugar while the present tariff is in force ;
- (3) that sugar factories must control their own plantation ;
- (4) that the larger the factory the more economically it can be worked ;
- (5) that small factories (of 50 to 150 tons) are really too small to be economical under normal conditions.

The memorandum, however, is not confined to opinions based on technical grounds. The author has laid down the rule, based on personal, or what may be described as moral, grounds that no compulsion is justifiable in the obtaining of land for factories, and the adoption of this principle radically affects his recommendations and in fact excludes the logical conclusions to which his technical findings lead. Thus, although he admits large factories to be sounder economically than small factories, he is driven to say that they are impossible in developed areas because they would not be able to obtain cane at a reasonable price owing to his conclusion (3). He, however, appears to think that this objection would not apply in new areas. He has here overlooked the fact, which he was not likely to discover in a rapid inspection, that even if the required area could be obtained for a few years it would not be possible to get land on 30 to 60 years' leases without which no one would risk the construction of a big factory. The grounds, therefore, on which he states that large factories cannot be successful in developed areas also preclude their succeeding in new areas.

The Sugar Technologist appears to think that small factories could be supplied by the voluntary association of a few large cane growers and that therefore no compulsion would be necessary. A closer acquaintance with conditions in the Deccan would have shown that a factory cannot control the distribution of water under an outlet unless it controls the whole of the supply. Unless, therefore, all the irrigators under one outlet unite in supplying cane to the factory, either the factory will have to be abandoned or the dissentients will have to be coerced. It very rarely happens that all the land under an outlet is in the possession of only two or three persons, and it is notoriously difficult to get a larger number to agree. There is generally a dissentient minority. If the minority is not to be coerced, the project of a factory will have to be abandoned, unless the small factory is to do without the facility, which it is proposed to grant to all factories, of distributing their own-supply of water. Thus

the Sugar Technologist's principle of no compulsion practically rules out the small as well as the big factory.

There is, however, no reason why the Committee should pay any attention to Mr. Srivastava's personal views on a non-technical matter. His technical views lead to the conclusion that large factories are sounder financially than small and that factories must control their own plantation. For this purpose compulsion is necessary and we have therefore recommended compulsion where it cannot be avoided.

As regards the Sugar Technologist's recommendations about scholarships and subsidies it need only be said that his point of view is different from that of the Committee which is purely the financial one. From the financial point of view expenditure, including subsidies to small factories, amounting to a total of rupees 3 lakhs does not commend itself when, to quote the words of the memorandum "the margin of profit for a large sugar factory is so large that it can afford to pay a handsome rent for the land which it takes on lease".

(Signed) C. H. BRISTOW.

22nd March 1932.

MINUTE OF DISSENT BY RAO BAHADUR G. K. CHITALE.

PART I.

PRELIMINARY.

1. The main task of the committee is to see (1) how the financial aspect of the Deccan Canals can be improved and secondly to suggest ways and means to improve the same. As regards the first question the present position of the financial aspect is shown in statements and percentage returns for the years 1922-23 to 1929-30 attached to the main Report.

2. The analysis of these statements shows that in the last three years, revenue has considerably fallen and expenditure has considerably risen and the acreage under sugarcane has also correspondingly fallen.

We note that the statements of acreage of cane area on tanks, wells and bandharas supplied to us by Mr. Inglis are for the whole presidency.

CAUSES OF REDUCTION OF REVENUE.

3. This shrinkage of the revenue and acreage under sugarcane in the last three years appears to us to be due to the following causes :—

(i) Wherever we have gone we have noticed that the Bagaitdars are very much discontented on account of the rigidity of the rules which are being more rigorously enforced than before. This is corroborated by official witnesses from the Agricultural and Engineering Departments and an outsider like Mr. Srivastava, Technological Expert from U. P.

(ii) Sharp fall of commodity, prices and more especially that of gul.

(iii) The diminished staying power of the Bagaitdars who appear to have increased their indebtedness which is twenty-one times of land assessment per acre in the last three years as the result of the unprecedented decline in prices of all commodities (*vide Report of Banking Inquiry Committee, p. 42*).

(iv) The uniformity of water rates on all canals irrespective of the factors of the relative cost of cultivation and greater or lesser facilities for credit, cheaper money, cost of manures etc., cumulative effect of which is to leave no margin of profit.

(v) Dual control of the Superintending Engineer, Irrigation Division proper and Superintending Engineer, Development and Research Circle.

(vi) Want of necessary facilities for ample and timely finance.

(vii) The low prices of gul in the last three years has the effect of immensely lessening the financial credit of the Bagaitdars with their Sawcars.

4. We may further note that the capital expenditure on the new canals has been much heavier than on the older canals and dams such as Bhatgar on Nira, Mudhmeshwar on Godavari and Bhandardara on

Pravara ; we notice that the original estimates have been considerably increased and therefore the original forecast of revenue has not materialised.

5. Then again we find that the recent improvements of Nira Left Bank Canal system which has cost hitherto about 40 lakhs of rupees has not brought us any revenue even though it has increased facilities for providing water to about 19 thousand more acres of land.

6. The expenditure of reclamation and research so far shows poor financial results and even though it may be considered that such kind of expenditure is necessary, in our opinion, Government will be very well advised if it stops this kind of expenditure from loan funds as it adds to the already existing heavy financial burden and the reclaimed lands are not easily saleable or lettable so as to produce any revenue ; again it is financially bad policy to spend unproductively when we have on hand very extensive acreage available for irrigation on different canals as is shown by the proportion of irrigated land to the present irrigable land which is about one to two (1 to 2).

7. The tail ends of each canal on Nira, Pravara and Godavari varying in length from 12 to about 7 miles of canals are not at present used for irrigation purposes and thus giving no return on the capital expenditure.

8. In our opinion the establishment charges and ordinary repairs have been much heavier than they should have been and we very strongly recommend that they should bear a proportion of not more than a fixed percentage of the gross assessed income on each canal. This will give the Irrigation Department fair discretion in the economical management of the Deccan Canals.

9. We note that the working expenses per acre irrigated in different canals varies considerably and is much heavier than in Sind, *vide* Reports for 1929-30. Nira Left Bank 4.16, Godavari Canals 13.56, Pravara Canals 7.63 as against 2.46 and 1.86 in Indus Right and Left Bank Canals.

10. As pointed out in the main report the basis of calculations of working expenses bears no relation to actual expenditure and thus confuses the minds of ordinary readers. The present method of calculating working expenses may be according to rules laid down by the Government of India but from the practical point of view, it has no doubt the effect of confusing the actual returns of each canal on a reasonable basis.

11. The extremely unfavourable financial results of Irrigation Estate are well known to all and the Issues that they raise must receive very serious consideration.

Revenue results of each of the irrigation works must be carefully watched. It is clear that the most conspicuous feature is that there is substantial increase in capital expenditure in the last 10 years at a considerably increased rate of interest and there is no commensurate increase in revenue. There is a large increase in working expenses and interest charges.

Looking at the matter in the broadest way it appears to me that the main practical issues for the present must be :—

(1) Whether after duly discounting the effect of recent abnormal conditions the productivity of capital expenditure has conformed to expectation.

(2) Judged in the light of recent and present experience what should future policy be in the matter of getting more revenue ?

PART II.

WAYS AND MEANS.

1. Of the five canals Krishna Canal is paying pretty good return. The expansion on Mutha canal has reached the maximum and there is not much scope for further expansion on account of the canal water being sold to Poona City and Poona Cantonment. Nira Right Bank Canal on which about four crores have been invested is at present giving minus return. But in course of time the expansion is likely to lead to good results if we profit by the past experience of really desirable reforms, after laying down a definite policy of proper advancement.

2. The remaining canals namely Nira Left, Pravara and Godavari are to be considered. Of this Nira Left Bank Canal was for a number of years financially the most remunerative and used to pay about 6 to 7 per cent. as percentage return on the basis of net assessed revenue up to the year 1926-27. But since that year this percentage return has been steadily falling. In 1928-29 it fell to 4·90. In 1929-30 to 4·66 and in 1930-31 to 2·96 and perhaps may give smaller percentage return in 1931-1932. So also on Pravara and Godavari Canals the revenue is showing smaller and smaller return. On these canals we think expansion on a large scale is possible if timely measures are taken in the direction recommended below.

3. Wherever we have gone we have heard from the Bagaitdars long tales of woe ; for good or bad reasons they are thoroughly discontented. In these days of democratic advance it is not possible to expect any good result without their contentment and good will. Thus even at the sacrifice of efficiency and stringent administrative control it is worth buying up their contentment. In this respect the dual control exercised by the two Superintending Engineers, Deccan Canals, must in our opinion be ended as it has undoubtedly led to a good deal of heart burning amongst the Bagaitdars. Fortunately the term of Mr. Inglis' department expires in about September 1932 and in view of the fact of the financial stringency there would be no scope for some years at least for his department and part of his work will be done by the Research Department at the new station which is being put up at Padhegaon at the instance of the Agricultural Research Institute of Government of India.

4. The result of the evidence that we have heard has left a definite impression on our minds that the Government will be well advised in

abolishing the block system altogether, because we find that it does not exist on Mutha Canals and is not insisted upon larger estates like Manjri or Belapur. At least there should be no objection to remove its linking up of sugar crops with other crops like Bhusar.

5. In order to popularise expansion we also recommend the following measures :—

(a) Reduction of the present water rate for sugarcane from Rs. 60 to Rs. 35 per acre, as long at least as the low level of prices of gul lasts. We notice that when Nira Left Bank Canal system was started in 1885-86 water rates were low. In 1905-06 when gul was selling at Rs. 18 per palla the water rate stood at Rs. 30. This was raised to Rs. 35 in 1912-13 and Rs. 45 in 1918-19 when prices of gul were higher. After the boom year in 1926-27 they were raised to Rs. 66-8-0 but that rate was never realised. At present gul is selling on an average for a lesser price than Rs. 18 per palla. So some relief must be given to Bagaitdars to induce them to go in for sugarcane cultivation. We do not accept the plea that the water rate is only 5 to 10 per cent of the cost of cultivation per acre. On the other hand we accept the contention of the Bagaitdars that it is much fairer and more reasonable to put it in a certain proportion to the net profits per acre of sugarcane provided the Bagaitdars agree to pay a certain basic rate of Rs. 30 at least per acre at all times so that the revenue may not suffer.

(a) (1) The information that we have obtained from Hyderabad, Mysore and Bikaner States, confirms our views that the present pitch of the water rates on the Deccan canals is too high as compared with those in force in these States. Even after making allowances for the cost of construction, it is still apparent that in Mysore and in Hyderabad where the canals run through soils similar to ours, there is no reason especially in these days of competition, as to why we should insist upon a water rate which does not bear a fair proportion to the net profits.

(b) The Bagaitdars must be given greater freedom of action as regards distribution of water and unitisation of their fields according to the nature of the fields concerned. In this respect Belapur and Manjri have certain liberty of action and there is no reason why the same should be withheld from at least bigger Bagaitdars who go in for a cultivation of 60 to 100 acres of cane. We are told that Gibbs modules are working satisfactorily and they could be set up on every distributary and the water let out could be satisfactorily measured out to the Bagaitdars who have their lands on that distributary. This system in our opinion would meet all departmental objections.

(c) In view of the facts that the Bagaitdars appeared to be heavily involved in debts due either to private Savkars or the Provincial Central Bank and the need of necessary finance of the basis of at least five hundred rupees an acre for sugarcane cultivation, in our opinion it is necessary to devise a scheme for joint-cultivation on each distributary as far as possible by pooling up the monetary resources of all

Bagaitdars so as to have profitable and economical workable units. This would foster the spirit of co-operation on sound lines and would save costs all round. This may be effected by formation of Co-operative Societies or Private companies of not more than 20 in number and in order that they may function properly and on satisfactory lines we would like to attach to them small advisory council for propaganda and other purposes. This council should consist of a sitting or an ex-member of the Council, one representative of the Bagaitdars on each distributary to be elected by the Banking community who may be financing the Bagaitdars concerned.

(d) We find that drainage system on a properly designed basis is necessary on these canals so as to get maximum results of expansion without spoiling irrigable lands which are under command of such distributaries. The desirability of such reforms is acknowledged by the Bagaitdars that we examined and we find such schemes are prepared by the development and research circle and are only awaiting allotment of financial funds for putting them into execution. We are afraid in the present financial stringency—such funds are not likely to be had.

(e) It is said that the production of gul has certain limits and it is calculated that 60,000 acres of land under sugarcane on the Deccan Canals is sufficient for this purpose so that the gul markets may not be glutted, eventually lowering the price of gul and making its manufacture not profitable. Even accepting for a moment this contention we believe that the present statistics of production of gul on wells and bandharas are not accurate in as much as there are no statistics worth the name to show how much gul is produced on lands irrigated on wells and bandharas. The argument that the total acreage on wells and bandharas under sugarcane must produce definite quality of gul cannot be accepted. Neither do we accept the argument that it can be produced at a lesser cost of cultivation. Sugarcane on wells or bandharas has definite limitations and in our opinion it cannot successfully hope to compete either in price or quantity with the gul produced on the canals. The joint cultivation which we have recommended would certainly lower the cost of cultivation and may put the gul industry on a stable basis.

(f) There is a lot of room for expansion of small and big sugar factories on the Deccan Canals and we agree with the view that the Deccan Canals would financially profit a good deal if this sugar industry can be fostered on them. We accept the view that the Bombay Deccan is a fine sugar producing area on account of its geographical position, climatic conditions and extensive canals systems suitable for cane cultivation. It can successfully compete with the present white sugar tract in U. P. or Behar. Mr. Srivastava's note convinces us that small factories producing 60 to 100 tons of sugar are possible on the Nira, Godavari and Pravara Canals. There again the question of finance comes in. A larger factory on the basis of Belapur costs in all about 13 to 20 lakhs if not 30 lakhs of rupees. But smaller

factories producing 60 to 100 tons which cost about 2 to 4 lakhs of rupees can be a success if properly organised ; and as for the finance required by smaller factories we suggest the levy of an octroi or terminal tax on the export of gul or sugar from the canal producing tracts. This again should be levied only if the proceeds thereof can be earmarked for helping these factories of not more than 100 tons. We are advised that the people would have no objection as it would conduce to the stability of new business and at the same time would give the State a good return on its canal system. As regards the methods on which these taxation proposals should be matured we would rather like to leave that task to an expert committee. All that we emphasise is the necessity of all the above problems being looked at from the People's point of view. Their solution is not very difficult. As regards bigger sugar factories it is a problem for substantial business people, so we would rather not like to express an opinion on the financial side of it. As regards the question of small versus large sugar factories we quote below a note* published by Mr. Vartak, the owner of Hanuman sugar factory at Phursangi, district Poona. If we take this note along with Mr. Srivastava's notes on these questions we think it abundantly proved that there is a future for small sugar factories in developed canal areas, and the Government will certainly be well advised in giving whatever help they can as recommended in the main report.

(g) As regards the question of imposing a cess roughly equivalent to one fourth of the extra rental value due to the canals on all irrigable lands we are against these proposals as made in the report. We are convinced that such imposition is neither reasonable nor equitable as it works on actual figures to about Rs. 13-8-0 per acre.

It may be pointed out that even Mr. Bristow's report comments on the fact that the Irrigation Department cannot supply figures as to the exact acreage of irrigable lands on each canal and he therefore had to content himself with the acreage of irrigated lands only.

We are however in favour of a modified proposal which is described below :—

(1) The exact acreage of irrigable lands on each canal should be first ascertained.

(2) After this is done the exact acreage of lands irrigable for sugarcane or perennial crops should be laid down and also the acreage for seasonal or eight months' crops and Kharif crops.

(3) After this is done a cess of not more than Rs. 4 per acre for sugarcane and not more than Re. 1 for seasonal or eight months' crops and annas two for Kharif crops may be imposed on the definite understanding that a right to take water for all these who pay the cess is guaranteed.

(4) The cess should not be based on the rental basis which is not a safe guide but it should be in the form of a flat rate per acre.

* See page 44.

(5) The cess should be for a definite period of six years in the first instance and the amount thus realised should be scrupulously earmarked for drainage and general improvement of the canal areas.

(6) The present cess on water rate should be abolished so as to avoid misunderstandings and many practical difficulties as the rents may vary from time to time and in that case the basis of cess will be unreasonable and inequitable. It must also be observed that we are putting it up for the first time not before the construction of the canals as in Mysore but after and in time of great economic distress and general depression.

(Signed) G. K. CHITALE,

Member of the Deccan Canals
Financial Improvement Committee.

Ahmednagar, 11th April 1932.

**NOTE ON VARTAK'S HANUMAN SUGAR FACTORY AT PHURSANGI,
DISTRICT POONA.***

This sugar factory is a complete unit in itself having a capacity of about 60 tons of cane per day if the Unit is worked for 20 hours in a day. The capacity can be increased by about 25 per cent if certain minor additions and alterations are made in the existing machinery.

From experience gathered so far the plant has so far given an average yield varying between 8·1 and 8·80 per cent of marketable white sugar on weight of cane the variety of cane treated being the popular Pundya variety grown in the Deccan. This yield includes second and third sugars but these for the sake of calculating are taken in quantities reduced in proportion to the lower market price available for them. Thus the above percentage is more or less all of 1st white marketable sugar, the qualities of which is slightly inferior to the imported Java sugar. Big crystals of sugar such as are imported are not made in this factory but the sugar that is made has a wide market and if the rates are somewhere about the rates of imported sugar the whole produce could be sold immediately it is manufactured.

In Poona, the rate of imported sugar is at present 35 rupees per palla of 120 seers (one seer equal to 76 tolas) Rate of gul is 18 Rs. per palla and this works out the rate of sugarcane at about 14-8-0 or 15 Rs. per ton from the ordinary cultivator's point of view. This rate of gul also is likely to go down further as the crushing season advances. This means that the sugarcane rate of Rs. 15 per ton is not likely to be exceeded at any time this year.

To manufacture one ton of sugar 11·75 tons of ripe cane are required and this costs Rs. 177 ; the manufacturing cost should not exceed Rs. 70 per ton including all expenses depreciation, etc. Thus one ton of white sugar would cost Rs. 247 or say Rs. 250 (for 9·53 pallas of sugar). This would give a net yield of Rs. 314 per ton to sugar (calculating the rate at only Rs. 33 per palla Rs. 2 being allowed for selling expenses). Thus a factory like this can make a profit of about Rs. 5 per ton of cane treated and one full working season should mean about 120 days at 50 tons of cane per day, i.e. 6,000 tons of cane making of one ton of Sugar would give about 10 Rs. worth of molasses but this is omitted from the calculation and would more than cover any unexpected expenditure.

The rate of imported sugar is not likely to go below the present rate for some years to come and based on the above calculations a factory like this can easily pay a dividend of 10 per cent at least even if the gul rate goes up to Rs. 21-8-0 per palla as against the present rate of Rs. 18 per palla.

Of course the question of the cane grower remains to be considered and it is not certain that he would make a decent margin of profit if he sells his cane at Rs. 15 per ton. Most of the cultivators would definitely lose

* See note on page 42.

at this rate but the prices of gul and cane would adjust themselves within the above margin of Rs. 18 per palla and Rs. 21-8-0 per palla and sugar manufacture for some years to come at least has surely fair prospects even if worked on this factory's scale.

(Signed) G. K. CHITALE,

Member of the Deccan Canals
Financial Improvement Committee.

Ahmednagar, 11th April 1932.

MINUTE OF DISSSENT BY MR. N. E. NAVLE.

I entirely agree with Rao Bahadur Chitale in his minute of dissent, except on two proposals of additional taxation namely (1) Levy of Octroi or terminal tax on export of Gul or Sugar from the canal producing tracts and (2) the imposition of a cess of not more than 4 rupees per acre for Sugarcane and not more than one rupee for seasonal or eight monthly crops and two annas for Kharif crops even though they are ear-marked for specific purposes such as giving financial assistance to promoters of Sugar factories on small scale or for purposes of drainage.

As I look at the financial problem of the Deccan Canals, I think the only way to improve the position is to encourage the starting of smaller sugar factories without undertaking to give direct financial assistance from Government Treasury, much less by means of any additional taxation on the irrigators who are already in an extremely deplorable state and by relaxation of the rigid rules, etc.

Except the two taxation proposals, I entirely adopt Rao Bahadur Chitale's minute of dissent as my own.

(Signed) N. E. NAVLE,

Member of the Deccan Canals
Financial Improvement Committee.

Ahmednagar, 11th. April 1932.

LIST OF REFERENCES.

- The Bombay Irrigation Act, 1879. 11527 H. 4 W-462
- Government of Bombay, Public Works Department, Administration Reports.
- Government of the Punjab, Public Works Department, Irrigation Branch, Administration Report for 1928-29. — no
- Central Provinces and Berar, Public Works Department, Irrigation Branch, Administration Report for 1928-29. — no
- The Pratt Committee's Report of 1920. — no ✓
- Mr. Bristow's Report and Subsidiary Report of 1927 on Certain Questions connected with Irrigation on the Deccan Canals. — no ✓
- The Indian Tariff Board Report on the Sugar Industry, 1931. — 8981
- Note regarding suitability of the small local (as opposed to the large Central) type of Sugar Factory for the Deccan Canals Tract by Mr. R. C. Srivastava, Sugar Technologist, Imperial Council of Agricultural Research. — no;
- Report of Indian Sugar Committee, 1920. — 6408
- Government of Bombay, Public Works Department, Technical Paper No. 21—Note on the outturn and profit for sugarcane crops grown in the Deccan Canal Tracts—by C. C. Inglis and V. K. Gokhale. — no
- (By Mr. R. C. Srivastava, Sugar Technologist, Imperial Council of Agricultural Research, India :— — no
- (i) Review of the Sugar Trade in India during the official year 1929-30 (*vide* the Indian Trade Journal dated 13th August 1931).
 - (ii) Note on the production of Sugar by factories direct from cane during the season, 1930-31.
 - (iii) Note on the production of sugar by refineries in India during 1929-30.
 - (iv) Expansion of the Indian Sugar Industry (*vide* "Capital" for December 1931).
 - (v) Memorandum for submission to the Indian Tariff Board.
 - (vi) Memorandum for presentation to the Sugar Research Conference to be convened by the Empire Marketing Board, London.
- Report of the Bombay Provincial Banking Enquiry Committee, 1929-30, Vol. I. — 8732 S. P. C. 2

LIST OF APPENDICES.

	Page
I. Statement showing the percentage return on the Six Major Canals in the Deccan for the years 1922-23 to 1929-30 on the basis of net assessed revenue ..	49
II. Statement showing the total cane area in the Presidency excluding Sind	49
III. Statement showing the cane area and rainfall on the Six Major Canals in the Deccan	50
IV. Statement showing the total area irrigated excluding cane by canals on the Six Major Canals in the Deccan	51
V. Statement giving the average rate of gul per palla of 240 lbs each year	52
VI. System of Irrigation followed by the Belapur Company on their estate	53
VII. Statement showing the imports of sugar into ports of the Bombay Presidency and Kathiawar ..	53
VIII. Statement showing the costs of cane cultivation by cultivators, by the Manjri Standard method, and by the Belapur Company	54
IX. Statement showing details of cost of cane cultivation by the Manjri Standard Method as supplied by the Director of Agriculture	56
X. Statement showing the estimated capital of a sugar company to crush 350 tons cane daily ..	57
XI. Statement showing comparative figures of capital cost of large and small type factories	58
XII. Statement showing the fully damaged areas on the Deccan Canals	58
XIII. Note on the cost of Establishment	59
XIV. Memorandum on the sugar and gur industries in the Deccan Canals area by Mr. R. C. Srivastava, Sugar Technologist, Imperial Council of Agricultural Research, India.. .. .	59
XV. Note on cost of the Committee	71

APPENDIX I.

Percentage return on the six Major Canals in the Deccan for the years 1922-23 to 1929-30 on the basis of net assessed revenue.

Year.	Nira Left Bank Canal.	Mutha Canal.	Godavari Canals	Pravaia Canals.	Nira Right Bank Canal.	Krishna Canal.	Remarks
1922-23 ..	7.22	3.08	3.52	1.30	..	3.57	
1923-24 ..	7.73	3.79	3.58	1.74	.	4.10	
1924-25 ..	6.25	2.53	2.21	1.96	.	4.20	
1925-26 ..	5.53	2.82	1.74	2.41	0.11	5.96	
1926-27 ..	7.48	3.11	2.09	2.37	0.29	2.85	
1927-28 ..	6.77	3.97	2.69	2.17	Minus Revenue	4.52	
1928-29 ..	4.90	3.58	1.38	1.58	Do	3.48	
1929-30 ..	4.62	4.50	0.66	1.46	Do	5.53	

APPENDIX II.

Statement showing total (including non-canal) cane area, i.e. cane area on tanks, wells, bandharas, etc., and that on the six Major Canals in the Deccan.

Year.	Cane area excluding long and short term overlap on the six Major Canals.	Cane area on tanks, wells, bandharas, etc.	Total cane area in the Presidency excluding Sind.	Rainfall.	Remarks.
1	2	3	4	5	6
	Acres	Acres	Acres	Inches	
1922-23 ..	21,806	38,038	59,844	28.5	
1923-24 ..	25,535	42,524	68,059	25.5	
1924-25 ..	25,123	33,251	58,374	27.9	
1925-26 ..	26,436	38,463	64,899	25.3	
1926-27 ..	28,207	37,131	65,338	26.6	
1927-28 ..	29,488	34,510	63,998	26.1	
1928-29 ..	23,357	37,411	60,768	31.8	
1929-30 ..	19,806	43,209	63,015	24.8	

APPENDIX III.

Statement showing cane area and rainfall on the six Major Canals in the Deccan.

L. T. O. means Long Term Overlap.
S. T. O. means Short Term Overlap.

Year.	Nira Left Bank Canal.					Godavari Canals.				
	New cane.	L T O.	S. T O.	Total.	Rain-fall.	New cane.	L T O.	S. T O.	Total.	Rainfall
1	2	3	4	5	6	7	8	9	10	11
1922-23	6,611	312	2,328	9,251	21.86	7,619		1,990	9,549	17.27
1923-24	6,780	383	2,849	10,012	9.42	7,595		2,181	9,726	15.22
1924-25	6,472	303	8,720	13,504	16.06	7,142		1,865	8,507	22.87
1925-26	6,478	1,490	2,228	10,196	15.42	8,849		2,739	9,588	14.13
1926-27	8,900	842	3,576	13,318	15.38	6,064	227	1,847	8,138	13.61
1927-28	8,612	729	4,514	13,855	22.75	6,924	317	1,437	8,678	25.93
1928-29	7,381	483	4,104	11,968	22.62	5,518	109	2,043	7,787	18.94
1929-30	7,070	28	3,473	10,571	24.56	4,921	173	1,148	5,342	20.39
1930-31	6,339	791	4,343	11,473	..	3,784	..	519	4,803	..

Year	Pravara Canals.					Mutha Canals.				Krishna Canal.	Nira Right Bank Canal.	Total cane, L. T. O and S. T O on 6 canals
	New cane.	L.T.O.	S.T.O.	Total	Rain-fall.	New cane	L T O	S T O	Total	New cane.	New cane.	
1	12	13	14	15	16	17	18	19	20	21	22	23
1922-23	3,033		83	3,113	20.54	3,205		237	3,442	1,339	..	21,906
1923-24	5,911		52	5,963	13.95	3,454		1,246	4,700	1,795	..	25,535
1924-25	7,641		1,180	8,830	19.08	2,761		801	3,700	1,107	..	25,123
1925-26	9,061		2,109	11,170	13.94	2,408		338	155	2,901	1,840	26,436
1926-27	9,720	608	1,962	12,290	13.94	2,779		73	931	3,781	826	28,207
1927-28	10,337	246	3,969	13,952	25.20	2,485		25	1,166	3,676	1,145	29,498
1928-29	6,479	918	6,144	13,541	25.97	2,726		36	996	3,768	1,240	23,357
1929-30	5,060	829	2,876	8,764	12.85	2,202		54	1,258	3,514	1,289	19,806
1930-31	5,340	682	2,137	8,059	..	2,615		33	283	2,911	1,568	20,032

APPENDIX IV.

Statement showing total area irrigated excluding cane by canals on the six Major Canals.

Year.	Nira Left Bank Canal		Godavari Canals		Pravara Canals.	
	1		2		3	
	Area acres	Rainfall inches	Area acres	Rainfall inches	Area acres	Rainfall inches.
1922-23	65,774	21 86	41,077	17 27	46,871	20 54
1923-24	67,328	9 42	43,081	15 22	33,376	13 95
1924-25	65,126	16 06	35,755	22 87	28,126	19 08
1925-26	72,774	15 42	30,990	14 13	38,060	13 94
1926-27	64,952	15 38	18,757	13 61	19,720	13 94
1927-28	59,254	22 75	18,615	25 93	9,959	25 20
1928-29	56,031	22 62	18,042	18 94	18,491	25 97
1929-30	57,721	24 56	19,802	20 39	31,142	12 85
1930-31	50,130		20,568		17,406	

Year	Nira Right Bank Canal.		Total of columns 1 to 4	Mutha Canals		Krishna Canal	
	4			6		7	
	Area acres.	Rainfall inches	Area acres	Area acres	Rainfall inches	Area acres	Rainfall inches
1922-23	..	..	1,53,722	17,153	24 92	5,180	26 75
1923-24			1,43,785	13,418	15 56	7,606	14 21
1924-25	2,766	..	1,31,793	17,054	21 10	7,760	20 35
1925-26	17,825	11 74	1,59,649	21,596	14 13	11,170	15 89
1926-27	26,540	13 66	1,29,969	14,778	30 18	6,112	30 59
1927-28	17,030	14 63	1,04,858	11,151	25 57	5,189	24 00
1928-29	14,155	27 86	1,06,719	10,000	23 17	3,607	22 17
1929-30	16,082	22 31	1,24,747	12,224	21 06	4,794	25 60
1930-31	18,480	..	1,06,584	11,989		3,243	..

The reduction of area on the Mutha Canals is not due to any reduction of demand but is entirely due to less water being available due to the city and cantonment taking more water.

The water rates were increased by 40-45 per cent. from 1926.

Two seasonal blocks were introduced on the Godavari and Pravara Canals from 1929

APPENDIX V.

Statement giving the average rate of gul per palla of 240 lbs each year worked out from the sales at Co-operative shops at the places mentioned.

Year.	Poona market.		Baramati.	Kopargaon	Belapur.	Remarks.
	Average of March, April, May when gul sold.	12 months average.	12 months average.			
1920-21	41.9					
1921-22	41.9					
1922-23	41.3					
1923-24	27.4					
1924-25	24.4					
1925-26	33.4					
1926-27	25.8	25.79	21.74			
1927-28	21.9	22.08	18.52			
1928-29	21.00	24.15	21.66			
1929-30	25.84	28.39	26.52	29.66	29.42	Prices were high during August to November.
1930-31	24.09	22.04	19.68	22.10	21.92	
1931-32	14.10	15.55*	13.52*	15.21*	15.51*	*Average of 9 months only, abnormally low prices.

Note — Average rate for March, April and May shows the rate which the majority of cultivators obtain because it is during these months that large quantities of gul are sold.

Twelve months average rate for the year (1929-30 to 1931-32) shows that nearly the same rate prevails at Poona, Kopargaon and Belapur, but that for Baramati it is less by rupees two because being an out of the way place, it costs more for transport of gul to the place where it is finally sold (Khandesh, Tujarath, Berars).

APPENDIX VI.

System of Irrigation followed by the Belapur Company on their Estate

- (1) The area is divided into square plots of 1,200' \times 1,200' each to suit the Steam Tackle cultivation.
- (2) Field roads 15' wide are made in the middle of the plot both ways making 4 sections of about 8 acres each.
- (3) Each section is subdivided into small units as under—
 - (a) 2 acres unit (300' \times 300') in fairly level lands where slope does not exceed 6 inches in 100 feet.
 - (b) 1 acre unit (300' \times 150') where the gradient is over 6" and up to 12" in 100 feet.
 - (c) $\frac{1}{2}$ acre unit (300' \times 75') in more sloping units
 - (d) $\frac{1}{4}$ acre unit (150' \times 75') in lands with slopes from 3 sides
- (4) Bunds 18" high and 15" wide at top are raised round every unit. They settle down to 12" high and 15" wide at top by the end of the year.
- (5) Furrows are opened every 3 $\frac{1}{2}$ ' from centre along the main contour
- (6) Cross water channels are opened every 20-25 feet.
- (7) Beds of 2 or 3 rows are made for irrigation.
- (8) Irrigation for about 2 months, i.e., until the crop germinates fully and starts tillering, is given to each bed separately.
- (9) Irrigation after 2 months is given by zig zag method for 13 to 14 rows or about 300 feet length
- (10) Irrigation, after earthing up in fairly level lands, is given by zig zag method to 40 rows or about 800 feet length.
- (11) Irrigation in every sloping unit is given in beds up to the end.

Note—Experiments to improve on this method are in progress and if found successful and advantageous necessary modifications will be made.

APPENDIX VII.

Statement showing the Imports of Sugar in tons into ports of the Bombay Presidency and Kathiawar.

Year	Port of Bombay.	Subordinate ports of the Bombay Presidency.	Kathiawar ports.	Port of Karachi.	Total tons of sugar imported
1920-21	82,568	4,204		50,549	1,37,316
1921-22	1,62,656	6,391	311	1,76,921	3,46,279
1922-23	1,53,230	7,803	8,177	97,425	2,66,644
1923-24	1,28,881	7,638	6,022	98,230	2,41,669
1924-25	1,79,002	9,389	17,546	1,94,072	4,00,009
1925-26	1,87,923	10,026	46,348	1,70,753	4,15,050
1926-27	1,84,396	11,465	1,01,568	2,32,157	5,29,586
1927-28	1,77,078	12,718	79,491	1,62,075	4,22,202
1928-29	2,02,050	15,135	1,36,262	2,11,332	5,65,679
1929-30	2,17,450	18,870	1,29,982	2,21,627	5,87,379

APPENDIX

Statement showing the costs of cane
Agricultural Farm, and by

Particulars.	Godavari Canals.		Pravara Canals.		Nira Left
	H. B. Girme, M. K. Pandre.	G. B. Kulkarni and T. V. Ganpule.	Aba Shankar.	Patilba Thakuji.	Association.
	Rs.	Rs.	Rs.	Rs.	Rs.
1. Ploughing, pulverising, discing, and levelling.	20	30	....	30	30
2. Bunding, making channels and dressing ends.	....	....	....	30	....
3. Sets	40	40	75	75	40
4. Cutting, applying, arrang- ing and planting.	20	20	....	..	20
5. Weeding	20	12	20	15	15
6. Earthing up	11	10	...	15	10
7. Farm yard manure ..	50	75	80	..	50 Sann 75 F. Y. M.
8. Cake	132	120	100	100	102
9 Sulphate of ammonia ..	..	15	20	..	23
10 Powdering (1) and Apply- ing (2).	(1) 6 (2) 5	(1) 6	(2) 40	(2) 100	5
11. Water rate, Local fund, etc	65	66 5 10 (overlap)	48	48	60
12. Labour for irrigation ..	30	25	35	...	40
13. Cutting, stripping, bunding and carting	....	..	....	..	....
14. Manufacture of gul ..	100	100	100	....	120
15. Interest	35	40	40	40	40
16. Supervision	40	30	....	..	20
17. Rent	50	60	....	..	25
18. Brokerage	20	30	..	..	25
19. Depreciation	45	..	....	....	....
20. Miscellaneous	11	6	..	..	....
21. Carting gul	10	10	....	....	....
Total ..	710	710	558	453	700
Outturn ..	Pallas 40 per acre.	Pallas 36 to 40 per acre.	Not given	Not given.	Not given.

Note.—(A) See Appendix IX for details
(B) Excludes depreciation and

VIII.

cultivation by cultivators, by the Manjri
the Belapur Company.

Bank Canal.	Nira Right Bank Canal	Mutha Canals.		Manjri standard method supplied by the Director of Agriculture	Belapur method (supplied by the Belapur Company).
Dy 18 Bangh.	Assocation	Dagdoba Tuka- ram.	Namdeorao Kalbhor		
Rs	Rs	Rs. a. p.	Rs.	Rs. a. p.	Rs a. p
30	30	30 0 0	24	16 10 0	34 0 0
...	..	....	9	9 14 0	6 0 0
50	60	40 0 0	30	30 0 0	23 0 0
30	15	4 0 0	6	5 14 0	8 0 0
15	15	25 0 0	24	5 14 0	18 0 0
....	13	....	9	3 8 0	7 0 0
50	120	90 0 0	75	57 1 3	16 0 0
123	65	97 8 0 Fish 25 0 0	75	28 0 0 (sann.)	60 0 0 (sann.)
...	..	...	....	24 4 0	24 8 0
(1) 10 (2) 6	52	(1) 8 0 0 (2) 25 0 0		1 12 0	4 8 0
65	55	50 0 0	48	58 0 0	50 0 0
25	36	50 0 0	18	21 8 0	34 8 0
....	..	....	...	28 12 0	41 8 0
100	100	90 0 0	110	....	....
50	36	30 0 0	51	24 0 0	..
....	72	...	....	30 0 0	36 0 0
...	15	40 0 0	30	80 0 0	25 0 0
...	10	..	...	..	....
...
...	20	....	...	..	....
25	..	....	7	..	..
580	714	804 8 0	496	425 1 0(A)	387 0 0(B)
Fallas 25 to 30 per acre.	Not given.	Not given.	Not given.	36 pallas gul per acre.	38 tons cane per acre.

of costs and further possible reduction-
overhead charges.

APPENDIX IX.

Operation.	Expenditure	Further
	(1931-32).	reduction in expenditure.
	Rs. a. p.	Rs. a. p.
1. Ploughing, pulverising, ridging, discing and levelling..	16 10 0	. .
2. Bunding, making channels and dressing ends ..	9 14 0	....
3. Sets 10,000 or 8 per cent. on an acre of cane of 33 tons.	30 0 0	2 0 0
4. Cutting, supplying, arranging and planting ..	5 14 0	. .
5. Weeding	5 14 0	....
6. Earthing up	3 8 0	....
7. Cost of Sann Green Manuring	57 1 3	12 5 0
8. Cake groundnut equal to 75 lbs 'N' or 4½ pallas at Rs. 59 per ton.	28 0 0	...
9. Sulphate of ammonia 375 lbs at Rs. 145 per ton equal to 75 lbs 'N'.	24 4 0	2 8 0
10. Powdering and applying	1 12 0	....
11. Water rate	58 0 0	....
12. Labour for irrigation	21 8 0	....
13. Cutting, stripping, bunding and carting ..	29 12 0	....
14. Interest at 12 per cent on Rs. 200 (half annual investment).	24 0 0	....
15. Supervision	30 0 0	....
16. Rent (at Manjri Farm rent is Rs. 120 for 3 acres, of which ⅓rd is debited to cane).	80 0 0	*33 3 0
Total ..	425 1 3	50 0 0
	(838 maunds)	= Rs. 375

* Total reduction in units by 3 annas, i.e., from 10 annas to 7 annas.

APPENDIX X.

Estimated Capital of a Company to cultivate 6,000 acres, i e., 2,000 acres per annum with a factory to crush 350 tons of cane per day.

		Rs	Rs.
FACTORY.	£40,000		
Freight, insurance, customs, etc. 20 per cent.	£8,000		
	<u>£48,000</u>	6,50,000	
Freight local		15,000	
Building		1,25,000	
Erection		50,000	
Laboratory, apparatus, etc.		5,000	
		—	8,45,000
 BUILDINGS.			
GENERAL.			
Bungalows, offices, godowns	1,55,000		
Staff quarters	25,000		
Fitters, Sugar Boilers, etc.—1 wadi of 20 rooms.	15,000		
	<u>1,95,000</u>		
 AGRICULTURAL.			
Agricultural Wadies—5 wadies of 12 rooms each.		80,000	
 MISCELLANEOUS		10,000	
		<u>15,000</u>	2,55,000
 FURNITURE AND FITTINGS.			15,000
RAILWAY.			
Line, 20 miles		80,000	
3 locos		30,000	
Trucks, 125 at Rs. 400		50,000	
		<u>1,60,000</u>	1,60,000
 IMPLEMENTS.			
2 Sets Steam Tackle		1,20,000	
1 Tractor and Implements		7,000	
Bullock Implements, 50 ploughs, carts etc.		5,000	
		<u>1,32,000</u>	1,32,000
 LIVESTOCK.			
Bullocks 50 pairs .. .. .		....	15,000
ROADS (including Public) .. .. .		....	1,00,000
 ESTATE DEVELOPMENT.			
6,000 acres at Rs. 25 per acre (levelling, dismantling bunds, clearing etc.)		....	1,50,000
 CONTINGENCIES 15 per cent say .. .. .		....	2,50,800
PRELIMINARY EXPENSES , 2½ per cent. .. .. .		....	75,000
WORKING CAPITAL .. .. .		....	10,00,000
		<u>20,97,800</u>	
Total .. .. .		....	20,97,800

N.B.—No allowance has been made for quarters for operatives. Railway siding not included.

APPENDIX XI.

Statement showing comparative figures regarding large and small factories

(A) Figures supplied by Mr. R. C. Srivastava for conditions in Northern India.

(B) Figures supplied by Mr. Fenton Millar.

Capacity of factory in tons cane per day	Capital cost of factory i.e. working capital.		Outturn of sugar per season.		Percentage of sugar recovered.		Cost of one maund of sugar	
	(A)	(B)	(A)	(B)	(A)	(B)	(A)	(B)
60	2,70,000	2,50,000	16,830	16,680	8.25	8.5	..	10 6 0
100	4,00,000	4,00,000	29,750	27,764	8.75	8.5	..	10 4 0
150	5,10,000	.	.	..	.	.	..
200	6,00,000	..	55,080	.	9.0	.	..	..
250	6,90,000	..	.	..	.	..	.	..
300	8,00,000	..	72,720	.	9.0	..	..	..
350	9,00,000	..	.	..	..	.	.	..
400	10,25,000	10,50,000	1,04,895	1,30,656	9.25	10.0	.	8 4 0

APPENDIX XII.

Statement showing fully damaged areas on the canals.

Canal.	Cultivable command area in the perennial section.	Damaged area on the canals.				
		1918.	1920.	1924.	1925.	1928.
Nira Left Bank ..	81,051	8,240 11%	..	.	9,081 11.2%	9,407 12%
Godavari ..	1,00,000	..	10,197 10%	..	13,439 13.3%	17,000 17%
Pravara ..	95,933	..	..	1,954 2%	5,821 6%	13,407 14%

Note—These figures are for land which has gone out of cultivation, but an equal area and in some cases twice this is also partly affected and the damage is still extending. Some of these lands are capable of improvement but many are only suitable for water resistant crops such as cane, rice and barley, and considerable area can only be reclaimed at an excessive cost. For each acre of cane grown about 1½ acres become fully damaged and 3 acres or more are partially damaged. Those, unless drained, will be permanently damaged.

(Signed) C. C. INGLIS,
Superintending Engineer,
Irrigation Development and Research Circle, Poona.

APPENDIX XIII.

Note on the Cost of Establishment.

I have been trying for some time past to ascertain the actual cost of establishment employed in this Circle on various works to ascertain how retrenchment could best be effected with a minimum loss of efficiency.

The result of this enquiry has been to show that the figures given in the Annual Administration Report bear no resemblance to actual costs, as the following figures show.—

Cost of Establishment of the Nira Left Bank Canal Division in 1929-30 and 1930-31.

			1929-30	1930-31.
Canal working expenses	.. ..	(A G's) (actual)	2,12,130 1,43,743	2,88,797 1,36,891
Remodelling	. . . .	(A. G's) (actual)	2,66,426 60,928	1,32,616 48,956
Roads	.. ..	(A G's) (actual)	not known 1,440	not known 1,440
	Total ..	(A. G's) (actual)	4,78,556 2,06,111	4,21,413 1,87,287

The Accountant General's figures include a share of the cost of the Superintending Engineer's office and of the Secretariat and they also appear to include part of the cost of certain specialist officers. but I have so far been unable to ascertain why the Accountant General's figures—especially for Remodelling—are so widely different from actuals.

(Signed) C. C. INGLIS,
Superintending Engineer,
Irrigation Development and Research Circle.

APPENDIX XIV.

*Memorandum on the Sugar and Gur industries in the Deccan Canals area by
Mr. R. C. Srivastava, Sugar Technologist, Imperial Council of
Agricultural Research, India.*

IMPORTANCE OF CANE CULTIVATION.

The importance of cane cultivation in the Deccan cannot be over-estimated. Under the existing conditions in this locality, the well-being of the cultivator as well as the financial stability of the canals rest, to a very great extent, on the continuance and extension of cane cultivation. Hitherto cane cultivation has, however, been dependent entirely on the Gur industry. But this industry is at present in a depressed condition, in consequence of which only the more efficient cultivators are able to make any profit at all by Gur making.

CAUSES OF DEPRESSION OF THE GUR INDUSTRY.

The causes which have contributed towards the present slump in the Gur industry may be summarised as follows :—

- (a) The general economic and agrarian depression is, perhaps, the most potent cause. In consequence of the reduced purchasing power of the people, the demand for Gur (which in comparison with the essential articles of food and clothing is something in the nature of a luxury) has necessarily been considerably curtailed.
- (b) The prices for Gur in Northern India are exceptionally low this year, having dropped to Rs. 2-8-0 per maund in certain parts. As a result of competition

from Northern India Gur in the common markets (the Central India, Berar, the Rajputana States etc.) the Deccan Gur is unable to retain its previous privileged position in those markets.

(c) There has been considerable increase in cane cultivation all over India and, with the increasing adoption of improved varieties of sugarcane, the tonnage per acre has also increased. The increased acreage under cane in localities adjoining the Deccan—the Nizam's dominions, the Mysore State and the Central Provinces—has directly reacted on the industry in Deccan.

(d) The change in customs and tastes of the people is gradually increasing the demand for sugar, which is partly in displacement of the demand for gur.

FUTURE PROSPECTS OF THE GUR INDUSTRY.

On the basis of the above analysis of the causes of depression of the Deccan Gur Industry, it is possible to form some idea of the future prospects of the industry. It will be observed that with the exception of the first of the above mentioned causes, namely, the agrarian depression—which, it is to be hoped, is of a temporary nature—all the other causes are of a more or less permanent type. In consequence of this it is likely that instead of any improvement in the condition of the Gur industry, a further decline may take place. All the indications appear to show that this is what may be expected and that eventually gur prices may become stabilised at round about Rs. 13 per panna in a year or so.

This will mean a serious dislocation of the agricultural economy of the canal area and will inevitably result in a further curtailment of the area under cane, thereby reducing the revenue from canals.

To prevent these serious consequences, the following remedies are suggested:—

- (a) Adoption of measures which will increase the margin of profit from Gur making,
- (b) Introduction of sugar making.

IMPROVEMENT OF GUR MAKING.

The Gur industry is already well established on an extensive scale. Any improvements which may be introduced in the industry will, therefore, have the advantage of benefiting cane cultivation directly and immediately. The following suggestions are made for assisting the industry:—

(a) Government may give serious consideration to the possibility of helping the irrigators in the matter of water charges and of simplifying the rules governing the use of canal water.

Complaints were made by practically every cultivator who was interviewed that the water charges are excessive and should be reduced, and that the irrigation rules, particularly those in connection with the block system and bunding, are too complicated and irksome. It was outside the purpose of my enquiry to go into the merits and demerits of these assertions. But in view of the unanimity with which complaints were made by almost all the cultivators interviewed, attention is being drawn to them here.

(b) Every possible effort should be made by the Department of Agriculture to introduce methods whereby the cultivator may be able to reduce the cost of cane growing. An extensive programme of demonstration of the methods evolved at the Manjri farm should be adopted.

(c) The Gur industry is at present too much dependent on a single variety of cane, namely, the Pundia. It is true that from the Gur makers' point of view the variety has many important qualities in its favour—e.g. its softness, light coloured juice, high sucrose content and its quality of responding to intensive cultivation. But it has several serious defects also. Thus it is liable to disease, needs heavy manuring, has a delicate root system, is a poor ratooner and is inferior to some of the other varieties in respect of sucrose content and tonnage.

From the Gur makers' point of view P.O.J. 2878 is likely to be superior to Pundia in every respect specially in view of its light colour and low glucose content. The H. M. varieties developed at the Hebbal farm in Mysore, particularly H. M. 320 have higher sucrose and brix and lower glucose than even P.O.J. 2878. The Department of Agriculture should give special attention to popularising these varieties amongst the cultivators.

(d) There is considerable room for improvement on the manufacturing side of the Gur industry. The type of cane crusher which is most commonly in use in the Deccan has been almost entirely discarded in the Northern India on account of its weak construction and the low extraction of juice which it gives. There are several well known crushers of a strong and efficient type on the market and the Department of Agriculture should arrange for demonstration of these.

The furnace used for boiling the juice, commonly called the Poona furnace, which was evolved by the Department of Agriculture, is in many ways the most efficient furnace for gur making in India. Thus, it has a large capacity and is extremely efficient in respect of fuel consumption. But there is still room for improvement in several respects, particularly in the shape and size of the pans and the construction of flues. The department of Agriculture should make a further study of the furnace and introduce such improvements as will remove these defects.

The present system of Gur making does not provide for any kind of clarification of the juice. This is an important omission, and but for this the quality of Gur produced should have been much more superior. The clarifying agents commonly used in the Rohilkhand khandasari industry may be given a trial.

Finally, suitable improvements should be made in the manufacturing process which will increase the keeping quality of Gur. One method which suggests itself is to smear the cloth, which is placed in the mould, with a paste of sugar. This will form a coating on the block of Gur which will prevent surface oxidation and avoid the consequent discolouration.

If improvements on the lines indicated above are made, Gur making need not be a losing business, although it is likely that the margin of profit will always be small.

DEVELOPMENT OF SUGAR MAKING.

In order that cane cultivation in the Deccan may become profitable and that it may be placed on a more permanent footing, it is essential that cane should be turned into sugar in preference to Gur. The reasons favouring sugar making are firstly, the higher efficiency of the sugar making process as compared with that of making gul and, secondly, the assurance that a suitable price level will be maintained for some years, which has been given by the adoption of a protective tariff on sugar. Whereas sugar prices are more or less certain to remain at a reasonable level for the next 15 years, there is no similar assurance in regard to Gur prices which will continue to be affected by supply and demand.

If it is accepted, as appears to be obvious, that sugar making should be adopted and encouraged in the Deccan, the next point for consideration is as to the size and type of unit factories to be established and the methods by which they are to be brought into existence.

Large factories.—As regards the size of unit factories it is evident that the larger the factory, the more advantageous it will be from every point of view. There is, within certain limits, an increase in efficiency with an increase in the size, and there is also, at the same time, a reduction in the overhead charges and management expenses. For conditions obtaining in the Northern India where the white sugar industry of India is mostly established, a capacity of 400 tons of cane per day has been found to be a good average size for a factory. The same size may be recommended for the Deccan area. A factory of this size will require an estate of about 6,000 acres. A scheme for a 400 tons factory with an estate of 6,000 acres is attached to this memorandum showing details of capital cost and working expenses for such a factory (see Scheme No 1).

Whilst, as stated above, a large factory is to be preferred, there are serious difficulties in the way of establishing such factories on the existing developed canals in the Deccan. It will be impossible for such a factory to get even a fraction of its cane supplies by purchasing from the existing cultivators. This was the experience of the ill-fated Baramati factory, and there is no reason why the same fate may not befall factories that may be built hereafter, as the circumstances have not altered. For a factory to be assured of its cane supply, it is necessary that it should have its own plantation. There is, however, no locality on the developed canals in the Deccan where 5,000 or 6,000 acres of irrigable land suitable for cane cultivation may be available. Nothing short of compulsory acquisition will enable a factory to get so much land in one place, but there will be no justification on public grounds for such compulsory acquisition by Government.

The above remarks apply to the developed canal areas only. On the undeveloped canals, like the Nira Right Bank Canal, particularly in the Malsiras Taluka where cane cultivation has not been taken up by the cultivators so far, it should be possible for sugar factories to get the necessary land on lease by direct negotiations provided they pay reasonable rents. There is believed to be about 30,000 acres of such land on the Nira Right Bank Canal, which should be sufficient for five or six new factories.

Small factories.—On the areas commanded by the developed canals where all the Deccan gur industry is located and where it is not possible, as explained above, to establish large factories, there is no alternative excepting to introduce small factories. Such factories, which will have capacities ranging between 50 tons and 150 tons of cane per

day, are really too small to be economical under normal conditions, but they are recommended for the peculiar conditions of the developed canal area in the Deccan, because—

- (a) they are more efficient than Gur making,
- (b) their size will be just suitable for the area under cane which an average cultivator can command,
- (c) their capital cost is not too high, and
- (d) they will pave the way to the establishment of large factories later on, as happened in Northern India

Two schemes for such small factories are given at the end of this memorandum. One of these (scheme No. 2) relates to a factory having a capacity of 50 tons cane per day and requiring a capital investment of about 1½ lakhs. This is a simple type of factory equipped with machinery of moderate efficiency, a large proportion of which can be made in India, thus reducing the expenditure on import duty, freight etc. Excepting for its low capital cost a factory of this type is however not to be recommended. It is a much better proposition to spend a little more money and put up a factory of 60 tons capacity capable of extension later on to 150 tons, details of which are given in Scheme No. 3.

It may be pointed out that small scale sugar manufacture according to the Khandasari system, as followed in the United Provinces or according to the modified Khandasari system developed by Mr Hadi and others, is not to be recommended for the Deccan. These processes are much too inefficient to be able to compare favourably with the highly developed Gur industry of the Deccan. Their suitability to the United Provinces is due to the exceedingly small scale on which the industry is worked there. The cane cultivators in the Deccan, on the other hand, have comparatively larger quantities of cane to deal with and the Khandasari process will be unsuitable for their requirements.

RECOMMENDATIONS.

In addition to the proposals already made in this memorandum the following recommendations are made with the object of developing the sugar industry in the Deccan :—

(a) *Large factories.*—For the development of these, no assistance from the Government is needed. The protection which has been granted is sufficient assistance. There is no necessity for Government assistance in acquiring land, whether by purchase on lease, for such factories. Similarly, semi-compulsory arbitration is also not recommended, as generally the cultivator fails to secure an equal and impartial representation on such arbitration boards. The margin of profit for a large sugar factory is so large that it can afford to pay a handsome rent for the land which it takes on lease and this should be a sufficient inducement for the cultivators to give their land to the factory. This incidentally will ensure that the cultivators will have at least a small share in the profits of the sugar factories. These profits, it should be remembered, have been made possible as a result of the high protective tariff for which the consumer pays approximately 10 crores of rupees annually. The recommendations of the Tariff Board regarding protection for the sugar industry were based largely on considerations affecting the general agricultural economy of the country and not so much on the interests of sugar factory owners.

It may also be pointed out that several parties from Java are at present enquiring into the possibilities of establishing sugar factories in India. Their main difficulty is that they cannot get land for cane cultivation. In Northern India, where most of the sugar factories are located, the practice is for the factories to purchase cane from cultivators over whom they have no control. Such a system does not permit of improvements being made in the cultivation of cane and without such improvement the Java manufacturers cannot obtain in India the high efficiencies which they get in their own country. In the Deccan canals area, however, the conditions are different and it is quite possible that they may try to secure land for cane cultivation and set up factories under the protection afforded by the high tariff on sugar. Every care will have to be taken that this is not allowed to happen. Such a policy will be justifiable, because sugarcane cultivation in this area has been made possible only on account of the canals, which have been built with public funds. One possible method of preventing such factories being put up is to refuse canal water to them.

(b) *Small factories.*—In order to assist in the establishment of small factories in the developed canals area, the following recommendations are made :—

- (1) Technical assistance to those wishing to set up small factories should be given by the Government. Such assistance will be required in the preparation of schemes and specifications, in the erection of plant and operating it during the first few

seasons, and in improving the cultivation of cane with the object of reducing the cost of cultivation. For this purpose the Government should engage, on short term contracts, the following technical staff—

A Sugar Engineer with experience of erecting and operating Sugar machinery Salary Rs. 700—50—800 To be engaged for 3 years

A Sugar Chemist with experience of sugar manufacture and chemical control work. Salary Rs. 500—50—700. To be engaged for 5 years.

A Sugarcane Agriculturist with experience of improved methods of cane cultivation in the Deccan. This officer may be lent by the department of Agriculture. Salary Rs. 250—25—350 To be engaged for 5 years

The above technical staff should be placed under the department of Agriculture who should provide facilities for the use of laboratories and libraries. The services of the staff should be available free of charge to those putting up small sugar factories, either with or without Government help

(ii) There is a course of training in Sugar Technology at the H. B. Technological Institute, Cawnpore. Suitably qualified students who have taken the B Ag. or the B Sc degree and who belong to families of sugarcane cultivators in the Deccan should be awarded scholarships of Rs. 25 per mensem each by the Bombay Government, and should be sent for training to Cawnpore. The Imperial Council of Agricultural Research nominates five students annually for free training in the course of Sugar Technology. Arrangements can be made for the inclusion amongst the Council's nominees of one or two students every year from the Deccan

(iii) As regards financial assistance to those starting small factories, no loans or grants from the Government, are recommended, as these usually attract persons of an unsuitable type, who either have not sufficient money of their own or are not able to raise the requisite capital. The assistance may much more effectively be given in the form of a subsidy on the actual output of sugar to a limited number of pioneer factories built within, say, the first three years. The location of these factories should be carefully selected, so that they may be useful as centres for demonstration and propaganda. The subsidized factories should be required to provide facilities for training apprentices

The scale of subsidy suggested is Re 1 per maund (of 82 lbs) of sugar produced in the first season, Re 0-12-0 in the second season and Re 0-8-0 in the third season, after which the subsidy will cease. The full output of a 50 tons factory will be about 15,000 maunds of sugar per season. Assuming the factory to have 80 per cent. of its normal output in the first season, 90 per cent. in the second and 100 per cent. in the third season, the total amount of subsidy which it will receive will be about Rs. 30,000, spread over a period of three years. This is not a large amount, considering that, unlike loans and grants, it will be payable only if and when the factory has been built and sugar has actually been produced. The subsidy will be instrumental in inducing private capital to be invested in the industry (which is the only proper foundation on which to establish a new industry) and will also provide the necessary incentive for the newly established factories to increase their efficiency and output in order to get a larger amount as subsidy

The total number of pioneer factories to which subsidy on the above lines will have to be paid, will depend in the interest which the first few factories create amongst the public. Possibly two such factories started every year for three years, the subsidy being given to each for three years will be sufficient to produce the necessary response from the cultivators of the entire Deccan Canals area.

The financial effect of the above proposals may be summarised as follows.—

	Rs
1. Salary of Sugar Engineer for 3 years	27,000
2. Salary of Sugar Chemist for 5 years	36,000
3. Salary of Sugarcane Agriculturist for 5 years	18,000
4. Clerical and inferior establishment for the above officers ..	12,000
5. Stationery and sundry office expenses for the above officers ..	5,600
6. Laboratory equipment and tools	6,000
7. Travelling Allowance for above officers	8,500
8. Contingencies	1,500
9. Scholarships at Rs. 25 per month for 3 years each to 6 students.	5,400
10. Subsidy at Rs. 30,000 each to six factories	1,80,000
	3,00,000

This expenditure which will be spread over a period of five years is not large judged either from the point of view of the interests of the Deccan-cane cultivators or from that of making the Deccan canals a source of profit to the Government.

(Signed) R. C. SRIVASTAVA,
Sugar Technologist,
Imperial Council of Agricultural Research, India.

The 11th March 1932.

ANNEXURE.

Three schemes for factories having capacities of 400 tons, 50 tons and 60 tons cane per day are annexed. The schemes have been prepared on the basis of conditions obtaining in the Deccan Canals area, which are entirely different to those in the White Sugar tract of Northern India. Although the schemes have been prepared after a tour of enquiry in the Canals area, they should be regarded as only estimates. In order to prepare schemes which would be accurate in all details, more exact local enquiry for each individual case will be necessary. Thus the price of machinery which forms the largest single item in the capital cost of a factory, will vary with the type and design selected, and with the degree of efficiency and durability required. It is hoped however that in spite of these limitations, the schemes will serve to give a fairly accurate idea of the capital cost and manufacturing expenses of factories of these sizes.

In connection with the 50 ton and 60 ton schemes, it should be pointed out that the price of cane has been reckoned at Rs. 15 per ton. The price of Gur in the Deccan is at present about Rs. 15 per palla (250 lbs). A ton of cane generally gives a palla of gur. Therefore by allowing Rs. 15 per ton for cane supplied to the factory the cane grower gets a return for his cane equivalent to what he would get if he converted it into gur and sold the gur at a price per palla equal to Rs. 15 plus an amount equivalent to the cost of manufacturing a palla of Gur. If, as is likely to be the case in the Deccan, the cane grower also happens to be the owner of the factory, his profit from sugar making will be in addition to that from selling cane at Rs. 15 per ton.

SCHEME No. 1.

Scheme for a factory to crush 400 tons of Cane per day and produce direct consumption white sugar in the Deccan Canals Area. The factory to have its own estate for cane cultivation.

I. DATA.

The following data have been accepted for preparing the scheme:—

(a) *Duration of cane season.*—From 1st November to end of April or a total of 181 days.

Allowing for holidays and unforeseen stoppages, the factory will work for 145 days.

(b) *Cane required*—The factory will require 58,000 tons (or 15,77,600 mds.) of cane per season, which at 35 tons cane per acre will be the crop of 1657 acres. Assuming a three years rotation, an estate of 5,000 acres will be required. Actually an estate of 6,000 acres is provided in the scheme.

(c) *Quality of cane.*—The cane as delivered at the factory is assumed to have the following analysis (average for the whole season):—

Sucrose	..	.. 13	per cent. on cane.
Fibre	..	.. 11½	per cent. on cane.
Purity of mixed juice	—82.		

(d) *Recovery*—

Sugar—10 per cent on cane (equivalent to 76.9 per cent overall efficiency).

Molasses—3½ per cent. on cane.

(e) *Prices*—

Cane—The cost of cultivation on an estate of this size should be about Rs. 400 per acre. For the purpose of this scheme, the cost of cane, delivered at the factory, is assumed to be Rs. 14 per ton (equivalent to Rs. 490 per acre at 35 tons cane per acre).

Sugar—Rs. 10-8-0 per md. (or Rs. 14-5-6 per cwt.) ex-factory, average for 1st and 2nd grades. The price is based on the assumption that the present surcharge of 25 per cent. on the import duty on sugar will not be re-imposed after March 1933, after which foreign sugar will have to pay only the protective duty of Rs. 7-4-0 per cwt.

Molasses—Rs. 0-8-0 per md. ex-factory.

II. CAPITAL COST.

A ESTATE.—It is assumed that land will be taken on lease and will not be purchased outright. The expenses for developing the land are calculated on the basis of land of the type obtainable along the Nira Right Bank Canal, in the Maisures Taluka.

The capital expenditure on the Estate is estimated as follows —

	Rs
(a) One set steam tackle, consisting of 2 engines and 4 implements (plough, cultivator, disc harrow and disc ridger)	60,000
(b) Heavy type crude oil tractor, complete with implements	12,000
(c) 50 pairs of bullocks at Rs. 250	12,500
(d) Bullock ploughs and ridders, bullock carts and implements	1,000
(e) 12 miles trolley line, 2 feet gauge, at Rs. 4,000 per mile.	48,000
(f) Two kerosene or crude oil engines for traction, at Rs 5,000	10,000
(g) 100 cane trucks, 3 tons capacity, at Rs. 300 each	30,000
(h) Farm buildings at four centres	40,000
(s) Development of land, 6,000 acres at Rs 20 per acre. (This will be spread over several years)	1,20,000
(j) Main roads and cart tracks on the estate, 60 miles at Rs. 1,000 per mile, average	50,000
(k) Working capital for Estate (equivalent to outlay on one season's crop)	6,00,000
(l) Contingencies	16,500
Total ..	10,00,000

B. FACTORY.

(a) Cost of machinery (including factory plant, staging, piping, driving gear, repair shop, erection tools and tackle and electric lighting), F O B port of shipment, £ 42,000	5,60,000
(b) Insurance, sea and rail freight, dock dues and customs duty	90,000
(c) Factory building, roofing material, doors and windows and electric wiring	60,000
(d) Machinery foundations, boiler brickwork, flues and erection of machinery	70,000
(e) Salary and passage of machinery erector (portion for period of erection charged to capital)	8,000
(f) Water supply (tube well and water mains)	10,000
(g) Condenser water cooling tank with drains.	4,000
(h) Molasses tanks	15,000
(i) Sugar godown	25,000
(j) Buildings for office, mill-stores and laboratory	10,000
(k) Apparatus, chemicals, and equipment for laboratory	5,000
(l) Assisted railway siding and weighbridge	20,000
(m) Bungalow and quarters	70,000
(n) Factory boundary walls, gates and drainage	10,000
(o) Land, 35 acres	7,000
(p) Trolley and cart weighbridges	6,000
(q) Contingencies	20,000
Total ..	10,00,000

Total capital cost including Estate and Factory .. 20,00,000

	Rs.
III. WORKING EXPENSES PER YEAR.	
(a) Cost of cane, 58,000 tons at Rs 14 per ton ..	8,12,000
(b) Salaries and wages (as per details in IV) ..	93,000
(c) Fuel (coal, firewood and crude oil) ..	12,000
(d) Lime ..	4,000
(e) Sulphur ..	7,000
(f) Filter cloth ..	8,000
(g) Lubricants ..	5,000
(h) Gunny bags ..	18,000
(i) Sundry stores ..	10,000
(j) Repairs and renewals ..	15,000
(k) Railway siding charges ..	3,000
(l) Depreciation on machinery and buildings ..	50,000
(m) Interest on bank overdraft for working capital ..	25,000
(n) Insurance, brokerage, commission, Directors' and Auditors' fees, etc. ..	25,000
Total ..	10,85,000

IV. DETAILS OF SALARIES AND WAGES (EXCLUDING ESTATE STAFF)

(a) Manager at Rs. 1,000 for 12 months ..	12,000
(b) Engineer at Rs 700 for 12 months ..	8,400
(c) Chemist at Rs. 500 for 12 months ..	6,000
(d) Two Assistant Engineers at Rs. 150 and Rs. 100 for 12 months ..	3,000
(e) Three Assistant Chemists at Rs. 100 for 12 months ..	3,600
(f) Cane supply Overseer at Rs. 100 for 12 months ..	1,200
(g) Permanent office establishment, as per details below, at Rs. 470 for 12 months ..	5,640
1. Accountant and Head Clerk Rs. 100.	
2. Cashier Rs. 50.	
3. Stenographer Rs. 70.	
4. Record Keeper and Despatcher Rs. 40.	
5. Godown Clerk Rs. 40.	
6. Time Keeper Rs. 40.	
7. Store Keeper Rs. 50	
8. Two extra clerks Rs. 80.	
(h) Fifteen seasonal clerks at Rs. 30 for 7 months ..	3,150
(i) Three panmen on Rs. 100, 60 and 50 (total Rs. 210) for 7 months ..	1,470
(j) Thirty mustries, assistant panmen and mates at Rs 30 for 7 months ..	6,300
(k) 500 coolies for 6 months at Rs. 11 each per month ..	33,000
(l) Contract labour at Rs. 1,000 for 6 months ..	6,000
(m) Retainers for off season to (i) and (j), lump sum ..	3,240
Total ..	93,000

V. RECEIPTS PER YEAR.

(a) Sugar (at 10 per cent. of 1,577,600 maunds cane or 157,760 maunds sugar) at Rs. 10-8-0 per maund, mill delivery.	16,56,480
(b) Molasses (at 3¼ per cent. of 1,577,600 maunds cane or 55,216 maunds molasses) at Rs. 0-8-0 per maund, mill delivery.	27,608
Total Receipts ..	16,84,088

VI. ANALYSIS OF COST OF PRODUCTION.	Total	Per maund of sug-1.
	Rs.	Rs a p
(a) Cost of cane	8,12,000	5 2 4
(b) Total manufacturing expenses	2,73,000	1 11 9
<hr/>		
Gross cost of production of sugar	10,85,000	6 14 1
Deduct—Price of molasses	27,608	0 2 8
<hr/>		
Net cost of production of sugar	10,57,392	6 11 5
<hr/>		

VII. PROFIT PER YEAR.

(a) Receipts (as per V)	16,84,088
(b) Expenses (as per III)	10,85,000
<hr/>	
Profit	5,99,088

or 30 per cent on a capital Rs. 20 lakhs

This profit is exclusive of any profit which the Estate may make by growing cane at below Rs. 14 per ton, for which there is a reasonable scope.

SCHEME No. 2.

Scheme for a factory to crush 50 tons of cane per day and produce direct consumption white sugar. The factory to be of simple type suitable for small cane cultivators

I. DATA

The following data have been accepted for preparing this scheme —

(a) *Duration of cane season.*—From 15th November to end of April (assuming that the season is started with Adsalh cane), or a total of 166 days.

Allowing for holidays and unforeseen stoppages the factory will work for 130 days

(b) *Cane required.*—Assuming the cane crushed to be one-third Adsalh and two-thirds plant and ratoon cane, and the yields to be 50 tons and 40 tons per acre for Adsalh and plant Pundia cane respectively, the requirements will be —

	Tons	Acres.
(1) Adsalh Pundia cane	2,167	44
(2) Plant Pundia cane	4,333	108
<hr/>		
	6,500	152
or 176,800 maunds cane.		

(Note.—The above acreage allows only for the crop to be actually harvested each season and not for ratoon crops, overlapping, etc.)

(c) *Quality of cane.*—The cane as delivered at the factory is assumed to have the following analysis (average for the whole season):—

Sucrose	13 per cent on cane.
Fibre	11½ per cent on cane
Purity of mixed juice	82.

If a harder cane containing a higher percentage of fibre issued, a more efficient milling plant will have to be provided which will increase the capital cost of the factory.

(d) *Recovery* —Sugar—8½ per cent on cane (equivalent to 65.4 per cent overall efficiency).

Molasses—4½ per cent on cane.

(e) *Prices.*—Cane—Rs. 15 per ton, delivered at the factory.

Sugar—Rs. 10 per maund (or Rs. 13-9-6 per cwt) ex factory, average for 1st and 2nd grades.

This price is based on the assumption that the present surcharge of 25 per cent on the import duty on sugar will not be reimposed after March 1933, after which foreign sugar will have to pay only the protective duty of Rs. 7-4-0 per cwt.

Molasses—Rs. 0-8-0 per maund ex factory.

	Rs.
II. CAPITAL COST.	
(a) Cost of machinery (including factory plant, staging, piping, driving gear, and electric lighting). Machinery to be partly made in India	85,000
(b) Insurance, sea and rail freight, dock dues and customs duty on imported machinery.	6,000
(c) Machinery foundations and erection, and factory buildings	25,000
(d) Water supply from canal and a small tube well	1,000
(e) Molasses tank of iron or masonry	1,500
(f) Sugar godown	2,500
(g) Land, 5 acres	1,000
(h) Contingencies	3,000
Total ..	1,25,000

(Note — Residential and office buildings are not allowed for in the above as it is presumed that these will be available locally)

	Rs.
III WORKING EXPENSES PER YEAR.	
(a) Cost of cane, 6,500 tons at Rs. 15 per ton	97,500
(b) Salaries and wages (as per details in IV)	19,800
(c) Fuel (firewood and crude oil)	3,000
(d) Lime	400
(e) Sulphur	700
(f) Filter cloth	1,000
(g) Lubricants	600
(h) Gunny bags	2,200
(i) Sundry bags	1,500
(j) Repairs and renewals	1,500
(k) Depreciation on machinery and buildings	4,000
(l) Interest on borrowed working capital	3,000
(m) Insurance, Auditors' fees, brokerage and commission	1,000
Total ..	1,36,200

	Rs.
IV. DETAILS OF SALARIES AND WAGES.	
(a) Chemist at Rs. 200	2,400
(b) Engineer at Rs. 150	1,800
(c) Accountant and Cashier at Rs. 50	600
(d) Store Keeper at Rs. 25	300
(e) One Assistant Chemist at Rs. 75 for 6 months	450
(f) One Assistant Engineer at Rs. 75 for 6 months	450
(g) Six seasonal clerks at Rs. 25 per month for 6 months	900
(h) Three panmen at Rs. 40, Rs. 30 and 30 (total Rs. 100) for 6 months	600
(i) Six matries and mates at Rs. 25, average, for 6 months	900
(j) 120 coolies for 6 months at Rs. 15 per month each	10,800
(k) Miscellaneous contract labour at Rs. 100 per month for 6 months	600
Total ..	19,800

	Rs.
V. RECEIPTS PER YEAR.	
(a) Sugar (at 8½ per cent on 176,800 maunds cane, or 15,028 maunds sugar) at Rs. 10 per maund, mill delivery	1,50,280
(b) Molasses (at 4½ per cent on 176,800 maunds cane, or 7,956 maunds molasses) at Re. 0-8-0 per maund, mill delivery	3,978
Total Receipts ..	1,54,258

VI. ANALYSIS OF COST OF PRODUCTION.		Total.	Per maund of sugar.
		Rs.	Rs. a. p.
(a) Cost of cane .. ..	..	97,500	6 7 10
(b) Total manufacturing expenses ..	..	38,700	2 9 2
<hr/>			
Gross cost of production of sugar ..	..	1,36,200	9 1 0
Deduct—Price of molasses .. ..	..	3,978	0 4 3
<hr/>			
Net cost of production of sugar ..	..	1,32,222	8 12 9
<hr/>			
VII. PROFIT PER YEAR.			
(a) Receipts (as per V) .. ..	..	1,54,258	
(b) Expenses (as per III) .. ..	..	1,36,200	
<hr/>			
Profit .. ..	..	18,058	

or 14 per cent on a capital of 1½ lakh rupees.

SCHEMÉ No. 3.

Scheme for a factory to crush 60 tons of cane per day and produce direct consumption white sugar. The factory to be capable of extension to a capacity of 150 tons.

I DATA.

The following data have been accepted for preparing this scheme :—

(a) *Duration of cane season.*—From 15th November to end of April (assuming that the season is started with Adsalh cane), or a total of 166 days.

Allowing for holidays and unforeseen stoppages the factory will work for 150 days

(b) *Cane required.*—Assuming the cane crushed to be one-third Adsalh and two-thirds plant and ratoon cane, and the yields to be 50 tons and 40 tons per acre for Adsalh and plant Pundia cane respectively, the requirements will be :—

			Tons.	Acres.
(i) Adsalh Pundia cane .. ..	..	..	2,600	52
(ii) Plant and ratoon .. ..	..	..	5,200	130
<hr/>				
Total ..	..	7,800	182	

or 212,160 standard maunds.

(c) *Cane required after extension.*—When the factory is extended to 150 tons capacity, the cane requirements will be as follows :—

			Tons.	Acres.
(i) Adsalh Pundia cane .. ..	..	..	6,500	130
(ii) Plant and ratoon Pundia cane ..	..	..	13,000	325
<hr/>				
Total ..	..	19,500	455	

or 530,400 standard maunds.

(Note.—The above increase allows only for the crop to be actually harvested each season and not for ratoon crops, overlapping cane, etc.)

(d) *Quality of cane.*—The cane as delivered at the factory is assumed to have the following analysis (average for the whole season) :—

Sucrose ..	..	13 per cent on cane.
Fibre ..	..	11½ per cent on cane.
Purity of mixed juice ..	..	82.

(e) *Recovery.*—Sugar—9 per cent on cane (equivalent to 69 per cent overall efficiency).

Molasses—4½ per cent on cane.

(Note.—After the factory is extended to 150 tons capacity, the recovery of sugar should increase to 9½ per cent on cane that of molasses remaining 4½ per cent.)

(f) Prices.—Cane Rs. 15 per ton delivered at the factory.

Sugar Rs. 10-4-0 per maund (or Rs. 13-15-0 per cwt.) ex factory average for 1st and 2nd grades. This price is based on the assumption that the present surcharge of 25 per cent on the import duty on sugar will not be reimposed after March 1933, after which foreign sugar will have to pay only the protective duty of Rs. 7-4-0 per cwt.

Molasses—Rs. 0-8-0 per maund ex factory.

II. CAPITAL COST.

	Rs.
(a) Cost of machinery (including factory plant, staging, piping, driving gear, repair shop, erection tools and tackle and electric lighting), F. O. B. port of shipment, £10,000. . .	1,34,000
(b) Insurance, sea and rail freight, dock dues and 10 per cent customs duty	30,000
(c) Factory buildings of brickwork, roofing material, doors and windows and electric fittings	20,000
(d) Machinery foundations and erection, boiler and flues . .	1,500
(e) Water supply (from canal and a small tube well)	1,500
(f) Molasses tank (of iron or masonry)	2,000
(g) Sugar godown	5,000
(h) Buildings for office, mill stores and laboratory	3,000
(i) Apparatus, chemicals and equipment for laboratory . . .	3,000
(j) Factory boundary wall, gates and drainage	2,000
(k) Land, 7 acres	1,500
(l) Contingencies	3,000
Total	2,25,000

(Note.—Residential buildings are not allowed for in the above as it is presumed that these will be available locally.)

III. WORKING EXPENSES PER YEAR.

	Rs.
(a) Cost of cane, 7,800 tons at Rs. 15 per ton	1,17,000
(b) Salaries and wages (as per details in IV)	22,130
(c) Fuel (coal, firewood and crude oil)	3,000
(d) Lime	400
(e) Sulphur	800
(f) Filter cloth	1,200
(g) Lubricants	800
(h) Gunny bags	2,700
(i) Sundry stores	1,500
(j) Repairs and Renewals	1,500
(k) Depreciation on machinery and buildings	8,000
(l) Interest on bank overdraft for working capital	3,000
(m) Insurance, Auditors' fees, brokerage, commission, etc. . .	2,000
Total	1,64,030

IV. DETAILS OF SALARIES AND WAGES.

(a) Manager and Chemist at Rs. 250	3,000
(b) Engineer at Rs. 150	1,800
(c) Permanent office establishment as per details below at Rs. 120 per month for 12 months	1,440
1. Accountant and Cashier Rs. 50.	
2. Typist and general clerk Rs. 35.	
3. Store Keeper Rs. 35.	
(d) One Assistant Chemist at Rs. 75 for 6 months	450
(e) One Assistant Engineer at Rs. 75 for 6 months	450
(f) Five seasonal clerks at Rs. 25 for 6 months	750
(g) Three panmen on Rs. 45, 35 and 35 (total Rs. 115) for 6 months	690
(h) 9 mustries and mates at Rs. 25, average, for 6 months . .	1,350
(i) 120 coolies for 6 months at Rs. 15 per month each	10,800
(j) Miscellaneous contract labour at Rs. 150 per month for 6 months	900
(k) Retainers for off season (d), (e), (g) and (h), lump sum . .	500
Total	22,130

V. RECEIPTS PER YEAR.		Rs.
(a) Sugar (at 9 per cent on 212,160 maunds cane, or 19,094 maunds sugar) at Rs. 10-4-0 per maund, mill delivery.		1,95,713
(b) Molasses (at $4\frac{1}{2}$ per cent on 212,160 maunds cane, or 9,547 maunds molasses) at Re 0-8-0 per maund, mill delivery		4,773
	Total Receipts	2,00,486

VI. ANALYSIS OF COST OF PRODUCTION.

	Total. Rs	Per maund of sugar. Rs a p
(a) Cost of cane	1,17,000	6 2 1
(b) Total manufacturing expenses.	47,030	2 7 4
	Gross cost of production of sugar	8 9 5
	Deduct—Price of molasses	0 4 0
	Net cost of production of sugar	8 5 5

VII. PROFIT PER YEAR

		Rs
(a) Receipt (as per V)	..	2,00,486
(b) Expenses (as per III)	.. .. .	1,64,030
		36,456

or 16 per cent on a capital of Rs. 2¼ lakhs.

APPENDIX XV.

Under G. M., P. W. D., No. S. 192/5423-E, dated 15th March 1932, the following allotment was sanctioned :—

Rs.	
2,000	Travelling allowance to non-official members of the Committee
100	Establishment contingencies (exclusive of charges for printing the report).
2,100	

Actually the travelling allowance has amounted to Rs. 1,556-15-0 and establishment contingencies to Rs. 120. An honorarium of Rs 50 was given to the clerk detailed from the office establishment of the Special Irrigation Division for the typing and clerical work in connection with the Committee. The cost of printing is estimated by the Manager, Government Central Press, Bombay, to be Rs. 533-2-0.

2. Official members attended to the work of the Committee in addition to their ordinary duties. Non-official members received no remuneration but drew travelling allowance

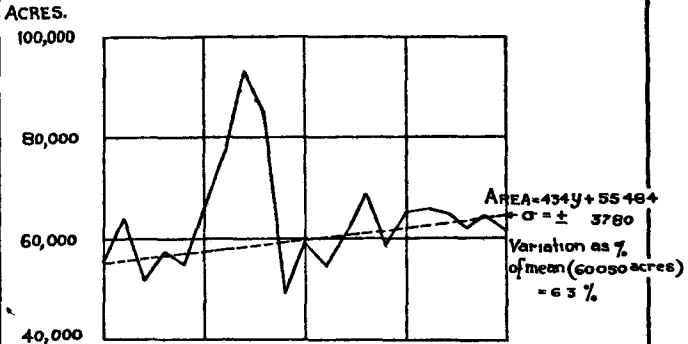
LIST OF PLATES.

- PLATE I—Graph showing cane areas in the Bombay Presidency excluding Sind from 1910 to 1930.
- „ II—Graph showing non-canal cane and rainfall (of the previous year) in the Bombay Presidency.
- „ III—Graph showing cane area in the Bombay Presidency (excluding Sind) and average annual rainfall in the Deccan.
- „ IV—Diagram illustrating the System of Irrigation followed by the Belapur Co.
- „ V—Chart showing comparative costs of the manufacture of
- sugar in large central and small local type factories.

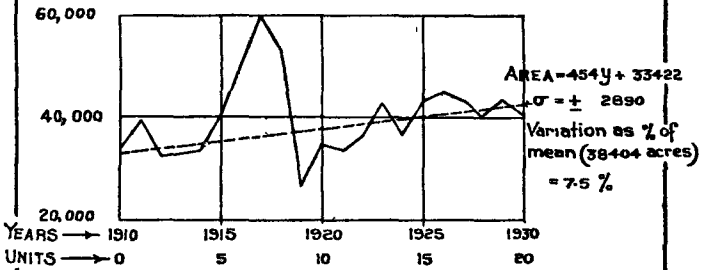
IRRIGATION DEVPT: AND RESEARCH CIRCLE.

SUGAR CANE AREAS IN THE BOMBAY PRESIDENCY

EXCLUDING SIND.



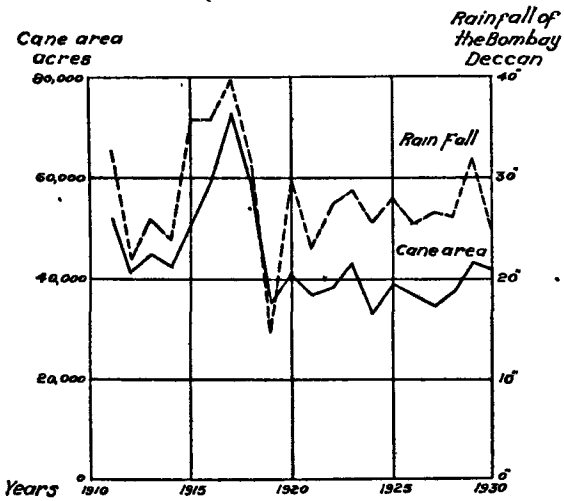
SUGAR CANE AREAS IN THE BOMBAY DECCAN



Note: Year 1915 to 1919 being abnormal have been ignored in the calculation of σ

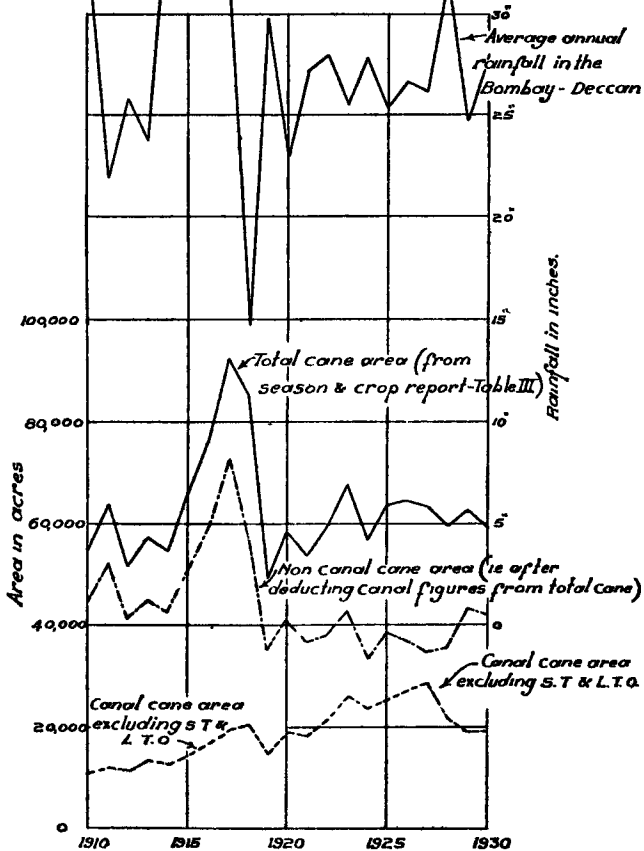
CCB
Superintending Engineer
Irrigation Devpt. & R.C.

Irrig. Dept. and Research Circle.
Graph showing non-canal cane & rainfall
(of the previous year) in the Bombay presidency.



C. B. J.
Superintending Engineer
Irrigation Dept. & R. C.

Irrign: Dept: and Research Circle.
Graph showing cane area in the Bombay Presidency
(Excluding Sind)
and average annual rainfall in Bombay - Deccan.

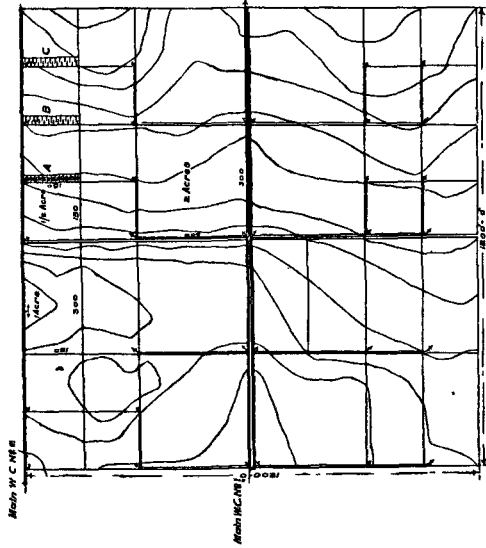


Note - Cane areas are exclusive of the cane areas of the Belapur Sugar Company & represent cane used for gur making only

C. S. J.
 Superintending Engineer
 Irrign: Dept & R.C.

SYSTEM OF IRRIGATION FOLLOWED BY THE BELMORA CO.

ELEV.



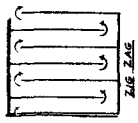
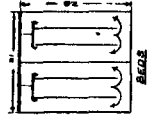
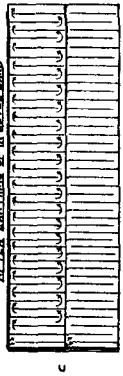
SYSTEM AT THE TIME OF PLANTING



THE MONTH AFTER



AFTER PLANTING UP IN LEVELLAND



NOTE: WATER CHANNEL 1 FOOT CHINING

Cost per maund of Sugar

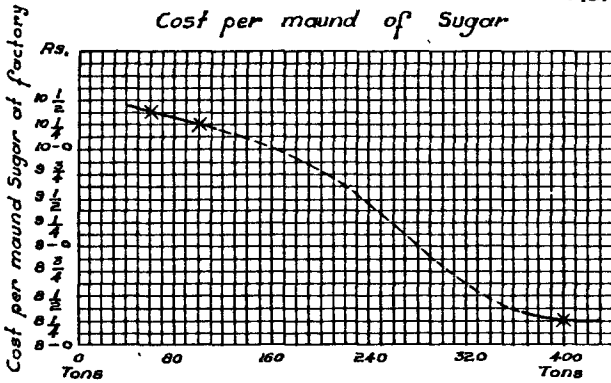


Figure of Mr. Fenton Millar

Detail	Capacity of Factory		
	In tons per day		
	60	100	400
N^o of Working days	120	120	120
quantity of Cane	7200 Tons (18,600 Mds.)	12,000 Tons (3,26,640 Mds)	48,000 Tons (12,06,500 Mds.)
Cost of Cane per ton	Rs 15/-	Rs 15/-	Rs 15/-
Estimated recovery of Sugar @	8.5%	8.5%	10%
or	16,660 mds.	27,764 mds	130,666 mds.
Capital required for factory erected	Rs 2,60,000/-	Rs 4,00,000/-	Rs 10,50,000/-

Note - (1) Depreciation and interest on Working capital included in all cases

(2) Other Overhead charges excluded in all cases

Cost of production -	Rs.	Rs	Rs
Cane 10 mds. 11.76 mds. & 11.76 mds respectively to make 1 md. of sugar @ 802 as per md. (Rs.15/- per ton)	1037	1037	682
Manufacture 60 100 400			
Material	248	248	167
Labour	70	60	38
Supervision	46	46	63
Repairs and Renewals	80	80	71
	444	434	339
Depreciation @ 6% (63,000/-, 24,000/- & 15,000/- respectively)	145	138	77
Interest on Working Capital @ 7% (2,50,000/-, 75,000/- & 50,000/- respectively)	34	30	21
Total	<u>1660</u>	<u>1639</u>	<u>1319</u>

For one maund sugar Rs. 10-6-0 Rs. 10-4-0 Rs. 9-4-0

Note:- Molasses - No allowance has been made for sale of molasses because it is not certain that a market could be found for this by product. on the basis, however, of Rs 1/- per maund for molasses of the factory this would be equivalent to about six annas for each maund of sugar produced.



Report
of the
Land Mortgage Committee

[Price—Anna 1 or 1d.]

BOMBAY
PRINTED AT THE GOVERNMENT CENTRAL PRESS
1931

Obtainable from the Superintendent, Government Printing and Stationery,
Bombay, or through the High Commissioner for India, India House,
Aldwych, London, W.C.2, or through any recognized Bookseller.

GA

From

K. L. PANJABI, Esquire, I.C.S.,
Registrar, Co-operative Societies,
Bombay Presidency, Poona (*Chairman*) :

and

Members of the Land Mortgage Committee ;

To

THE SECRETARY TO THE GOVERNMENT OF BOMBAY.
Revenue Department, Secretariat, Bombay.

Subject.—Land Mortgage Committee Report.

Sir,

In pursuance to Government memorandum, Revenue Department, No. 6576-A/24, dated 4th October 1933. we herewith submit our report.

2. As a result of the discussions at the Co-operative Round Table Conference in the first week of June 1933 at Poona, Government decided to convene a conference to examine the question of development of land mortgage banking with a view to relieve agricultural indebtedness. Government later on decided to entrust the enquiry to a Committee composed of the following :—

- | | |
|---|--------------------|
| 1. K. L. Panjabi, Esq., I.C.S.,
Registrar, Co-operative Societies,
Bombay Presidency, Poona | . <i>Chairman.</i> |
| 2. V. L. Mehta, Esq., B.A., Bombay | } <i>Members.</i> |
| 3. Professor V. G. Kale, M.A., Poona | |
| 4. G. P. Murdeshwar, Esq., B.A., LL.B.,
Bombay | |
| 5. Dewan Bahadur A. U. Malji,
Broach | |
| 6. Khan Bahadur A. A. Deshmukh,
Pachora | |
| 7. Fakirappa B. Laxmeshwar, Esq.,
Kurtkoti (Dharwar) | |
| 8. S. N. Pochkhanawala, Esq., J.P.,
Central Bank of India, Bombay | |
| | |

3. The question of Land Mortgage Banks in this Presidency was originally considered at the Gujarat Divisional Co-operative Conference in April 1923, when a Committee was appointed to consider the question in detail. In 1926, Mr. J. A. Madan, C.I.E., I.C.S., the then Registrar of Co-operative Societies, submitted to Government a scheme for institution of Land Mortgage Banks and this was considered at the Conference called by the Honourable Minister in charge of Co-operation. A Committee was appointed to draft a detailed scheme which was approved by Government in Government Resolution, Revenue Department, No. 6576/24, dated 26th September 1926. Government approved of the registration of two Land Mortgage Banks at Dharwar and at Broach as an experimental measure to be financed provisionally by the Bombay Provincial Co-operative Bank and agreed to buy its debentures worth 5 lacs of rupees carrying 4 per cent. interest at such discount as would not involve Government any loss. In order to provide the Land Mortgage Banks with sufficient capital, the services of a Land Valuation Officer for one year, free of cost, for each Bank were also provided. An additional bank for Pachora was also approved later and it was registered in 1928, while those at Broach and Dharwar were registered in January 1929. Debentures to the value of 2 lacs of rupees issued by the Bombay Provincial Co-operative Bank at 88 per cent. of their face value were also purchased by Government.

4. The Broach and Dharwar Banks finance members throughout the district, while Pachora Bank's operations are limited to the taluka itself. Every loan has to be finally sanctioned by the Bombay Provincial Co-operative Bank and the Registrar. The limit of individual finance has been fixed at Rs. 10,000. The bulk of the loans given by these three Banks has been chiefly for redemption of prior debts and in a few cases only the loans have been advanced for installing of costly machinery and for the improvement of land. Membership has been restricted to borrowers only but intending borrowers can also join. The Board of Directors of the primary Banks include a nominee of the Registrar and of the Provincial Bank and one elected by the debenture holders residing within the area of operation of these Banks. The

position of these three Banks as on 31st March 1933 was as follows :—

Land Mortgage Bank	Number of members.	Number of loans.	Amount of loans advanced.	Average loan per member
1	2	3	4	5
			Rs	Rs
Dharwar	74	68	1,36,825	2,012
Pachora	197	55	1,16,702	2,121
Broach	291	67	1,19,020	1,776
	562	190	3,72,547	1,961

Land Mortgage Bank.	Loans out-standing	Loans over-due	Loans from Bombay Provincial Co-operative Bank	Deposits.	Share capital.	Reserve Fund.	
						Profit	Loss
1	6	7	8	9	10	11	12
	Rs	Rs.	Rs	Rs.	Rs	Rs	Rs
Dharwar	1,25,489	1,812	1,25,490	<i>Nil.</i>	7,505	3,489	-2,784
Pachora	1,08,475	7,578	1,08,475	5,621	6,215	1,965	- 317
Broach	88,694	<i>Nil</i>	89,694	1,670	6,325	40	- 741
	3,22,658	9,390	3,23,659	7,291	20,045	5,494	-3,842

Out of Rs. 3,72,547 advanced by these Banks about Rs. 8,000 have been advanced for a period up to five years, Rs. 44,000 for a period from 5 to 10 years and the rest, with the exception of two cases, for a period of 20 years. In these two cases, the period has been fixed at 25 and 30 years. The overdues are 40 per cent. of the demand and out of 181 borrowers, 49 have defaulted. The Broach Bank has no overdues at all. The overdues in Pachora and Dharwar Banks are due mainly to the phenomenal fall in prices which could not be foreseen at the time the estimate of repaying capacity was made. The cotton and groundnut crops in Dharwar and Pachora during the last two years have also suffered heavily due to excessive rain. The estimate of the repaying capacity of the borrower has proved defective, in that sufficient allowance for variations in prices or for unfavourable seasons had not been made. Consequently, in bad years, no extension for the period of repayment of the loan could be given. In addition to the above factors some constitutional defects have also been

responsible for this state of affairs. Only borrowers or intending borrowers are eligible for membership and consequently, in unfavourable years there is not sufficient pressure exercised by the Board to secure repayment of the instalment. The powers of the Boards of the primary Banks have been too meagre to stimulate interest in the working of these Banks.

5. However, as far as the ultimate security for these loans is concerned, it is adequate, as against the outstandings of Rs. 3,22,658 the lands mortgaged have been valued at the present time at Rs. 10,58,782. The experience of these Banks has clearly shown that in case of these long term loans, the basis for calculation should be the prices averaging through an equally long term and that the possibility of unfavourable seasons should also be provided for. The experiment in Broach District has proved very encouraging due, no doubt, to efficient handling and comparatively favourable crops; and as the working of the Banks at Dharwar and Pachora has not revealed any insuperable objections militating against the success of these Banks, we are definitely of opinion that the extension of the system of Land Mortgage Banks on the lines laid down in our recommendations is not only feasible but eminently desirable.

6. At present, the Provincial Bank has been functioning as a Central Land Mortgage Bank through a separate Department. A margin of 2 per cent. was kept between the borrowing and lending rate and the primary Banks kept no margin at all. as it was thought that they would not have any substantial expenses to incur and that in case of a deficit budget the Provincial Bank would give a suitable grant. The sources of income for the primary Banks have been the following :—

- (1) Entrance fees ;
- (2) Valuation charges ; and
- (3) Interest on investment of their share capital subscribed by the members.

The Provincial Bank during these three years of working has suffered a paper loss of Rs. 15,496. Out of this, Rs. 9,120 constitute the sinking fund for debentures created by setting apart 1 per cent. of the face value of the debentures issued from the gross profits of the Land Mortgage Department of the Bank. A sum of Rs. 3,445 is recoverable from two primary Land Mortgage Banks for grants given to them. However, as the primary Banks have not got sufficient assets, about Rs. 1,000 out of this sum will have to be written off. The

net loss of about Rs. 7,375 is due to the inadequacy of the margin of 2 per cent. to cover the expenses of both the Banks, the interest charges which had to be paid on the loan advanced by Government but ultimately returned owing to the prohibitive rate of interest, and to the curtailment of operations necessitated by the uncertainty as regards availability of finance, while the staff had to be continued. The money raised by the Provincial Bank has been as follows :—

(1) Debentures to Government at 88 per cent.	Rs. 2,00,000
(2) Debentures to the Broach Bank at 88 per cent.	62,000
(3) Debentures to the Surat People's Bank at 94 per cent.	25,000
(4) Debentures to the Bombay Life Insurance Company at 96 per cent.	2,13,000

7. The agricultural depression, unprecedented for its range, extent and severity, has shown the urgency for provision of long term credit for agriculturists. Owing to the phenomenal fall in prices, the burden of indebtedness has more than doubled, while the margin of profit, owing to absence of corresponding fall in the expenses of cultivation, has greatly dwindled. The normal process of transfer of land from improvident agriculturists to money-lenders or good agriculturists had been greatly accelerated, with the result that even good and thrifty agriculturists who contribute to the stability of the rural areas are faced with the necessity of either selling out their land or repudiating their debts. The latter step is necessarily distasteful to them for both from policy as well as sentiment, repudiation is considered disastrous. The past records show that during the great famine of 1901, the agriculturists disposed of all the resources in order to meet their liabilities even at the risk of facing starvation and death. Such repudiation, they also know, will affect their future credit very adversely. The transfer of land from the improvident or the negligent cultivator to the industrious and thrifty agriculturist either directly or through the channel of the money-lender has been going on for ages and no one can prevent it, but the thrifty and stable agriculturist who forms a fairly large proportion of the population can be saved from the present crisis by provision of long term capital on a reasonable basis.

8. While the depression has not so far appreciably affected the production of crops, it is bound to, do so in the near future.

The money-lenders, partly owing to panic and partly to the absence of liquid resources, are not in a position to supply finance for current cultivation. Even the Co-operative Societies have considerably restricted their operations owing to lack of repaying capacity on the part of the borrowers. Under the circumstances, particularly in case of the larger holdings, either part of the land will be left uncultivated or sown with crops which require little capital outlay either in the shape of manure, irrigation or labour charges. The smaller holders are reserving their resources rather than discharging their liabilities so as to be able to carry on under the present circumstances.

9. Past indebtedness which involves control over the debtor as regards the disposal of the produce necessarily restricts the market for the crops, so that the prices obtained by agriculturists cease to have any reasonable relation to the cost of production. Also owing to the lack of liquid resources in the rural areas there is very often difficulty in the sale of produce which has not got a foreign market. We wish to point out that if the agriculturists are forced into repudiation of liability, the re-establishment of their credit later on will be an extremely difficult process and considerable chaos will be the natural corollary.

10. There is already a simmering discontent in the rural areas with regard to the cash liabilities of the agriculturists. Political parties, anxious to take advantage of the situation, have the provision of Land Mortgage Credit with State assistance as the main plank of their programme. During the past few years the harvests have been normal, but we cannot fully envisage the danger of the situation in case of a partial failure of crops. The chief reason for the institution of Land Mortgage Credit is the necessity of stabilising good and deserving agriculturists who are credit-worthy.

11. In addition to the above, there are certain favourable circumstances for an extension of the Land Mortgage system at present. The rural money-lenders at present are in a mood to compound their dues by accepting smaller cash payments and this opportunity should not be lost. We have been told that the Pachora Land Mortgage Bank has in some cases been able to secure reduction of as much as 40 per cent. of the paper liabilities and that similar discount will at present be obtainable in most of the districts. This programme of debt conciliation can be carried out by the Land Mortgage Banks and we are recommending elsewhere that this should form an important

duty of the Land Mortgage Bank and that cases where considerable reduction can be secured and which are otherwise eligible should be given preference for finance by the Land Mortgage Banks.

12. The other factor favourable for the institution of Land Mortgage Banks is the abundant supply of funds in the money market and the easy terms on which money against sound security can be raised. We are of opinion that this opportunity should not be lost.

13. In view of the fall in prices of agricultural produce, the adoption of means for increasing the income of the agriculturists has become imperative. Although illiteracy, lack of initiative and indifference have militated against the adoption of improved means of cultivation by agriculturists, yet lack of adequate finance on easy terms must have also been a cause. Consolidation of holdings, improvement of minor irrigation sources and of live stock, bunding operations in order to conserve moisture and the introduction of costly implements must consequently have been held up. Our scheme of land mortgage finance also provides for capital for the introduction of improved methods of agriculture for raising the income of the producer which has become so necessary at present.

14. The Co-operative Credit Societies have been unable to cope with this situation, for with the short term resources at their command they have not been able to confer appreciable benefits or to release the grip of the money-lender over the agriculturist. Until the short term credit is buttressed by long term credit, it cannot effectively tackle the problem of rural indebtedness.

15. The necessity of long term finance to the agriculturists having been established we must now consider the various agencies which can provide it. A Government Bank for this purpose would be only an extension of the Takavi system on an organised basis. No State can successfully tackle a Banking enterprise of this sort and, for this very reason, it has been rarely attempted in any country. The interests of the borrowers would be also limited to obtaining loans and there would be no scope for developing self-help and the capacity to organise among the agriculturists. The management also is likely to be very expensive and this would react on the cost of the credit supplied by the Banks if they are to run on a self-supporting basis. The joint stock Banks

established for this purpose are equally unsuitable for the same reasons, particularly as their aim will be chiefly to get as much profit as possible for themselves. In addition, it would not be possible for such banks to raise the necessary long term capital without Government assistance at least in the shape of guarantee of interest, and as such guarantee presumes effective control over the institutions, Co-operative Banks for this purpose are more suitable, as the control exercised under the Co-operative Societies Act is sufficiently effective for safeguarding the interests of Government. It is also our experience that the management of Co-operative Banks is cheaper as honorary services are available and particularly in this case the agency of Co-operative Societies for securing information about the assets and repaying capacity of the borrowers can be utilised. Land Mortgage credit can only be effective if it is given at the cheapest rates possible, and in the case of co-operative banks there are already severe restrictions on profiteering. The safeguards against the grant of inadequately secured finance can also be provided by the control of the Registrar over the Banks in respect of the grant of loans, and above all, the borrowers will participate in the management and in the profits earned after defraying the necessary expenses. This participation in management will bring to the Co-operative Banks an intimate touch with the rural areas, which would be sadly lacking in the case of any other type of institution. Further in case of Co-operative Land Mortgage Banks, the short term credit required by the borrower could be supplied by the credit societies in the same area, so that the requirements of the borrower, both in respect of short term and long term needs, will be supplied adequately by co-operative organisations.

16. The success of the Land Mortgage Bank would depend, besides the suitability of the area in respect of economic conditions, on two main factors, viz. the availability of good workers, both official and non-official, and the supply of capital at as low a rate of interest as possible. We cannot sufficiently emphasise the necessity of efficient staff to be maintained by these Banks. Initial valuation of assets and income together with periodical revaluation of the assets is of prime importance and for the efficient performance of this duty, it is necessary that the Valuation Officers should be men of integrity and should possess sufficient knowledge of this type of work. Nor can the enthusiasm, zeal and efforts of the non-official workers be overlooked, as experience in other Provinces has shown

that the success of the institution mainly depends on them. They supply local knowledge, local influence and local guidance. Only to the extent to which devoted workers of this type are available, can we entertain any hope that the institution would run well. Under the present scheme in Bombay the control has been over-centralised in the Provincial Bank. Experience has shown that the success of the local institutions is in direct proportion to the interest and enthusiasm of the local Directors.

17. Another factor necessary is a low rate of interest and this intimately depends on the measure of assistance from Government, the rigidity of the valuation of the properties mortgaged and the general credit and the resources of the institution issuing the debentures. We have already indicated the reasons why these Banks should receive full support of Government and why the existing co-operative credit societies working on the basis of short term deposits cannot give long term loans for this purpose, for it would be both unsound and risky. Long term capital, however, cannot be raised in the market without special Government assistance, and we recommend that Government should guarantee both the principal and the interest of the debentures issued by a Central Bank for a specified sum. Without such guarantee money could not be raised to such a large extent and, if it can be raised at all, it will be only at a prohibitive rate of interest. The Madras Government have guaranteed debentures issued by the Central Land Mortgage Bank to the extent of 50 lacs at a rate of interest not exceeding $6\frac{1}{2}$ per cent. The earlier issues of debentures at this rate of interest are, however, now being redeemed and substituted by debentures carrying a lower rate of interest. A Bill (No. V of 1933) is now being introduced by the Madras Government for guaranteeing the principal of the debentures also, so that these debentures could be classed as "Trust Securities" made more attractive and consequently floated at a lower rate of interest. With all the safeguards that we propose in respect of the appointment of the appraisers and nomination on the Board of Directors of these Banks, we can only repeat what has been stated in the Royal Agricultural Commission Report that "It is extremely unlikely that the guarantee of interest will ever involve Government in loss, while the sinking funds are increasing at a rate which should prevent the debentures from falling much below par for any considerable period. It is improbable that such issues will in any degree restrict the

market for Government loans, so that the State is able to inspire confidence in an important movement without any loss or embarrassment to itself."

18. In order to safeguard Government interests as well as to subsidise these Banks which would otherwise work at a loss in the initial stages, Government should lend the services of Valuation Officers free of cost at least for a period of three years, as has been done in Madras where the services of 14 appraisers called "Sub-Deputy Registrars", each being in charge of three or four Banks, are lent free of cost to these Banks. As the work develops it will not be possible for the Registrar to look to it properly. In Madras they have already appointed two Deputy Registrars, each in charge of about 20 Banks. In addition, the Government of Madras have given a grant of Rs. 29,000 during the last three years to defray the expenses of the Central Land Mortgage Bank. This assistance from Government may look rather extravagant, but in addition to what has been done in Madras, we have still a better precedent in the munificent assistance given by Government in Great Britain in 1928. The Agriculturists' Credit Act of 1928 provides a subsidy of £10,000 per annum for a period of ten years, to defray the cost of administration of the "Mortgage Corporation" established by that Act. A sum of £750,000 to be paid during three years has been sanctioned as a Guarantee Fund for this Corporation free of interest for 60 years and the Treasury has been authorised to under-write the debentures to be issued by the Corporation up to a sum of £5,000,000 and even to subscribe to the debentures up to an amount not exceeding one-fourth of each issue of debentures and not exceeding in the aggregate £1,250,000. Such Government subsidies could not have been given unless it was felt that the scheme of Land Mortgage credit could not work without such help. As a matter of fact Land Mortgage Banks have received active and generous support from Government in all countries. Our specific suggestions for Government assistance are that the Provincial Government should guarantee the debentures issued by the Co-operative Central Land Mortgage Bank both as regards principal and interest up to a sum of 50 lacs of rupees in the first instance at a rate of interest not exceeding 5 per cent. per annum. Debentures should be issued only to the extent of loans advanced and against definite security. The liability to Government would be limited to the extent of the actual issue. In return, Government should nominate the Trustee or

Trustees for these debentures. Government should lend the services of trained men for the purposes of valuation of assets for a period of three years in the case of each Bank, free of charge, and they should also give a grant to the Central Land Mortgage Bank to the extent of the actual deficit in its budget limited to Rs. 10,000 a year. We might point out that as we have provided for a margin of 3 per cent. between the rate at which the Central Bank would borrow and the rate at which the primary Bank would lend, the deficit, except in the initial stages, is not likely to occur at all, but as a trained staff particularly for the superior posts will be necessary and as any economy in this respect would be fatal to the success of these institutions, Government may have to incur some expenditure in this respect in the earlier stages. These debentures should also be classed as "Trust Securities" so as to add to their attractiveness and reduce the rate at which they can be floated. Besides the appointment of the Trustee by Government, Government should also have a right to nominate two Directors on the Board of the Central Land Mortgage Bank out of the total maximum strength of nine, and one representative on the Board of each primary Bank; and the Registrar of Co-operative Societies should have the power of appointment, transfer and dismissal of the appraisers of these banks when they are maintained at the cost of the banks. The Trustee or Trustees appointed by Government should hold all the mortgage deeds assigned by the primary Banks to the Central Land Mortgage Bank and the Central Land Mortgage Bank should issue the debentures only with the approval of the Trustee. In addition, we recommend that the Land Mortgage Bank, notwithstanding anything contained in the Transfer of Property Act, 1882, should have the power, in default of payment of the mortgage money or any part thereof, to bring the mortgage property to sale without the intervention of the Court, provided a notice in writing is served on the persons who have any interests in, or charge upon, the property mortgaged and their objections have been heard by the Bank. The sales shall be conducted by an Officer appointed for the purpose and by the Registrar and by public auction. In case an amount in excess of the liabilities of the bank is realised, the surplus should be returned to the owner or owners in proportion to their interests in the property. These provisions are the same as are sought to be conferred by Government by Section 12 of the Bill (No. V of 1933) to be introduced in

Madras Province. In addition to the above, we recommend that Government should authorise the supply of Certificates from Registry Offices, showing the transactions in respect of the properties offered for mortgage to the Land Mortgage Banks during the last 20 years. This facility has also been given to the Land Mortgage Banks in Madras by Government, as it is necessary that a complete history of the property forming the security of the debentures should be available to the Land Mortgage Banks free of cost.

19. In order to widen the scope of operation of these Land Mortgage Banks and to spread the benefits to as large a number of persons as possible, we recommend that wherever possible, the Land Mortgage Bank, instead of paying out the entire sum for redemption of prior debt, after effecting a moderation of the debts by amicable settlement, should agree to pay to the creditor in such instalments as would be recovered from the borrower. This may be done either directly or by asking his creditor to keep the sum as a deposit in the bank, repayable in instalments for a period fixed for the payment of the debt by the borrower. This would simply mean that the Land Mortgage Bank acts as the intermediary for effecting a conciliation as far as the paper debt is concerned and for guaranteeing the repayment of the instalments as fixed. If the debentures issued by the Land Mortgage Bank are guaranteed by Government as regards the principal and interest, we anticipate that several creditors would agree to the above proposal and the money raised from the debentures will, in that event, be necessary only when, owing to unfavourable seasons, the instalments are not paid regularly.

20. Such a scheme offers all the advantages of voluntary conciliation of debts at the lowest cost possible and without either restricting the benefits to a narrow section of the public or involving Government in undue risk. The information supplied by the local Directors of Co-operative Banks as regards the valuation of the assets and the repaying capacity of the borrower will be very valuable as they would be intimately in touch with the area. Also the conciliation effected by the influence of these Directors who have intimate knowledge of the surcharges by the different money-lenders will be related to the actual circumstances of each case and the pressure for repayment of the instalment due by men of local influence and knowledge will go a long way towards securing punctual repayments.

21. With regard to the machinery of supplying this finance, we consider that the present arrangement whereby the Bombay Provincial Co-operative Bank performs the functions of a Central Land Mortgage Bank is entirely unsuitable. The Provincial Bank works mainly on short term deposits and the utilisation of part of its funds for long term investments in this manner is likely to react on its credit. Besides, this is a special type of business which requires distinctive handling and expert staff. We envisage a considerable extension of Land Mortgage Banking under our scheme and for this purpose the resources in men and money of the Provincial Bank would not prove adequate and hence the Provincial Bank is reluctant to continue this line of activity. We are of opinion that for the successful consummation of our scheme the registration of a Central Land Mortgage Bank is imperative.

22. The object of such a Bank would be to finance the primary Land Mortgage Banks by issuing debentures, to inspect their working and to give them general advice and help in their operations.

23. The constitution of such a bank is suggested in the draft bye-laws in appendix 'A'. The distinctive features are the introduction of individual members, the provisions with regard to the issue of debentures, the constitution of the Board of Directors, the rules governing the grant of loans, the utilisation of the recovery from the borrowers and the circumstances under which the period of repayment of the instalment can be extended.

24. The membership of the Bank should be open not only to primary land mortgage banks but also to eligible individuals as the introduction of non-borrowing individual share-holders, according to the experience in the Madras Province is likely to conduce to business strictness in the management of the bank. It may be argued that this is a departure from the strict co-operative principle of confining the benefits of the profits primarily to the borrowers. But experience has shown that the profits in land mortgage banking where the rate of interest has to be kept as low as possible are very meagre. Besides we have further curtailed the profits by further providing for a fifty per cent. contribution to the Reserve Fund and checked any tendency towards profiteering by fixing the maximum dividend payable at $6\frac{1}{4}$ per cent. It is very unlikely that the individual share-holders will ever get more than a fair return on their capital while the bank will be able to enlist the co-operation of public spirited gentlemen

and secure valuable guidance, which would act as a check on any unhealthy tendency on the part of the borrowing members. The bank should be on a limited liability basis, the liability of the share-holder being limited to the unpaid portion of the share capital.

25. The Central Land Mortgage Bank should issue bearer debentures of the denomination of Rs. 100 each at par with interest coupons, and varying in period from 15 to 25 years according to requirements. The rate of interest payable should be fixed by the Board of Directors with the approval of Government and according to the prevailing market conditions in respect of similar loans or issues guaranteed by Provincial Government. While issuing debentures, preference should be given to co-operative banks, if they want to purchase the debentures. The debentures should be issued against the definite security of land mortgaged to primary Land Mortgage Banks and assigned to the Central Land Mortgage Bank as and when required to the extent of the loans actually advanced. The mortgage deeds should be held by the Trustee or the Trustees appointed by Government. Interest on these debentures should be payable every six months for a period ending 31st of December and 30th of June in order to make the debentures more attractive. The instalments payable by the borrowers should be fixed in such a manner as to bring in before the due dates the amount payable as interest. The debentures should be redeemable at six months' notice at the option of the Banks, any time after five years from the date of issue. No debenture holder, however, can demand repayment of the value of the debenture before the expiry of the period for which the debenture was issued. The powers of the Board of Directors in the matter of investment or deposit of surplus fund or redemption of debentures should be subject to the control of the Trustee or the Trustees appointed by Government.

26. The management of this Bank should be vested in the Board of Directors formed annually at the General Meeting and should consist of not more than nine persons of whom two shall be nominated by Government, one shall be representative of the Provincial Co-operative Bank, one shall be representative of the Provincial Co-operative Institute, three should be elected by the primary Land Mortgage Banks grouped into regional constituencies when their number exceeds the number of Directors to be elected and one should be elected by individual members when their number exceeds ten but not fifty

and two Directors when their number exceeds fifty. These should form a separate constituency. The Board should elect a Chairman and a Vice-chairman from among themselves.

27. The funds of the Central Land Mortgage Bank should be utilised for loans to primary Land Mortgage Banks only. All applications for loans to primary Banks should be subject to the sanction of the Central Land Mortgage Bank. The Central Land Mortgage Bank should have the right to demand additional security in case the original security has depreciated or deteriorated and, in case of default, to regulate the loan.

28. The period for which the loans are advanced should not exceed 20 years except with the previous sanction of the Registrar. It should, however, be three-fourths of the period for which the debenture has been issued so as to allow for a margin of time that may be necessitated by extension of the date of repayment of instalment under abnormal condition. The margin of rate of interest between borrowing and lending rates of the Central Land Mortgage Bank should be one per cent. and a half.

29. Recoveries should be strictly enforced unless extraordinary conditions necessitate a renewal. Payments before due dates should be accepted and the Central Land Mortgage Bank may require the primary Land Mortgage Bank to give it sufficient notice in such cases. Subject to the approval of the Trustee or the Trustees, the recoveries may be used :

- (a) for issuing a fresh loan for a period limited to that for the redemption of debentures issued on that security ;
- (b) for purchasing its own debentures ;
- (c) for redemption of debentures ; and
- (d) for investment in securities or in a mode permitted under the Act.

30. Loans should be renewed only in exceptional cases and in any case not more than once in four years and only after the agreed interest is fully recovered. The mode of repayment should be by a system of equated instalments. Forfeited shares, recoveries of fine, entrance fees and 50 per cent. of the net profits every year should be credited to the Reserve Fund. Out of the balance a dividend not exceeding $6\frac{1}{2}$ per cent. may be paid. The Reserve Fund should be invested in Government Securities or in such manner as the Registrar permits and should not be drawn upon except with his sanction.

PRIMARY LAND MORTGAGE BANKS.

31. We consider that a careful and detailed enquiry conducted by the Officers of Co-operative Department with the help of those of the Agricultural and Revenue departments should be made before a Land Mortgage Bank is registered. Undue haste in this respect is likely to prove fatal to the scheme. The causes and extent of the indebtedness and how far the Land Mortgage Bank can relieve it should be ascertained first. The ability to organise themselves and the capacity for thrift among the prospective borrowers should be examined. Their sense of loyalty towards their obligations as evinced by the success or otherwise of Co-operative Societies in the area would be a valuable index of the suitability of the tract. Disinterested local workers capable of giving effective lead to the agriculturists should be available for working on the Directorate. In order to ensure punctual repayments the liability of the tract in respect of deficient water supply and partial failure of crops should be ascertained from the figures of annewaris of crops of past years available in the land revenue records. The tract selected should have fairly regular rainfall or suitable irrigational facilities. The extent to which the paper dues of the prospective borrowers can be reduced by amicable settlement with the creditors should form an important consideration for selection of the area.

32. In appendix A we attach a copy of the draft bye-laws suggested by us. We give below our observations on the salient points.

33. The area of operations of a Land Mortgage Bank should be as compact as possible, but it should be selected with a view to secure a suitable economic unit, which we consider to be about 100 borrowers requiring finance to the extent of Rs. 2 to 2½ lacs. If these conditions can be secured in a taluka, there is a promise of good and economic management, but failing that the area of operations may be larger but should never extend beyond a revenue district.

34. Membership should not be restricted to borrowers only, but should be open to non-borrowers also. As in the case of Central Land Mortgage Bank, we are of opinion that the introduction of non-borrowing members is likely to conduce to business strictness in the management of the Bank, and as there are severe restrictions on profiteering, we think that the provision of admission of non-borrowing members will be availed of only by public spirited leaders whose guidance

and local influence is likely to be a definite asset to the Bank. The coparceners of the borrower may also be admitted to a distinct class of membership in order to facilitate dealings with them, but they should have no right of vote or participation in management. Non-borrowing members should hold at least 10 fully paid up shares of Rs. 5 each. The borrowing members should hold fully paid-up shares to the extent of 5 per cent. of their borrowings. The coparceners of borrowers should hold at least one share of the nominal value of one rupee. The share capital so raised should be deposited or invested in the shares of the Central Land Mortgage Bank provided the investment in shares shall not be less than 5 per cent. of its borrowings from the Central Land Mortgage Bank at any time. The liability of a member should be limited to the amount remaining unpaid, if any, on the shares subscribed by him.

35. The loans may be given to persons resident within the area of the Bank who are or would become holders of agricultural land with the help of the loan, provided the coparceners of such members are willing to enrol themselves as distinct class of members and sign the mortgage bond. While granting loans, preference should be given to those persons asking for smaller sums and also to those that can take out endowment policies on their lives. Reduction of the dues with the help of the loan from the Land Mortgage Bank should be an important factor and, if possible the Bank should secure from the creditor an arrangement by which the amount finally decided upon should be paid in such instalments as will be recoverable from the borrower. Except with the special sanction of the Registrar no loan should be given in excess of Rs. 10,000. Loans up to Rs. 5,000 can be sanctioned by the Central Land Mortgage Bank on the recommendation of the primary bank and loans in excess of that amount should be subject to the approval of the Registrar. Ordinarily, period for which loans should be given should be limited to 20 years, but this can be exceeded with the special sanction of the Registrar. The objects for which the loans should be given should be :—

- (1) Redemption of lands and houses of agriculturists ;
- (2) Improvement of land and methods of cultivation ;
- (3) Installation and purchase of costly agricultural plant and machinery ;
- (4) Liquidation of old debts ; and

- (5) Purchase of land for the purposes of land improvement or consolidation of holdings or for bringing under cultivation cultivable waste, forest or fallow land.

36. The management of new Banks should, in the first instance, be vested in a Board nominated by the Registrar for a period varying from one to three years according to the availability or otherwise of suitable local workers. Thereafter, the Board should be annually constituted at the General Meeting. It should consist of four Directors elected by the members of whom at least one should be a non-borrowing member, one should be nominated by the Central Land Mortgage Bank, one by the District Central Co-operative Bank operating in the area, one by Government and one by the Provincial Institute. The powers of the primary banks should be to examine the loan application, nature of the security offered and the capacity of repayment of the borrower, to effect a settlement of the dues between the applicant and his creditor to recommend the grant of loan or otherwise to the Central Bank to effect recoveries and in case of misapplication of the loan to recall it or to demand further security in case of depreciation of the assets. The valuation of the assets as well as an estimate of the income of the applicant should be made by Land Valuation Officer lent by Government in the initial stages and later on appointed by the Registrar at the cost of the Bank. The rate of interest charged by the primary banks should not exceed one and a half per cent. over the rate at which funds are borrowed from the Central Bank. The Bank should, in addition, recover the valuation charges and the fees for examination of legal title on a scale fixed with the approval of the Registrar. The security demanded for the loan should be the first mortgage with possession of freely transferrable land of the value of at least twice the amount of the loan granted and yielding such income as would, on a reasonable calculation, if leased out, fetch an amount equal to the instalment due on the loan. This security should be revaluated periodically at least once in three years and in case of depreciation below the margin of safety, additional security should be demanded and in case of default the whole loan should be recalled. The two systems of recovery by means of equated instalments or equal instalments of principal have both their advantages and disadvantages. However, as equated instalments appear to be more suitable as being within the means of repayment of the borrower and easily understood by him, we recommend that this system should be introduced. *No extension of the date of repayment

should be granted unless the interest is recovered and the conditions really justify it, such as failure of crops, but in any case such facility should not be given more than once in four years, and when such extension is granted, all future instalments of principal should be pushed forward by one year.

37. The land mortgaged to the primary bank should not be subsequently encumbered, transferred or alienated in any manner without the previous sanction of the Bank and it should also be one of the conditions that the produce of the mortgaged land should be sold through the Co-operative Sale Organisation, wherever existing.

38. Out of the net profits of the Bank 50 per cent. should be carried to the Reserve Fund and out of the balance a dividend not exceeding $6\frac{1}{4}$ per cent. may be declared.

39. In conclusion, we would like to urge the early adoption of our scheme, as the circumstances at present are such as to demand without delay the provision of long term credit on the lines recommended by us. These circumstances have been set forth fully in our Report, but we would emphasise here, particularly the pressing need of the agriculturists to reduce the burden of their cash liabilities, the likelihood of securing facilities from the sowkar for the settlement of their outstanding claims, and the prevalence of abnormally easy condition in the money market. In case this favourable opportunity is missed, the pressure of debt may grow to such an alarming extent that it may lead to agrarian discontent and may shake the foundations of rural economy. We may note that in view of the situation created by the present depression, steps have already been taken in other Provinces and in Indian States to set up some special machinery for land mortgage credit and we hope that the Government of Bombay also will not fail to give their urgent attention to this question.

We have the honour to be,

Sir,

Your most obedient servants,

(Signed) K. L. PANJABI (*Chairman*).

(") V. G. KALE,

(") G. P. MURDESHWAR,

(") VAIKUNTH L. MEHTA,

(") A. U. MALJI,

(") A. A. DESHMUKH,

(") F. B. LAXMESHWAR,

(") S. N. POCHKHANWALA,

} *Members.*

APPENDIX A.

BY-LAWS OF THE BOMBAY CENTRAL LAND MORTGAGE BANK LIMITED.

1 The Bank, which is registered under the Bombay Co-operative Societies Act, 1925, shall be called the Bombay Central Co-operative Land Mortgage Bank, Ltd.

2. Its registered address will be In the event of any change in the address notice of such change shall be given to the Registrar within eight days of the change and published in a local newspaper.

3. In these by-laws "the Bank" means the Bombay Central Co-operative Land Mortgage Bank Ltd., "primary bank" means a district co-operative land mortgage bank registered under the Bombay Act VII of 1925 with the object of granting long-term loans to its individual members, "the Board" means the Board of Directors of the Bank, "Government" means the Government of Bombay, "Act" means the Bombay Co-operative Societies Act, 1925, and "Rules" mean the Rules under the Act for the time being in force

Area of Operations.

4 The area of operations of the Bank may extend to the whole of the Bombay Presidency excluding Sind.

Object.

5. The primary object of the Bank shall be to finance the primary banks.

6. In order to fulfil the object, it shall have the power to—

(a) float debentures, on the security (of its assets and) of land mortgages ^{assigned} _{transferred} to it by the primary banks for such period and on such conditions as may be approved by Government ;

(b) receive deposits and borrow loans ;

(c) grant loans to primary banks on such terms consistent with their by-laws as the Board shall decide ;

(d) acquire such immoveable assets and construct such buildings as it may consider necessary for the proper conduct of its business ;

(e) supervise the working of the affiliated primary banks ; and

(f) appoint such staff as it considers necessary for the conduct of its own affairs and for supervision of the affiliated primary banks.

Membership.

7 Every primary bank situated within the area of operations of the Bank and any person resident within the area who has not borrowed from any primary bank is of over 18 years of age and is competent to contract is eligible for admission to membership.

8. Every primary bank or person applying for membership shall—
- (a) make a written application for admission ;
 - (b) pay up in full the (face) value of at least one share ;
 - (c) pay an entrance fee of Rs. ; and
 - (d) satisfy the conditions prescribed in by-law 7.

Note.—The signatories to the original application for registration are exempt from the condition in by-law 8 (a).

9. Any application for admission may be rejected and any application for subscription to share capital may be rejected or a smaller number of shares, than applied for, may be allotted by the Board without assigning any reason.

10. With one month's notice by the Board the General Body may expel—

- (a) any affiliated primary bank or suspend its managing committee or any elected member thereof, for persistent mismanagement of its affairs or wilful disobedience of its own by-laws or deliberate omission or commission of any act likely to damage the credit of the Bank ;
- (b) any person if he wilfully deceives the Bank by false statements, or is criminally convicted, or is bankrupt or legally disabled or intentionally does any act likely to injure the credit of the Bank.

Note.—Expulsion may involve the forfeiture of any or all shares held by the member.

11. One year after the date of admission and on discharge of all liabilities owing to the Bank, a member may resign by an application in writing ; but the resignation shall take effect only after it is approved by the Board.

12. Any person who is a member may, by writing under his hand, attested by at least two witnesses and deposited with the Bank, nominate any person, other than a servant or officer of the Bank, to whom the whole or a part of his share or interest in the Bank shall be transferred in the event of his death, provided the nominee is a member or is admitted as a member or to whom shall be given the sum representing the value of his share or interest in the Bank as at the time of his death and as ascertained in accordance with the rules or by-laws of the Banks.

13. (a) A primary bank shall cease to be a member if it is expelled under by-law 10 (a) or is dissolved or if with the approval of the Board it resigns its membership or transfers all shares held by it.

(b) A person shall cease to be a member on death or on expulsion under by-law 10 (b) or if with the approval of the Board, he resigns or transfers all shares held by him or borrows from any primary bank.

Funds.

14. The funds of the Bank may be raised by—
- (a) Shares ;
 - (b) Debentures ;
 - (c) Entrance fees and miscellaneous fees ;
 - (d) Deposits ; and
 - (e) Other borrowings,

provided the funds raised in accordance with by-law 14 (b, d and e) shall not exceed 20 times the paid-up share capital and the reserve fund and those raised in accordance with by-law 14 (d) and (e) shall not exceed two times the paid-up share capital and the reserve fund. .

Share Capital.

15 The authorised share capital of the Bank shall be Rs. _____
made up of _____ shares of the face value of Rs. _____ each.

16. The full face value of each share shall be paid in a lump sum on allotment.

17. One year after holding a share or shares, any member may transfer them with the approval of the Board to any other member or to any person or primary bank that is to be admitted as a member. The transfer shall not be complete until the name of the transferee has been entered in the Share Transfer Register and such fee as the Board may prescribe has been paid.

18. The paid-up share capital held by an affiliated primary bank shall at no time be less than 5 per cent. of its borrowings from the Bank.

19. The liability of a member shall not exceed the amount unpaid, if any, on the share or shares for which he or his estate is liable.

Debentures.

20. (a) The Board may issue debentures with a floating charge on the mortgages transferred to the Bank by the affiliated primary banks for such periods as the Board may determine from time to time. The period of debentures so determined shall not be less than 15 and not more than 25 years.

(b) The debentures shall be issued at par as bearer debentures of the denomination of Rs. 100 each, with half yearly interest coupons attached. The debentures (guaranteed by Government) shall bear interest at such rate as may be determined by the Board with the approval of Government (and as is warranted by the conditions of the money market and the rate of interest allowed on similar issues guaranteed by Government). .

(c) The debentures actually in circulation shall not at any time exceed the total value of mortgage-deeds $\frac{\text{assigned}}{\text{transferred}}$ to the Bank by the primary banks.

(d) The Board shall be competent to redeem any debentures after five years from the date of their issue ; but in such cases at least 6 months' previous public notice shall be given.

21. The Government shall appoint a Trustee or Trustees whose duty shall be to see that the Bank fulfils its obligations to the debenture-holders. They may require the Bank to transfer its interest in the mortgages $\frac{\text{assigned}}{\text{transferred}}$ to it by the primary banks. The investment or deposit or the surplus funds of the Bank, the disposal of recoveries paid in by the primary banks and the redemption of debentures shall be subject to the control of the Trustees.

22. (a) Any debenture, which by reason of damage or defacement sustained, has become unfit for circulation, will be replaced at the request of the holder on giving up the damaged or defaced debenture, provided the essential marks of its genuineness and identity are recognisable.

(b) The reissue shall always be made under the same number with the addition of the word, "renewed" and shall be made at the cost of the owner of the debenture concerned.

23. The debenture shall be signed and executed by at least two members of the Board and shall be countersigned by the Manager. The Bank shall have power to provide a common seal to be used for debentures and other deeds and documents of the Bank and the same shall not be used except by the authority of the Board and in the presence of at least one member of the Board.

24. No debenture holder can claim the repayment of the value of his debenture before the expiry of the period for which it was issued.

25. Every debenture-holder whose debenture is redeemed on notice under by-law 20 (d) shall be paid the sum for which the debenture was issued together with all interest due thereon up to the date of redemption. Debentures in respect of which notice of redemption has been given must be given up on the expiry of the term mentioned in the notice. Failure to hand in the debenture within the period mentioned in the notice shall result in extinction of the claim of the debenture-holder upon the Bank for interest accruing after the expiry of the said period.

26. Notwithstanding anything contained in by-law 20, the previous sanction of the Trustee or Trustees shall be necessary for—

(a) the issue of debentures or

(b) the conversion of one class of debentures into another class bearing a different rate of interest.

Management.

27. (a) The executive management of the Bank shall vest in a Board of Directors consisting of a maximum of nine persons of whom—

(i) two shall be nominees of Government (of whom the Registrar shall be one);

(ii) one shall be a representative of the Bombay Provincial Co-operative Bank;

(iii) one shall be a representative of the Bombay Provincial Co-operative Institute;

(iv) three shall be elected by the primary banks, grouped into regional constituencies when the number of such banks exceeds the number of Directors to be elected; and

(v) one shall be elected by a constituency of only individual members when their number exceeds 10 but not 50 or two shall be elected when their number exceeds 50.

(b) For purposes of election of Directors under by-law 27 (a) (iv and v), the delegates of primary banks and the individual members shall meet separately at the appointed place and time after the commencement

of the proceedings of the annual general meeting under the chairmanship of the President or in his absence of any delegate or member, as the case may be, who may be elected to preside over the meeting.

28. (a) The Board shall be elected annually at the annual general meeting of the Bank and shall hold office till a new Board is constituted and assumes office, provided it shall be competent to the general body to remove an elected member of the Board at any time and elect a successor for the unexpired period of his tenure of office

(b) Retiring Directors shall be eligible for re-election.

29. Every Director shall vacate his office (a) if he becomes insolvent or (b) if by reason of mental or bodily infirmity, he becomes incapable of acting or (c) if he absents himself from 4 consecutive meetings of the Board or (d) if after his election on the Board by the constituency of individual members, he ceases to be a member of the Bank or becomes a borrower in any primary bank or (e) if, after his election on the Board by a constituency of primary banks, he ceases to be a member of any of the primary banks forming the constituency by which he was elected or becomes a defaulter for any debts owing by him to any primary bank.

30. Any vacancy occurring in the elective seats on the Board shall be filled by co-option by the remaining members of the Board for the unexpired term of its office. Vacancies occurring in the nominated seats shall be filled by fresh nominations by the agency that has made the original nomination.

31. As soon as a new Board is constituted, it shall proceed to elect a President from among its Directors. The President or in his absence the person chosen by the meeting shall preside over all meetings of the Bank and the Board.

32. The meetings of the Board may be held for the disposal of business, adjourned and otherwise regulated as the Board thinks fit.

33. Five shall form a quorum for the meeting of the board. All questions shall be decided by a majority. Should there be equality of votes, the person presiding over the meeting shall have a casting vote. No Director shall be present at the meeting when any matter in which he is personally interested is (being discussed or) voted upon.

The Duties and Powers of the Board.

34. (a) It shall be the duty of the Board—

(i) to maintain such accounts and register as are prescribed by rule 14 under the Act and by the Registrar from time to time ,

(ii) to convene the annual and special general meetings, to publish the notice and the agenda of such meetings and to place before them all such matters as are to be dealt by them under these byelaws ,

(iii) to carry on correspondence with Government, the Registrar and any institution or person ; and

(iv) to arrange for the supervision of the affiliated primary banks.

(b) The powers of the Board are—

(i) to raise or borrow such sums as may be required from time to time for the purposes of the Bank in accordance with and subject to the provisions of these byelaws ;

(ii) to prescribe from time to time the scale of office establishment and to incur such expenditure as may be necessary for the management of the Bank subject to the limits sanctioned in the budget allotment by the general body.

(iii) To fix the amount and nature of security, if any, to be given by the manager and the staff employed by the Bank under byelaw 3†
(b) (ii and iii) ;

(iv) To suspend with the previous approval of the Registrar for a period not exceeding 6 months the managing committee as a whole or any member of the said committee of any affiliated primary bank for gross mismanagement of its affairs or for wilful disobedience of the Bank's orders or deliberate breach of its own byelaws. During the period of such suspension of the Committee as a whole, the Board shall, with the approval of the Registrar, make such arrangements for the necessary conduct of the business of the primary bank concerned as it deems fit.

(v) To delegate to the manager for the time being of the Bank and to authorise him to exercise and perform any of the powers and duties conferred or imposed on the Board, subject to such conditions and restrictions as the Board may think proper to impose. All acts done by the Manager in conformity with such regulations and in fulfilment of the purposes of such appointment, but not otherwise shall have the like force and effect as if done by the Board themselves.

(vi) To deal with applications for loans and extensions received from primary banks, to obtain such information as is relevant to their disposal, to determine the security, period of repayment, rate of interest and such other terms relating to the loans sanctioned to the affiliated primary banks and to determine the terms on which extensions are granted.

(vii) Subject to the control of the Trustee or Trustees as the case may be, (a) to invest the money at its credit in any investment or deposit authorised by clauses (a), (b) and (d) of sub-section 1 of Section 37 of the Act or in other securities approved by the Registrar, and (b) to proceed against the primary banks or the mortgagors or against both in case of default of payment of moneys due to the Bank.

(viii) Subject to the control of the Trustee or Trustees as the case may be, and also the provisions of byelaw 20, (a) to redeem the debentures in advance of their period and (b) to determine from time to time the value of debentures to be redeemed in advance of their period.

(ix) Subject to the provisions of the Act, Rules, these byelaws and resolutions of the general body to exercise all such powers, enter into all such agreements, make all such arrangements, take all such proceedings, do all such acts and things as may be necessary and proper

for the due management of the affairs of the Bank and for carrying out the objects of the Bank and for securing and furthering its interests.

(x) It shall be competent for the Board to frame subsidiary byelaws for the conduct of the business of the Bank consistent with the Act, the Rules and these byelaws, which shall come into effect only after they are approved by the Registrar.

35. (a) The Board shall cause minutes to be made in books to be provided for the purpose of the following matters —

(i) of the names of members of the Board present at each meeting of the Board.

(ii) of the proceedings of all general meetings ;

(iii) of the proceedings of all meetings of the Board.

(b) All such minutes shall be signed by the person presiding at the General or Board meeting or by the person who shall preside at the next General or Board meeting respectively, at which the business minuted shall have been transacted and all minutes purporting to have been signed by any person presiding over the General or Board meeting respectively shall for all purposes whatever be *prima facie* evidence of the actual and regular passing of the resolutions and transaction or occurrence of the proceedings, purporting to be so recorded and of the regularity of the meeting at which the same shall appear to have taken place and of the chairmanship and signature of the person appearing to have signed as Chairman.

36. All acts done in good faith by the Board shall, notwithstanding that it is afterwards discovered that there is some defect in the appointment of such Board or person on the Board, be as valid as if the Board or every such person has been duly appointed.

Powers of Officers.

37. Subject to such resolutions, as the Board may from time to time pass, the several officers of the Bank shall have the powers mentioned below :—

(a) The President shall have a general control over all the affairs of the Bank. He shall also have powers to appoint the members of the establishment, except the Manager, as well as to punish, suspend or dismiss them subject in the last two cases to the approval of the Board.

(b) The Manager shall be responsible for the executive administration of the Bank subject to the control of the President. He shall be the officer to sue and be sued on behalf of the Bank and all bonds in favour of the Bank shall be in the name of the Manager. All bonds by the Bank except those of moneys borrowed shall be executed by the Manager and those of moneys borrowed shall be countersigned by him. He shall sign the cash book in token of its correctness and shall be competent to incur contingent expenditure subject to a maximum of Rs. 100 for any item. He shall, in consultation with the President or in his absence, any Director authorised by the President, convene

meetings of the Board. He shall attend all meetings of the Bank and the Board and record the minutes of their proceedings and do such other work as may be entrusted to him. In the absence of the Manager, the President of the meeting may require any member of the establishment to record the said minutes.

(c) The Manager, and to meet any temporary emergency, any other officer of the Bank, with the authorisation of the President, shall have power for and on behalf of the Bank to operate on the accounts, to endorse and transfer any promissory notes, Government and other securities standing in the name of or held by the Bank, and to sign, endorse and negotiate cheques and other negotiable instruments, and to sign all receipts and all accounts and other documents (except the debentures which shall be countersigned by him) connected with the business of the Bank. The cash balance at the close of each day shall be taken charge of by the person appointed by the President for the purpose.

(d) The Manager shall have custody of all the properties of the Bank. He or in his absence, any other person authorised by the President, shall make disbursements in accordance with the directions of the Board.

38. The services of the Directors of the Board shall be gratuitous. They may, however, be granted a reasonable allowance within the scale prescribed by the General Body to meet their out-of-pocket expenses while engaged on travelling or otherwise in the execution of their duties as Directors.

General Body.

39. The general body of the Bank shall consist of the following members—

- (i) The Directors of the Board ;
- (ii) Individual members ; and
- (iii) Delegates representing the affiliated primary banks.

Note.—Every primary bank which is a member of the Bank shall each year at its annual general meeting appoint a delegate who shall represent the said primary bank at all general meetings of the Bank. The said delegate shall hold office so long as the said primary bank continues to be a member of the Bank or till a fresh delegate is appointed by the said primary bank at its general meetings.

40. The first General Meeting shall have the same powers and functions as any other General Meeting. It shall do the following before proceeding to transact any other business :—

- (i) Elect a person from among the original signatories present to preside over the meeting ;
- (ii) Formally adopt the byelaws approved and registered by the Registrar ;
- (iii) Consider and dispose of applications for admission to membership.

41. (a) The Annual General Meeting of the Bank shall be held within three months after the date fixed for making up its accounts for the year under the Rules.

(b) A Special General Meeting of the Bank may be called at any time by a resolution of the Board and shall be called within one month on the requisition in writing from—

- (i) one-fifth of the members of the Bank or 15 whichever is less
- (ii) The Registrar, and
- (iii) The Trustee or Trustees.

The requisition shall state the object for which the Special General meeting is to be called.

42. Ten days' clear notice shall be given to members for a meeting of the general body. The notice shall specify the date, place and time of the meeting and the business to be transacted at the meeting. No subject not included on the agenda can be discussed at the meeting unless $\frac{2}{3}$ of the members present are in favour of it. But, even then, no question of expulsion of a member or amendment to a bye-law can be discussed without regular previous notice

43. The General Meeting shall, among other matters, deal with the following :—

- (i) To elect the Directors of the Board under bye-law 27 (a) (iv) and (v).
- (ii) To receive from the Board the balance sheet and the report on the working of the Bank for the preceding year and to sanction the distribution of profits.
- (iii) To consider the audit and inspection reports received from the Registrar.
- (iv) To consider amendments to bye-laws.
- (v) To consider the expulsion of members under bye-law 10.
- (vi) To consider the complaints which any member may prefer against the Board.
- (vii) To appoint persons to audit the accounts of the Bank during the ensuing year and to fix their remuneration.
- (viii) To sanction the budget of the Bank for the ensuing year, and
- (ix) To do any other business duly brought forward.

44. Fifteen or $\frac{1}{5}$ th of the total number of members on the list at the time, whichever is less, shall form a quorum at a general meeting. If there is no quorum at any meeting convened in pursuance of a requisition under bye-law 41 (b) (i), it shall be dissolved and in other cases it shall stand adjourned for not less than 5 and not more than 10 days and the business of the meeting can be transacted even if there is no quorum at the adjourned meeting.

45. The President of the meeting or in his absence, any person chosen by the members present shall preside over the general meeting. All questions shall be settled by a majority of votes of the members present and voting. When votes are equal, the Chairman of the meeting shall have a casting vote. The voting shall be by show of hands. If $\frac{1}{10}$ th of members present demand a poll on any question, it shall be granted by the President and taken either immediately or within 15 days of the demand for a poll.

46. The funds of the Bank shall be primarily used for the purpose of granting loans to affiliated primary banks and the power to sanction such loans shall vest in the Board.

47. Loans due by way of principal from any affiliated primary bank shall not at any time exceed—

(a) the borrowing power of the said primary bank, as fixed from time to time in its bye-laws;

(b) Twenty times the paid up value of the shares of the Bank held by the said primary bank; and

(c) the value of mortgage deeds $\frac{\text{assigned}}{\text{transferred}}$ to the Bank by the said primary bank.

48. The application of a primary bank for a loan from the Bank shall be accompanied by applications for loans from members of the said primary bank, and the Bank shall be competent to make such further enquiries with regard to the security offered by, and the repaying capacity of, the intending borrowers and other matters connected with the said applications. In all cases the Bank is the sanctioning authority in respect of loans to individual members of affiliated primary banks. Other things in respect of the requirements for the sanction of loans to individual members of primary banks being equal, preference shall be given by the Bank to smaller loans as well as to loans in which the loanees agree to take out endowment policies on their lives and to pay the periodical premia and to assign the policies to the primary bank as additional security.

49. The security for loans advanced by the Bank shall be the deed of first mortgage of freely transferable land passed by individual borrowers to the affiliated primary bank and $\frac{\text{assigned}}{\text{transferred}}$ by the latter to the Bank. In those cases where a life endowment policy is taken out by the ultimate borrower and is assigned by him to the primary bank as additional security, such policies will also be further assigned by the primary bank to the Bank as collateral security.

50. If for any reason the Bank is of opinion that the security originally offered for the loan borrowed from it has become inadequate or has deteriorated or depreciated or is about to become inadequate or deteriorated or depreciated, it shall be competent for the Bank to call upon the debtor primary bank, by a notice in writing, to offer additional security to its satisfaction within the period stipulated in the notice. Failure to comply with the requirements of the notice shall entitle the Bank to recall the loan concerned at once whatever be the original terms on which the loan was advanced. Any sum outstanding against a primary bank which has been expelled or which otherwise ceases to be a member of the Bank shall become immediately repayable irrespective of any conditions on which the loan was granted.

51. The loans sanctioned to a primary bank shall be issued only after the assignment of mortgage deeds or life endowment policies or

both as the case may be, are assigned by the borrowing primary bank in favour of the bank.

52. The period of the loans granted by the Bank shall not ordinarily exceed $\frac{3}{4}$ th the period for which the debentures issued are to run and shall in no case exceed 20 years except with the previous sanction of the Registrar.

53 (a) The rate of interest on loans shall be determined in each case by the Board of Directors subject to a margin of $1\frac{1}{2}$ per cent. being maintained between the rate on loans and rate on debentures and also subject to a maximum rate of per cent. per annum on loans. It shall be competent to the Bank to charge a higher rate not exceeding per cent. on unauthorised arrears of debts due to it, as well as to recall the whole or any part of the loan outstanding with the primary bank in case it defaults payment of any instalment or its part on the date fixed for payment.

(b) Interest shall be calculated on the balance of loan outstanding at each payment for half or full month according as the days elapsed from the due date or a corresponding date of any month previous to the month of payment are less than 16 or more than 16 but not more than a full month respectively.

54. The loans granted by the Bank may be repaid either by a system of equated payments or by a system of equal instalments of principal together with full accrued interest to the date of payment on the loan outstanding before each payment. But the system of equal instalments of principal shall be introduced only with the previous approval of the Registrar.

55. It shall be open to the primary bank to repay a loan borrowed by it from the Bank wholly or partially before the date or dates fixed for repayment according to its convenience. It shall be competent to the Bank to require notice not exceeding months from the borrowing primary bank in case of such advance payments.

56. The Board may renew loans only in abnormal cases of distress and only after enquires and its satisfaction that such renewals are absolutely necessary. Such renewals shall not (on an average) be oftener than once in four years and shall be for a maximum period of one year. Renewal shall not be granted unless and until the interest accrued on the loan outstanding has been recovered in full to the date of recovery. When any instalment of a loan is renewed, all subsequent instalments may be pushed forward by a year.

57. When a member from whom money is due pays any sum, it shall be appropriated in the following order:—

- (1) Firstly to fines, postal registration and other miscellaneous charges due by the member;
- (2) Secondly, to interest; and
- (3) Thirdly, to principal.

Profits.

58. From the gross receipts of income interest paid and payable on debentures and other borrowings, all sums paid and payable on account

of costs of management and all other sums chargeable to profit and loss account for the year for which the accounts are to be made up under the Rules shall be deducted and the balance remaining shall be treated as net profits. The net profits of the Bank shall be disposed of as shown below —

(1) All forfeited shares, fines and entrance fees shall be credited entirely to the Reserve Fund ,

(2) Of the remainder, 50 per cent. shall be carried to the Reserve Fund ;

(3) Out of the balance, dividend at a rate not exceeding 6½ per cent. per annum may be paid to members proportionately to the amount of paid-up share capital held by each and also the period during which the paid-up share capital was so held during the year ; and

(4) Any balance remaining may be allotted to any or all of the following or may be carried over :—

- (a) Dividend equalisation fund ;
- (b) Common good fund ;
- (c) Propaganda fund ;
- (d) Building fund ;
- (e) Bonns to staff.

Reserve Fund.

59. (1) The Reserve Fund shall belong to the Bank as a whole and is intended to meet unforeseen losses. No member can claim a share in it. It shall be invested in such manner as the Registrar prescribes and shall not be drawn upon except with his sanction.

(2) On dissolution of the Bank the Reserve Fund shall be applied :—

(i) to discharge such liabilities of the bank as may remain undischarged after the enforcement in full of the liability of the members of the Bank ;

(ii) to the repayment of share capital actually paid up , and

(iii) to the payment of dividend upon such paid up share capital at a rate not exceeding 6½ per cent. per annum for any period or periods for which no dividend has been paid prior to the issue of the order for winding up of the Bank

(3) Such portion of the Reserve Fund as shall remain after payments mentioned in sub-clause (2) shall, with the approval of the Registrar and in the manner approved by him be utilised in any or all of the following ways :—

- (a) Investments till a new co-operative bank with similar objective is established ; or
- (b) distribution among the affiliated primary banks ; or
- (c) application to objects of public utility.

Inspection of Affiliated Primary Banks.

60 (1). Every affiliated primary bank may be inspected whenever the Board thinks fit.

(2) Inspection shall be conducted by one or more of the Bank's officers or by any person or persons specially authorised by the Board for the purpose.

(3) The officers of the affiliated primary bank shall afford every facility and assistance for such inspection.

61 (1). The inspection and examination of the affiliated primary bank shall be made in accordance with the rules drawn up by the Board and may embrace any or all the points of enquiry stated in the rules, and

(2) The result of the inspection shall be communicated to the affiliated primary bank concerned in such manner as may be determined by the Board.

62. The Bank (1) may require any affiliated primary bank to convene a general meeting and to take such steps for removal of the defects as it considers necessary; and (2) may draw up rules of procedure for the guidance of the affiliated primary banks and for the submission of periodical accounts and returns by them.

63. Every affiliated primary bank shall be bound to obey the orders and instructions issued by the Bank and to abide by these bye-laws and any subsidiary bye-laws and rules or any amendments made therein from time to time.

Amendments.

63A. Subject to the Rules, bye-laws can be amended, provided that notice of the amendment has been given to the Registrar and to the members at least 10 days before the date of the general meeting. The amendment shall take effect only after they are registered under section 16 (3) of the Act.

Balance-Sheet.

64. Within one month after the close of the year for which the accounts are to be made up according to Rules the Board shall draw up the statements showing receipts and disbursements, assets and liabilities and profits and loss for the preceding year and such other statements or returns as the Registrar may prescribe from time to time and submit a copy of each of such statements and returns to the Government Auditor.

Miscellaneous.

65. Every member of the Bank shall be supplied with a copy of these bye-laws.

66. The Bank shall be a member of the Bombay Provincial Co-operative Institute and pay its prescribed subscription.



Report
of
The Supervision Committee

[Price—Annas 3 or 4]

BOMBAY
PRINTED AT THE GOVERNMENT CENTRAL PRESS
1984

Obtainable from the Superintendent, Government Printing and Stationery,
Bombay, or through the High Commissioner for India, India House,
Aldwych, London, W.C.2, or through any recognized Bookseller

69

REPORT OF THE SUPERVISION COMMITTEE.

The Bombay Reorganisation Committee (referred to later as the Thomas Committee) in paragraphs 224 to 226 of its Report remarked that the existing arrangement for supervision of societies both by officials and non-officials resulted in duplication of work and that the poorly paid and ill-qualified supervisor, on whose work is mainly based the finance of societies, was not really a satisfactory agency of control. It was of opinion that it would conduce to greater efficiency of supervision and rehabilitation of the condition of societies if the large sum of money now spent on subsidizing the supervising unions was utilised in strengthening the Government audit staff. It recommended, therefore, that the full levy of audit fees (at $\frac{1}{2}$ per cent on the working capital) be credited to Government, that the posts of supervisors should be temporarily abolished and replaced by a smaller number of trained Government auditors. Such a step was expected to effect an incidental annual saving of Rs. 70,000 to Government.

2. These proposals were adversely criticised by the co-operative public on the main ground that the entrusting of the supervision of societies to Government sub-auditors would retard the development of the Movement towards full autonomy and would be attended by serious risk owing to the combination of audit and supervision in the same agency. With a view to elicit public opinion before orders were passed on these recommendations, a Co-operative Round Table Conference inaugurated by His Excellency the Governor and presided over by the Honourable Minister-in-charge was called in Poona on the 2nd and 3rd of June 1933. The Registrar explained his scheme for carrying out the recommendation of the Reorganisation Committee, but the Conference was of opinion that in view of the importance of the question, a Committee should be appointed to report on the question. Accepting this suggestion, Government, in their Memorandum No. 10056-A/28, Revenue Department, dated 4th August 1933, appointed a Committee of the following:—

- | | |
|---|--|
| <ul style="list-style-type: none"> (1) K. L. Panjabi, Esq., I.C.S., Registrar, Co-operative Societies, Bombay Presidency, Poona (2) V. L. Mehta, Esq., B.A., Managing Director, Bombay Provincial Co-operative Bank, Ltd. (3) Professor V. G. Kale, M.A., Vice-President, Bombay Provincial Co-operative Institute. (4) Professor H. L. Kaji, M.A., B.Sc., I.E.S., J.P., Sydenham College of Commerce, Bombay. (5) Dewan Bahadur A. B. Latthe, M.A., LL.B., Chairman, Belgaum District Central Co-operative Bank, Ltd. (6) C. M. Gandhi, Esq., B.A., LL.B., Chairman, Surat District Central Co-operative Bank, Ltd. (7) N. N. Patil, Esq., M.L.C., District Honorary Organiser, Co-operative Societies, Panvel, District Kolaba. (8) D. W. Raut, Esq., District Honorary Organiser, Co-operative Societies, Bassein, District Thana. | <p>.. <i>Chairman.</i></p> <p style="font-size: 2em;">}</p> <p><i>Members.</i></p> |
|---|--|

3. The following were the terms of reference :—

“ Whether the recommendations of the Reorganisation Committee in paragraph 225 should be accepted as worked out in detail by the Registrar of Co-operative Societies ; if not, whether the present system of supervision should continue, or whether any modifications of it should be adopted and if so, what.”

4. The Committee met six times in Bombay, examined all the available material on the working of the system of supervision in the Presidency together with its effects on the working of the rural primaries, compared it with the system in Madras, took oral evidence of Chairmen of Supervising Unions, Supervisors, Bank Inspectors and Auditors, had the benefit of consultation with Sir Chunilal V. Mehta, and after considerable informal discussion, formulated its recommendations as below. It has also examined the financial effect of its recommendations worked out in detail in Appendix A.

5. Though the Government Memorandum, appointing the Committee did not specifically exclude Sind, the absence of Sind co-operators at the Poona Co-operative Round Table Conference at whose instance our Committee had been appointed, the constitution of our Committee, the different condition under which the system of supervision has developed in Sind and finally, the impending constitutional changes in the relations of Sind with the other parts of the Presidency have induced us to confine our enquiries and recommendations to the Presidency proper and exclude Sind from their purview.

6. In this Province different agencies have been employed from time to time for the supervision of societies. In the initial stages of the Movement, supervision was provided by the departmental staff and the honorary organisers. As the Movement, however, developed, the departmental staff proved inadequate for this purpose and a feeling grew up that to ensure continuity and efficiency of supervision it could be best performed by a special staff working either under the representatives of societies formed into Unions or by the Central Banks. In pursuance of a resolution passed by the Provincial Co-operative Conference in 1912, three District Banks were converted into Banking Unions with powers of supervision and two fresh unions were registered. Gradually, however, it was felt that supervision agency which also guaranteed the advances to the societies would prove more effective and accordingly, Guaranteeing Unions on the Burma model were registered from 1915 onwards. These served as intermediaries between the financing banks and the societies and all the societies affiliated undertook mutual guarantee for loans advanced to them. The Unions employed a staff of supervisors for performing routine part of supervision. This system was expected to provide a convenient administrative unit for the Department, a suitable credit-assessing agency for the Central Banks and an excellent training ground for rural co-operators for developing a sense of initiative, responsibility and progress and for cultivating a better outlook and keener interest in the work of the societies.

7. The main features of these Unions were (1) restricted area with a compact group of societies, (2) mutual guarantee of borrowings by affiliated societies, (3) internal control by mutual supervision and (4) cash credit facilities to affiliated societies. In 1916, the power of expelling the members or reducing or suspending the credit of any of the affiliated societies was also given to the Unions. Nevertheless, very soon the defects in the Unions began to manifest themselves. The powers were generally misused while the duties and responsibilities of supervision were either neglected or evaded. The danger of interlocking the liabilities and the difficulty of enforcing them, as well as the strain on the resources of the Central Banks became apparent. Attempts to resuscitate the system proved ineffective owing to the fundamental defects.

8. The growth in the number and resources of the District Central Banks, which replaced the finance supplied by the Provincial Co-operative Bank from a district centre, further rendered unnecessary the continuance of these Unions. These Banks through their directors were closely in touch with local conditions and men, and the inspectors employed by them could effectively assess the credit of the societies and watch their financial operations.

9. The Provincial Conference in 1922, reviewing the question of Guaranteeing Unions, was sceptical about their utility and referred the question to a Special Committee. This report was further examined by another Committee in 1924 and as the recommendations are of importance, they are summarised below :—

(1) Inspection and supervision are distinct functions with distinct objectives and should not be combined in the same agency at any rate for the present. When in the fitness of time, the local supervising agencies develop, the function of inspection can also devolve on them.

(2) The guaranteeing unions have failed in so many ways to fulfil the expectations built upon them that they should not be extended further. Such of them as desire to continue should be allowed to do so if they adopt the revised bye-laws, but the lump credit granted to Unions should generally stop.

(3) Supervision work outside the City of Bombay has never been the object of the Institute implied or expressed. The Institute should, however, organise Unions, co-ordinate them and guide their work and utilise them as its responsible agencies for extension and development of the movement in all its aspects. It may assume direct responsibility for supervision and guidance in tracts which are educationally and co-operatively backward and where, therefore, the societies cannot be brought under the union system.

(4) Unions for supervision and control should be formed to cover suitably grouped societies, so that the fees recovered would be sufficient to meet the cost of employment of qualified and trained supervisors.

(5) Taluka development associations are unsuitable agencies for supervision both because of the nature of their functions and the form of their organisation.

10. These recommendations were accepted by the Registrar and the Institute. Existing guaranteeing unions were either converted into supervising unions or dissolved and fresh supervising unions were registered. The finances of the unions were put on a better footing by providing for grants from the central banks and Government. Arrangements for training and control of supervisors were made and pending the organisation of independent arrangements the propaganda officers of the Institute supervised societies in certain backward or undeveloped areas.

11. The Institute prescribed a course of training for all supervisors followed up by a test and a diploma was given to satisfactory candidates. As a result, the quality of work of supervisors was improved and more lively interest was taken by members of managing committees of the Unions in supervision of societies. In 1929, the Provincial Co-operative Conference passed a resolution recommending—

- (1) the continuation of free audit,
- (2) the compulsory levy of $\frac{1}{2}$ per cent. for supervision charges;
- (3) the pooling of the supervision funds by districts and controlled by the district boards;
- (4) the creation of a central cadre of supervisors by the Registrar in consultation with the Provincial Co-operative Institute.

12. In 1930, the mode of levying audit fees was so regulated as to encourage societies to affiliate themselves to the unions and the unions to levy fees at the rate of $\frac{1}{2}$ per cent. on the working capital. Audit fee is to be recovered at the rate of $\frac{5}{8}$ per cent. from all agricultural credit societies except those which are affiliated to Unions and pay a subscription of $\frac{1}{2}$ per cent. from whom only $\frac{1}{2}$ per cent. is recovered. This order has given a great impetus to formation of Supervising Unions except in backward or undeveloped tracts. At present, out of the 3,665 agricultural credit societies in the Presidency (excluding Sind), 2,788 societies are affiliated to 101 unions which maintain 112 supervisors. 254 societies are affiliated to taluka development associations doing supervision work, 60 societies to the Banking Union at Ahmedabad and the Special Mamlatdar in charge of Bhil Societies in Panch Mahala supervises 93 societies. Consequently, only 470 societies have no express provision for supervision as they are so scattered that the cost of supervision is almost prohibitive.

13. An ideal co-operative society should require little external supervision, being able to provide for all that is necessary by a managing committee elected by the general body and invested with powers adequate for controlling the societies. Such supervision would be internal and continuous and exercised by a body of honest and businesslike men. But the impossibility of achieving this ideal to any appreciable extent would be patent even to a casual observer. The lack of suitable persons to act as office-bearers in rural areas, the prevailing illiteracy and the indifference and apathy to personal interest, the lack of courage to oppose selfish interests and the absence of a spirit of self-sacrifice for

the larger good have necessitated the provision of close and continuous supervision over the societies. Supervision at the time of sanctioning the loans, supervision to see that the monies advanced are not misapplied, supervision to ensure punctual repayments and to check habits of extravagance and wastefulness, have become increasingly necessary. Simultaneously the members have not only to be trained in the matter of keeping the accounts of the society but continuously instructed in the ideals and practices of co-operation. Illiteracy, lack of knowledge of co-operative principles among the members, unreliable or incompetent managing committees, the domination of undesirable persons in the working of societies, the absence of effective local public opinion within the societies to check dishonest management and ensure proper administration of societies, the paucity of trained and reliable secretaries to maintain the accounts of the societies and to prepare elaborate statements and the difficulty of remunerating them adequately from the slender resources of the rural societies, all reveal the importance of providing good and efficient supervision for the rural societies.

14. Supervision properly comprehended transcends what the Government auditor or the Bank inspector can do for the society. It not only connotes the examination of the working of the society according to the Act, Rules and the Byelaws, or the security offered to the financing institution, but trains the members and the office-bearers in co-operative principles and the meaning of rural credit and unlimited liability. It alone can give that constant and expert guidance and advice and timely and adequate control which can build up the efficiency of the societies. It has not only to be content with pointing out the defects but has the more difficult task of getting them rectified or remedied. Supervision involves constant administrative assistance in routine work, advice on financial matters and general guidance both from the business and co-operative aspects.

15. The pivot of such supervision must necessarily be the well qualified, well paid, properly controlled and efficient supervisor. He alone can supply the necessary information and the driving force to the rural leaders for the betterment of the societies and with their local influence carry out the necessary reformation.

16 At present (31st March 1933) out of a total of 3,818 agricultural societies, 2,788 societies with a working capital of 284 lakhs of rupees are affiliated to 101 supervising unions, 254 societies are supervised by 5 taluka development associations, 93 societies by the Special Mamlatdar for Bhil societies and 60 by the Banking Union at Ahmedabad. The unions employ 112 supervisors and incur an annual expenditure of Rs. 1,36,193. The other agencies spend about Rs. 9,014 and maintain 10 supervisors. Fifty unions are self-supporting, while the rest have to rely on grants from Government and the Central Banks. The success achieved by these Unions has been commensurate with the resources available. More effective supervision, however, is necessary not only to relieve the great strain put upon the societies by the present

unprecedented depression and to check the consequent feeling of indifference, despair, and disloyalty induced among the members but also to ensure their continuous smooth working and sound development.

17. As is clear from the foregoing figures, only 86 per cent. of the agricultural societies (exclusive of taluka development associations) are at present affiliated to various supervising agencies. The extension of the system of supervision to the remaining societies, however, is held up by the comparative backwardness of the tracts in which they are situated, their scattered nature or low working capital which makes the cost of good supervision prohibitive without substantial aid from outside.

18. The problem of the supervision of these societies could be solved if the available supervision funds, which under our scheme include contributions from Central Bank, could be pooled together for the whole province. Much as we consider such a step desirable in the interests of the Movement as a whole, we are yet faced with the fact that public opinion is not yet ripe for it to the extent that a Central Bank in one district would contribute for providing effective supervision in another district, especially as such contributions would be on a voluntary basis.

19. We have examined carefully the scheme of the Registrar of Co-operative Societies propounded at the last Co-operative Conference based on the recommendation of the Reorganisation Committee. Apart from several minor objections, such as the lack of continuity that supervision conducted by official sub-auditors necessarily involves, we consider that the combination of audit and supervision, in spite of the check of super-audit, is fraught with considerable danger to the Movement. We are of opinion that the integrity of the statutory audit is of paramount importance to the movement and that the combination of audit and supervision is likely to detract from its efficiency. The audit done by an officer also responsible for the good management of the society is not likely to be so thorough and searching as it ought to be. The Registrar explained that his proposal was based on the idea of making supervision self-supporting while providing for a better type of supervisor than has been hitherto possible and that while agreeing with us on the possible danger of entrusting audit to the supervisor, he considered it was a choice between entrusting supervision to the sub-auditor or to an ill-paid and ill-qualified supervisor. He was willing to drop his proposal in favour of a scheme which, while not increasing the supervision fee levied from societies, could yet secure efficient supervision.

20. We are of opinion that provision of adequate supervision done by well-qualified and well paid staff is absolutely necessary and that the combination of audit and supervision in the same agency should be avoided, if possible. Economy on supervision by entrusting it to central banks is equally objectionable, as the supervision of a lender is likely to be partial and prejudiced and far below the thoroughness that we

aim at. The only way out of this impasse is to seek the financial assistance of central banks by a contribution based on their loan operations with the societies. The justification for this is the substantial assistance received by the banks from the Supervising Unions, not only in the assessment of credit for the borrowing societies but also in the recovery of their dues. The administrative officer of the Karnatak Central Bank in his oral evidence stated that his bank would have been compelled to augment appreciably its field staff but for the assistance derived from the Union supervisors. The development of an efficient system of supervision is of vital importance to the Central Banks who should not grudge fostering it at a little sacrifice. We entirely agree with the opinion of the Committee appointed at the Provincial Co-operative Conference of 1923 to examine and report on the question of supervision (which had a strong element of banking interests thereon) that, with the healthy growth of supervising unions, the functions of inspection would devolve on them to an increasing degree. Sir Chunilal Mehta, whom we had an opportunity of consulting on this issue, was of opinion that if the whole situation is explained to the Central Banks, there should be no difficulty in their agreeing to a voluntary contribution of $\frac{1}{4}$ per cent. on the loan operations with the societies, towards the supervision funds pooled for a district as a whole. This contribution would suffice except in Konkan and Gujerat where owing to the small number of societies, their scattered nature, low working capital, $\frac{1}{2}$ per cent. contribution by Central Banks would be necessary. The representatives of Central Banks on our Committee apprehend little difficulty in securing the acceptance of this proposal, and the Registrar agrees to this proposal but would like to point out that, if the Central Banks do not accept the above proposal, adoption of his scheme, a summary of which is given in Appendix B, would be inevitable. We recommend that this contribution should be levied from all central banks irrespective of the budgetary position of the respective districts boards. After five years, when adequate experience of this scheme has been gathered, the contribution of the central banks may be revised.

21. The 101 Supervising Unions, at present, spend Rs. 1,36,193 on the supervision of 2,788 societies. This money

Supervision Fee. is raised partly by supervision fees levied from the societies and partly by grants from Central Banks and Government. When the levy of audit fees was sanctioned by Government Resolution, Revenue Department, No. 3818/24, dated 28th December 1930, it was held that the agricultural credit societies could not afford the payment of audit fees as well as supervision fees. In order to encourage the Supervising Unions, it was ordered that the audit fees should be levied at a rate of 10 annas per cent., but societies which were paying 8 annas supervision fee were to pay only 2 annas per cent. as audit fee. The result is that a society has to pay 10 annas per cent. on its working capital, either in the shape of audit fee or in the shape of combined audit and supervision fee. In the same Government Resolution it was stated that out of the audit fees collected by Government, Rs. 25,000 should be credited to general revenues and the balance

earmarked for grants to supervising unions. During the last three years the grants so provided have totalled Rs. 86,700 and the grants actually asked for and paid to supervising unions have totalled Rs. 34,490. The balance has either been reappropriated or has lapsed to Government. We consider that the present rate of supervision fee is sufficient to secure good supervision except in the Konkan and Gujarat, where owing to reasons already explained the cost of supervision is rather high. In these tracts, we have worked out the expenses in detail and are of opinion that at present a levy of annas 12 per cent. is inevitable and that the contribution from the Central Bank should also be $\frac{1}{2}$ per cent. on loan operations instead of $\frac{1}{4}$ per cent. However, it may be possible to revise these scales later if the number of societies increase or the resources could be otherwise augmented.

22. At present, 255 societies are supervised by 5 Taluka Development Associations, 93 societies by the Special Agency for Supervision. Mamlatdar for Bhil Societies and 60 by the Banking Union at Ahmedabad. The supervision work was entrusted to taluka development associations as it was felt that it would not be possible to secure a sufficient number of rural workers for two institutions working in the same taluka and that as the functions of the agricultural development associations and of the supervising unions were closely allied, it would be both economical and profitable to have one institution combining the two functions. This experiment, however, has not proved very encouraging. Supervision, at present, has become highly technical and the societies are naturally insisting that the funds contributed by them should be under the control of their representatives entirely, while the managing committees of taluka development associations are likely to be composed of agriculturists who have not sufficient experience of co-operation to exercise the necessary control over supervision. One taluka development association has actually suggested that it should be relieved of supervision work. The co-operative movement has also produced sufficient leaders of its own to take charge of supervision independently. We understand that this question has been discussed in detail by the Joint Board consisting of the Director of Agriculture and the Registrar of Co-operative Societies and that they have resolved that it is desirable that taluka development associations should give up this activity and concentrate on agricultural development only and that supervision over societies should be entrusted to supervising unions only. However, we are of opinion that these institutions with allied aims should work in close co-ordination so as to secure better results and economy in cost.

23. Another agency doing supervision work is the Dascroi Co-operative Banking Union at Ahmedabad which acts as the Central Bank for these societies and also supervises the affiliated societies, levying $\frac{1}{2}$ per cent. charge on their working capital for the latter purpose. Supervisors employed by it combine the functions of supervision and inspection. Although no serious complaint has reached us from the societies in this

tract against the present system, yet we think this is due more to the personality of Rao Saheb Desaibhai S. Patel at the helm of the Banking Union than to any inherent benefits in the system. Supervision by creditor is never likely to be satisfactory. The interest of the Bank becomes too prominent and the societies look upon the supervisor rather as an agent of the bank than a friend, philosopher and guide. We are of opinion that this system should cease and that separate supervising unions for the societies financed by the Provincial Bank in this district also should be registered. It will slightly increase the cost of supervision as the societies will have to contribute a $\frac{1}{4}$ per cent. more on their working capital. On the other hand, the Bank can effect the necessary economy by retrenchment in the staff of inspectors.

24. We consider that supervision of Bhl Societies by a Special Mamlatdar should be continued. Co-operative work among these people is as much for their economic betterment as for their social regeneration and uplift. Some special type of supervision is necessary under the circumstances and the work of guiding, controlling and supervising these societies should continue to be entrusted to the Special Mamlatdar at the joint expense of Government and the Provincial Bank as at present.

25. The development of co-operation is not on a par in all the districts. Guided by the local enthusiasm and zeal of non-official workers some districts are highly developed while others have been almost neglected. Even in the districts some talukas have offered better soil for co-operation while others have proved inhospitable. At present, the funds of each union are kept separately with the result that even in one district some unions have abundant surplus funds while others are not in a position even to pay for good supervision, with the result that a weak union continues to remain so or grow weaker while the richer unions have a good surplus unutilised. At present, half the number of the existing unions have deficit budgets and the balance is recouped by equal grants from Government and the Central Banks concerned. As under the scheme, the District Boards of Unions would be the controlling units and the supervisors would be liable to transfer within the district, we consider that the supervision funds levied in a district should be pooled together under the control of the District Supervising Board. This has already been approved by the Provincial Co-operative Conference and we see no serious objection to this suggestion as it is based on co-operation among the strong and weak unions for the betterment of the movement in the whole district. In some districts the Unions have already passed a resolution suggesting the above.

26. In some European countries agricultural credit and non-credit operations are combined in the same institution for purpose of mutual control and supervision. We have, however, chosen to keep them separate on quite justifiable grounds though there is a close relation between the two and the success of credit co-operation is usually found to pave the path for non-credit

Extension of the System of Supervision to agricultural non-credit societies and non-agricultural credit societies.

credit co-operation

organisations and their eventual success. The mixing up of the two operations in the same institution, however, is one thing and federation of the two types of institutions for purposes of mutual aid and supervision is another. The agricultural non-credit societies need supervision as much, and sometimes much more than even the credit societies. Their working is usually more complicated, the chances of mismanagement are greater and the detection of the misdoings is more difficult. We see no reason why affiliation to supervising unions should not be compulsory in case of all such societies except the larger sale societies which could not be effectively supervised by them. Where there are a sufficient number of societies of this class, however, the ideal to be achieved should be a separate union for them. But if this is not feasible, affiliation with the supervising union is likely to conduce to definite improvement in their working. In fact, some of these societies deliberately chose to get themselves affiliated to supervising unions in the past. The Government Resolution, Revenue Department, No. 3818/24, dated 28th December 1930, which did not make any difference between the agricultural non-credit societies affiliated and non-affiliated to unions in respect of the rate of audit fees, has given a setback to these societies entering or continuing in the existing system of supervision, though in some districts they continue to remain affiliated. What is true of agricultural non-credit societies is equally true, in some respects, of non-agricultural credit societies in rural or semi-rural areas. We, therefore, recommend that even these societies situated in places with a population of less than 10,000 should be affiliated to the supervising unions provided they are not affiliated to a union of their own. The district board of supervising unions should, however, be empowered to exempt such societies from affiliation to a union if it is of opinion that the operations undertaken by such societies are predominantly non-agricultural (e.g., as in banks, salary-earners' societies, thrift societies, educational societies, housing societies etc.).

27. The inclusion of such societies within the existing system of supervision has the additional advantages of reducing the deficit of unions in backward or undeveloped tracts and also of providing some business talent in their management.

28. The scale of supervision fees and audit fees in the case of agricultural non-credit and non-agricultural credit societies should be the same as in the case of agricultural credit societies and the Registrar should move Government to modify their orders accordingly.

29. As regards the constitution and powers of the Supervising Unions, we recommend that the Managing Committee should consist of 9 members out of whom one should be the Chairman, 2 should be the nominees of the Central Bank and the district branch of the Institute and of the remaining 6, four should be elected by the affiliated societies constituted into suitable groups and two by the general constituency

composed of all societies. By providing for group constituencies as well as a general constituency, we are securing the influence of local people as well as the election of prominent people throughout the taluka. We recommend that the nominees of the bank or the instatute should be other than the paid employees of these instatutions, but the bank inspector or the propaganda officer should have the right to attend any meetings of the union and take part in the discussions.

30. In addition to the powers already enjoyed by the Unions in respect of borrowings by the societies, we consider that the unions should have greater powers for enforcing their recommendations on the societies. The secretaries of societies on whose timely and diligent work depend a good deal of success of societies are often ill-qualified, irresponsible and have but a fleeting interest in the affairs of the societies owing to the insecurity of their appointments depending on the temper and goodwill of the members constituting the general body. Often the defaulters are in a majority and the secretary has the alternative either of giving up his post or showing leniency to the defaulters. Without some control outside, these secretaries form the weakest link in the chain. We suggest that the secretaries of rural societies should be appointed for a period of five years with the approval of the unions with a proviso that for negligence or misconduct the incumbent is liable to be discharged earlier with the approval of the District Board of Supervising Union. In case, however, of secretaries in charge of a group of societies, the Union should have the power of appointment, punishment, transfer or dismissal subject to the approval of the District Board.

31. According to model by-law 15 of supervising unions, the power of suspending a committee of management or any member of such committee for a period of 3 months rests with the Central Bank subject to the recommendation of the union and the approval of the Registrar. The present practice, however, has been that the union takes the initiative, consults the Central Bank and gets the approval of the Registrar. We think that such powers are of considerable benefit where any managing committee proves recalcitrant, but the present period of 3 months is too short for carrying out the necessary process of reformation. We suggest that the period of suspension should be a maximum of 12 months and that instead of the Registrar's approval being necessary, that of the District Board should be sufficient.

32. These additional powers will enable the unions to exercise a better control over the working of societies, but it is equally necessary to ensure the proper management of the unions. For this purpose we recommend the creation of the District Boards of Supervising Unions on a definite basis.

33. There are such boards in many districts at present but their constitution and powers are nebulous. In some districts complete control over the supervisors is vested in the district boards while in others the powers of the district boards in this respect are hotly disputed by the unions. In defining the constitution and powers of the district boards there has been considerable delay owing to the uncertainty of the

fate of supervision funds and of the impending changes in the constitution of the Institute. We suggest that the bye-laws of the District Boards should be recast and they should be given definite functions. These boards should be constituted of one nominee each of the central bank and the institute and representatives of the supervising unions in the district on the following basis :—

- (1) One representative by rotation where the number of unions in the district does not exceed 2 ,
- (2) Two representatives where the number exceeds 2 but does not exceed 5 ; and
- (3) Three in all other cases.

All these unions in the district should form a general constituency and no union should have more than one representative on the district board. In order to stimulate all unions to take adequate interest in the work of the district board, we further suggest that, where the union representatives on the district board do not exceed two, different unions should be represented by rotation, no union being competent to be represented for two successive years so long as there are unions in the district unrepresented in the year before. There should be also one representative either of unions of agricultural non-credit societies if there are such in the district or in their absence of non-credit societies if there are 14 or more such institutions in the district not affiliated to any union. In addition, the district board should have the option of co-opting a co-operator possessing outstanding merit or usefulness from the district. The Assistant Registrar should be the ex-officio chairman of the board for the first 3 years, after which period the position may be reviewed to ascertain whether a change in this respect is feasible or advisable.

34. As regards the question of registration, control and relations of these Boards with other institutions, there is some difference of opinion among ourselves. Professor Kale and Mr. Valkunthrai Mehta do not subscribe to the proposal that the District Co-operative Supervision Board should be a separately registered body, their own recommendation being that the Board should function as a special sub-committee of the District Institute. In their opinion, this latter scheme would represent a logical, a correct and a proper development of the supervising organisation as it has evolved so far in the Presidency. They point out that the Supervising Unions came to be formed in 1924 in pursuance of the recommendations of a Committee appointed by the Provincial Co-operative Conference of 1923, of which Committee Mr. J. A. Madan, C.I.E., I.C.S., the then Registrar of Co-operative Societies, was a prominent member. In the report which constitutes the first authentic expression of opinion on the subject of supervision in this Presidency, the Committee recommend very definitely that "it should be one of the important duties of the Institute and its Branches to organise Unions, to guide their working, to link them up with the Central organisation and to utilise them as its very responsible agencies for the extension and development of the Movement in all its aspects". The Committee further recommend that in backward tracts where Unions could not be organised,

the Institute should be requested to assume direct responsibility for supervision. Appreciating the great importance of these recommendations, the Institute, in 1924, called upon its Branches to interest themselves actively in the formation of Supervising Unions, and formulated an elaborate scheme for the training of the Supervisors to be placed in charge of the Unions.

The creation of the District Boards of Supervising Unions represents, in the opinion of Professor Kale and Mr. Vaikunth Mehta, another link between the Institute and the Supervising Unions. The whole question of a suitable machinery for supervision, which continued to be intimately associated with the Institute, was brought up for examination at the Provincial Co-operative Conference of 1929. Various proposals were formulated for placing on a sound and permanent footing the association of the Institute with the work of supervision and even of audit. Our two colleagues point out that if during the last 4 years this co-ordination has not been accomplished, it is due principally to the delay that occurred in Government's decision on the policy to be adopted in the matter and owing to the financial exigencies of Government which led to curtailment of the grants allowed to the Institute. Even then, the subject did not altogether escape the attention of the Institute. The Department and the Government were being continuously urged to make up their minds on this matter, as well as that of the audit fees and the grant to the Institute. Six months before the publication of the Bombay Reorganisation Committee's Report, an informal meeting of prominent co-operators was convened by the Institute and attended by the Registrar, and the general trend of opinion was that the District Union Boards should function as special sub-committees of the District Institutes and that if this method of closely associating the Union Boards with the Institute, was given effect to, these special sub-committees should have Assistant Registrars, as their Chairmen for a period of three years. Professor Kale and Mr. Vaikunth Mehta attach the greatest importance to these proposals, particularly in view of the fact that they were endorsed by the Provincial Co-operative Conference which was held in Poona in September 1932, and which formulated definite proposals for the amendment of the whole constitution of the Institute. The Institute, as a matter of fact, has deliberately included supervision as one of its objects as defined in its constitution and very rightly so, because they hold that if the Institute is divorced from the work of supervision, as will be the case if the proposals of the majority of this Committee are accepted, the Institute will scarcely be in a position to function as a co-ordinating and initiating organisation in the Movement. Neither education nor training nor propaganda can be useful or effective, they submit, unless associated with the duties of guiding and advising primary co-operative societies in their day-to-day work, and an Institute which is cut off from organic contacts with the responsible local federations of societies will languish and wither away inasmuch as it will have no basic soil into which it can throw out its roots and from which it can draw its sustenance. The creation of a rival and parallel organisation in the Districts

to which the Supervising Unions and their constituent societies will look up for their guidance and advice, cannot but detract from the utility of the Institute as the local, non-official representative organisation. On the contrary, the recognition of the Union Boards as part and parcel of the machinery of the Institute will tend not only to promote co-ordination and to facilitate smooth working but it will also enhance the efficiency and the usefulness of this essential link in the co-operative structure. Professor Kale and Mr. Vaikunth Mehta foresee, moreover, a certain amount of danger being involved in the creation of District Federations, which will be directed if not virtually controlled by the senior local officers of the Co-operative Department whose proper function is not to conduct registered institutions, but to examine the working of these institutions and to tender advice and help from outside. They feel that without being conscious of it, the majority of the Committee has proposed a scheme which is retrograde, undemocratic and unco-operative, violating the commonly accepted principle of non-official co-operative organisation in this Presidency, without there being any need of departure from the old sound policy. On the same grounds on which they object to the creation of District Co-operative Supervision Boards as bodies distinct from District Co-operative Institutes, Professor Kale and Mr. Vaikunth Mehta are opposed to the setting up of a Provincial Board. In their opinion, the formation of a Board at the top will mean a setting up of a parallel machinery, which is not required when the services of the Institute are already available for the duties that the proposed local and provincial boards are expected to perform. Such a step will lead to divided counsels and conflicts of interests, which must be avoided at all costs, especially in times of crisis like those we are passing through at present. Our colleagues recommend that the functions that the proposed provincial board is to perform may well be entrusted to a special committee of the Provincial Institute composed of the President of the Institute, the Registrar of Co-operative Societies and the Chairman of the Provincial Bank as its members. Such an arrangement will, in their opinion, conduce to efficiency and harmonious working.

Professor Kale and Mr. Vaikunth Mehta hold that the Committee should not go out of its way to make recommendations which are calculated materially to affect the principles underlying the constitution of the Institute, which is the premier non-official co-operative organisation in this Province, and that it will be proper that the question of the constitution and the functions of that organisation, which has engaged the attention of the co-operative public for the past few years should be left to be considered independently on its own merits. They feel that the majority proposals regarding the relations of the Union Boards with the Institute and the position of the Assistant Registrars as Chairmen of the Boards, are not strictly relevant and are not calculated to lead to the improvement of supervision, but that they will have the effect of destroying the sense of responsibility among members of societies, a lack of which is deplored on all hands and the steady and deliberate

development of which has to be attempted. It is feared that this bad habit of looking to officials rather than to themselves in the management of their own affairs, will steadily grow in the rural areas and result in serious deterioration of the movement, if the proposals of the majority are adopted.

35. Another of our colleagues, Dewan Bahadur Latthe, thinks that there is much force in the view of Mr. Mehta and Professor Kale and the difficulties pointed out by them from the standpoint of the Institute should be considered before the Committee's proposals for developing the organisation of the Unions are finally disposed of by Government. The entire organisation of the Co-operative Movement in the Districts requires to be considered as one problem and an attempt should be made to bring all the parts of the Co-operative Movement in a district under a unified control and direction. The Committee could not consider this larger question and the result is that its conclusions ignore the effects which the proposals would have on the Institute or other parts of the co-operative organisation. Dewan Bahadur Latthe thinks that this is not the right way to improve the co-operative movement in the Presidency and it would in his view be far better if the problem of organising the whole movement for securing greater efficiency is considered as one problem. He would go further and recommend the unification of the co-operative, agricultural, industrial and educational work in the districts for securing better results than now. In the absence of such a comprehensive survey of the problem, complaints must remain that the improvement of one part of the work does not progress *pari passu* with the improvement of the other parts. Under its terms of reference, the Committee could not, Dewan Bahadur Latthe thinks, give adequate consideration to the views expressed by Messrs. Kale and Mehta on behalf of the Institute.

36. The rest of us are of opinion that the District Supervision Boards under our scheme have definite circumscribed duties and powers and these can be best exercised by giving them a separate existence. The control over funds collected by Supervising Unions should naturally vest in a body truly representative of the Unions and the exercise of disciplinary powers can hardly be entrusted to a sub-committee of the Institute which has a wide franchise. If the proposal to make the District Supervision Board a sub-committee of the Institute contemplates control of the parent body, it is objectionable and likely to lead to considerable friction. If not, then the proposal appears to us as superfluous. We consider that for the efficient performance of its duties, the District Board should be separately registered under the Act. However, as supervision to be worth the name should be comprehensive, embracing the education and training of the members, the District Board should work in close co-ordination with the Institute in order to achieve this end.

37. The powers of the proposed district boards will be very wide, in that they would have complete control over the appointment of the supervisors and will be able to take disciplinary action against any

recalcitrant union. The chief drawback in the present system of supervision has been the inferior type of supervisors employed by most of the unions at present. The following classification of the existing supervisors according to their academic and co-operative qualifications and the salary paid to them clearly indicates, except in a few cases, that supervision of the quality that we aim at can hardly be expected of them. The statement below shows the supervisors employed by supervising agencies :—

I

Classification of Supervisors according to Academic and Co-operative Qualifications.

Serial No.	Academic qualification	Number with co-operative qualification.					Total
		Department's lent hands.	Supervisor's test or Diploma	Bank Inspector's Diploma	Secretary's * T C Certificate	Non-qualified	
1	2	3	4	5	6	7	8
1	Graduates	1				9	10
2	Under-graduates		4				4
3	Matriculates	2	24	1	1	5	33
4	Vernacular Final		12	1	2	2	17
5	Non-qualified		41	1	7	9	58
	Total	3	81	3	10	25	122

II

Classification of Supervisors according to their Academic Qualifications and Salaries.

Serial No.	Academic qualification.	Number on monthly salaries ranging from Rs to Rs									Total.
		Up to 20	21-30	31-40	41-50	51-60	61-75	76-100	Over 100		
1	2	3	4	5	6	7	8	9	10	11	
1	Graduates			2	4	2	1		1	10	
2	Under-graduates			3	1					4	
3	Matriculates		1	12	8	9		1	2	33	
4	Vernacular Final.	1	1	4	8	2		1		17	
5	Non-qualified	1	5	25	13	8	5	1		58	
	Total	2	7	46	34	21	6	3	3	122	

The above two statements bring out the following points :—

(1) Only 14 out of the 122 supervisors have any university education. Even of those, 9 have no co-operative qualifications whatsoever,

Even taking Matriculation as the minimum standard of academic qualification, their number comes to 47 of whom only 28 have passed the test prescribed for appointment to supervisor's post and 3 are lent by the Co-operative Department. The extent of co-operative training received by even these 28 has not been uniform. Some of these supervisors, who were recruited for appointment in the beginning had a very brief training and have passed a test which is much below the standard prescribed for the diploma examination held at present. 75, i.e., more than 60 per cent. of the supervisors have not even a working knowledge of English.

(2) The scale of remuneration is equally varying not only from division to division but even from union to union and has no correlation to the qualifications possessed by the supervisors. Some supervisors, who have neither co-operative nor academic qualifications draw even higher salaries than those given to graduates or under-graduates.

(3) There is no cadre of supervisors even by districts and in the absence of the pooling of supervision funds, some of the better supervisors cannot be transferred to weaker unions where their services are likely to be more urgently required.

(4) There is no provision for pension or provident fund benefits and there are no rules for the grant of leave.

(5) There are no rules for selection of candidates taken up for training, with the result that selection is random. The results of recent examination indicate that the calibre of candidates is much below the desired standard.

38. This is but natural considering the circumstances under which the supervisors have to work. They have no security of service, their continuance being dependent on their ability to please a number of masters. Their promotion becomes a matter of chance. Adequate arrangements for their training are not provided and in many cases the salary is too low to attract good workers. We have already explained the importance of securing good supervisors. We suggest that the entire control with regard to the recruitment, promotion and dismissal of the supervisors should vest in the district boards.

39. In order to enforce these decisions the Boards should have the same power of suspending committees of supervising unions for a maximum period of 6 months (subject to the approval of the Provincial Board) if the orders of that board are not carried out by the supervising union in spite of clear warning. During the period of suspension the Board shall make arrangement by the appointment of a committee or agent to carry on the work of the suspended union.

40. The board should meet at least once a quarter and oftener, if necessary. This requirement at present has been neglected in some district giving cause for umbrage to non-official members. We want to emphasise that failure to call such meetings, although it may have been due to lack of items for discussion or pre-occupation with other

duties, had bred feelings of distrust among the members of the board and we recommend that the Registrar should impress upon the ex-officio chairmen of these boards the necessity of calling these meetings regularly and that the Registrar should take steps to see that this is done. Each district board should have a paid or honorary secretary who should not be an employee of the co-operative department. In districts where a senior supervisor is maintained, he should be appointed as secretary of the Board.

41. We think that to ensure a successful working of this organisation the creation of a provincial board is necessary. As sufficient experience is not available, the detailed constitution for this board may be left to be evolved in the future. The chief function of this board will be to hear appeals, wherever admissible, against the orders of the district boards. It will be its main duty to see that the system of supervision works efficiently and that the district boards are functioning properly and wherever necessary, to take such steps as become necessary for securing effective supervision of societies. It should also recommend Government grants available for deficit district boards and should have the power of vetoing any appointment made by a district board within 30 days from the date of communication of the order to the Provincial Board. It will meet as often as is necessary, but at least once a year to review the situation and to take steps that are necessary. It should be composed of the Registrar as the convener, and the Chairman of the Provincial Bank and the President or the Vice-President of the Institute.

42. We have already explained in paragraphs 15 and 37 the importance of the supervisor in supervising unions and the varying qualifications of the supervisors at present appointed. We have provided for the recruitment by a district board. We want to emphasise that for the successful performance of his duties, the supervisors should have experience and knowledge of rural conditions, local influence, if possible, and certainly the ability to get close enough to the agriculturists. A raw recruit from the college, while he has zeal and enthusiasm for his work, has not the ability to get into close touch with the agriculturists and much has to influence them. On the other hand, he is usually more amenable to discipline, more reliable and more progressive. An ideal supervisor would bring to his work not only the experience of rural conditions and close touch with the people but also enthusiasm, integrity and knowledge of accounts and co-operative principles. This consideration may be kept prominently in view while recruiting supervisors and if such men are not available, selected young men from the Universities may be recruited, preferably from those belonging to agricultural communities. Ordinarily, the minimum qualification should be Intermediate Arts or an equivalent examination, but this may be relaxed if other qualifications are available.

43. Training in rural work before actual employment is very necessary. The district boards should select candidates according to requirements.

who after passing the necessary examination, should be trained for a period of 6 months under the auditor, inspector and supervisors and may be given a stipend during this period, if funds permit. The supervisors should be put on a district cadre and appointments, transfers and promotion would be under the control of the district board subject to that of the Provincial Board. The pay of the supervisors should be on a scale of Rs. 30—5/2—70 per mensem. Those supervisors who are well qualified and already in service may be taken in this scale according to their qualifications and service. The increments in this scale should not be automatic, but subject to the issue of the increment certificate by the controlling authority. In some districts the additional employment of assistant supervisors on a pay of Rs. 25—5/2—50 may have to be sanctioned by the boards. Wherever funds permit, senior supervisors working under the district boards may be employed on the scale of Rs. 50—5/2—100 and their duties should be those of supervision over the supervisors. The qualifications of supervisors of outstanding merit may be brought to the notice of the Registrar and the Central Banks and the Institute for appointment as Sub-Auditors, Bank Inspectors or Propaganda Officers. Contribution to Provident Fund at the rate of 1/12th of the pay should be compulsory, both for the Supervisor and the District Board. One month's pay for every year should also be set apart as provision for leave salary. The travelling allowance of senior supervisors should be fixed at Rs. 30 per mensem and of other supervisors at Rs. 15 and Rs. 20 according to the state of communications and the scattered or concentrated area within the unions. In special circumstances this may be raised to Rs. 25 per mensem.

44. A peon should be supplied to each supervisor on a pay not exceeding Rs. 15 per mensem plus Rs. 5 travelling allowance or a consolidated salary of Rs. 20 per mensem.

45. The grouping of societies in the Presidency excluding Sind for purposes of supervision has now been worked out in detail (*vide* Appendix C). Ordinarily, all primary societies in a single taluka have been grouped into a unit for the purpose; because, not only such grouping disturbs the present supervision units, as little as possible and is convenient for purposes of administration but also because a taluka is generally a unit of economic, political and social life and natural conditions. Where, however, the number of societies in a single taluka is not sufficient, two, and in a few cases, even more talukas have been grouped into a supervision unit.

46. We have included in the proposed groups all societies, including those now supervised by taluka development associations in the Khandesh Districts and the Banking Union in Ahmedabad, but have excluded the 93 Bhil societies in the Panch Mahals. The reasons why we have recommended the supersession of taluka development associations and the banking union in favour of supervising unions while retaining the present arrangements for supervision of Bhil societies have been already discussed in paragraphs 22 to 24.

47. The maximum, minimum and the average number of societies per supervisor in each division under the proposed arrangements are given in the following table :—

Seri No.	Name of the Division.	Consisting of Districts.	Number of societies per supervisor.		
			Maximum.	Minimum.	Average.
1	2	3	4	5	6
1	Karnatak	Dharwar Belgum, Bellary and Kanara	38	18	24.9
2	Central	Poona, Sholapur, Satara and Ahmednagar	34	18.5	24.6
3	Gujerat	Surat, Ahmedabad, Broach, Kaira and Panch Mahals	35	19	26.8
4	Konkan	Thana, Kolaba and Ratnagiri	34	19	24.4
5	Khandesh	East and West Khandesh and Nasik	39	21.5	26.7
	Total	19 Districts	38	19	25.6

48. Thus there will be 3,575 agricultural credit and 334 other societies eligible for affiliation to supervising unions. These will be grouped into 105 unions with an average of 37.2 societies per union and will employ 121 supervisors and 31 Assistant or Junior Supervisors with an average of 25.6 societies per supervisor.

49. On the basis of the foregoing recommendations details as shown in Appendix A have been worked out for each district. It will be seen that under the scheme 8 districts will be self-supporting while 11 districts spread over all the parts of the Presidency will not be able to balance their budget unless supported by an outside grant.

*50. The receipts from the agricultural societies eligible for affiliation to the Unions under our recommendations will total Rs. 1,79,135 and the subscription from the Banks will amount to Rs. 51,217. The total under the two heads will be Rs. 2,24,052. The total expenditure to be incurred will be Rs. 2,17,285. In these figures the pay of the supervisor and that of the assistant supervisor has been calculated on the basis of the mean of the scale. In addition, a lump grant of Rs. 5,000 for expenditure of 19 district boards has also been provided for. As the eligible supervisors working at present would have to be retained on a salary drawn by them at present, the basis for calculation of supervisor's pay has been Rs. 50 per mensem. But actually only 33 supervisors draw more than Rs. 50 per mensem and in the initial stages at least there is likely to be considerable saving in this respect.

51. If a provincial pooling of the resources of all the supervising unions together with contributions from the Central Banks were possible, the scheme would be on a self-supporting basis; but as we have

already stated, such pooling could only be effected at the possible refusal of the Central Banks to contribute towards the supervision fund, for they would be most reluctant to contribute unless they were assured that the fund so collected would be used entirely for the benefit of the societies affiliated to the respective banks. And consequently the deficit of Rs. 17,314 occurring in 11 districts under our scheme would have to be made good by grants-in-aid and also about Rs. 3,000 as lump grant for the expenditure on District Supervision Boards in that area.

52. Under the existing orders (Government Resolution, Revenue Department, No. 3818/24, dated 29th December 1930), the receipts from audit fees of agricultural societies, after crediting Rs. 25,000 to the General Revenues, are available for making grants to Supervising Unions. We recommend that all the receipts from audit fees of societies affiliated to supervising unions should be formed into a separate fund and utilised from time to time to make grants to the District Boards which are unable to balance their budget, to the extent of the actual deficit. If this is done, the estimated deficit of Rs. 20,219 can be easily met from such a fund. We anticipate that this deficit will possibly increase for some years as the income from subscriptions, bank contributions and audit fees will dwindle with the fall in the working capital of societies and the operations of central banks with them, while the expenditure will grow on account of increments earned by the staff. Even then the accumulated balance of audit fee account will be sufficient to meet the deficit. Our view that Government should subsidise supervision is supported by the opinion of the Royal Agricultural Commission (1928), paragraph 375, page 453 of the Report, which recommended that the organisation and development of supervising unions should be encouraged and that wherever such bodies are discharging their responsibilities efficiently, they may reasonably look to Government to supplement their resources with grants-in-aid.

53. Our investigation of the present position of Supervising Unions has shown the necessity of better staff with more security of tenure and more amenities. Considering how good supervision must necessarily depend upon the supervisor, we have endeavoured to provide for such conditions of recruitment and service as would attract the right type of men to these posts. We have provided for a centralised control within a district by a body consisting of representatives of all the sections of the Movement and we have invested this body with sufficient powers to make it effective. We anticipate that the introduction of this scheme of supervision would not only lead to an improvement in the working of the societies but secure a wider knowledge of the co-operative principles and practices among the general body of members. The success of the society in the ultimate stage must depend on the extent to which the principles of co-operation have been assimilated by the members and the Unions under our scheme will have all the means and the resources for undertaking this programme of co-operative training of members.

As we look forward to the time when the development of these Unions would not only lead to the rehabilitation of the weak societies and the development of good societies, but also would facilitate the operations of the Central Banks and the statutory audit to be done by the Department, the expenditure on these Unions, if properly controlled, is likely to lead to considerable economy in the end.

54. We would strongly urge the early introduction of the Scheme suggested by us as it has been long overdue and the state of suspense and uncertainty at present is depriving the Movement of the guidance and earnest efforts of the non-official workers who have been considerably discouraged by the recommendations of the Reorganisation Committee in this respect.

K. L. PANJABI, *Chairman.*

A. B. LATTHE

V. G. KALE

N. N. PATIL

VAIKUNTH L. MEHTA

H. L. KAJI

C. M. GANDHI

D. W. RAUT

} *Members.*

APPENDIX A.

*Financial effect of the Scheme on the basis of each District in the
Presidency, excluding Sind.*

APPENDIX

Financial effect of the Scheme on the basis of

Serial No.	Name of District.	Number of Supervising Unions.	Agricultural Credit.	Agricultural Non-credit and Non-agricultural Credit.	Total.	Subscriptions from Societies on working capital of	
						Agricultural Credit Societies.	Agricultural Non-credit and Non-agricultural Credit Societies.
1	2	3	4	5	6	7	8
<i>Karnatak Division.</i>						At $\frac{1}{2}$ per cent.	At $\frac{1}{2}$ per cent.
1	Kanara	3	93	23	116	4,354	1,069
2	Dharwar	13	457	71	528	23,326	2,181
3	Bijapur	6	173	18	191	6,654	640
4	Belgaum	7	202	32	234	11,179	1,144
	Total ..	29	925	144	1,069	45,513	5,034
<i>Khandesh Division.</i>						At $\frac{1}{2}$ per cent.	At $\frac{1}{2}$ per cent.
1	East Khandesh ..	13	521	26	547	25,368	599
2	West Khandesh ..	6	290	18	308	15,486	543
3	Nasik	7	250	18	268	8,685	465
	Total ..	26	1,061	62	1,123	49,479	1,607
<i>Central Division.</i>						At $\frac{1}{2}$ per cent.	At $\frac{1}{2}$ per cent.
1	Poona	5	184	35	219	14,750	1,046
2	Sholapur	6	164	25	189	6,723	655
3	Satara	8	293	17	310	12,833	365
4	Ahmednagar ..	4	128	14	142	5,863	608
	Total ..	23	769	91	860	40,169	2,674

A.

each District in the Presidency, excluding Sind.

INCOME					Number of	
Contribution by Central Banks on loan operations with		Total income from subscriptions and contributions in case of			Supervisors.	Assistant Supervisors.
Agricultural Credit Societies	Agricultural Non-credit and Non-agricultural Credit Societies.	Agricultural Credit Societies	Agricultural Non-credit and Non-agricultural Credit Societies.	Total.		
9	10	11	12	13	14	15
At $\frac{1}{2}$ per cent.	At $\frac{1}{2}$ per cent.	Rs.	Rs.	Rs.		
326	13	4,680	1,082	5,762	3	2
5,163	66	28,489	2,247	30,736	16	5
1,604	28	8,348	668	9,016	6	2
2,176	103	13,355	1,247	14,602	8	1
9,359	210	54,872	5,244	60,116	33	10
At $\frac{1}{2}$ per cent.	At $\frac{1}{2}$ per cent.					
6,631	114	31,939	713	32,652	17	3
4,890	69	20,376	612	20,988	9	2
3,091	86	11,776	551	12,327	7	4
14,612	269	64,091	1,876	65,967	33	9
At $\frac{1}{2}$ per cent.	At $\frac{1}{2}$ per cent.					
4,429	52	19,179	1,098	20,277	7	1
951	71	7,674	726	8,400	6	1
3,177	4	16,010	369	16,379	9	4
1,924	48	7,787	656	8,443	4	2
10,481	175	50,650	2,849	53,499	26	8

APPENDIX

Financial effect of the Scheme on the basis of

		EXPENDITURE.				
		Cost of Supervision staff.			Cost of	
Serial No.	Name of District.	Pay.	Provident Fund and Leave Contribution.	Travelling Permanent Allowance.	Travelling Allowance and Inspection fees payable to Committee members.	Rent, Contingency, etc.
1	2	16	17	18	19	20
<i>Karnatak Division.</i>		Rs.	Rs	Rs.	Rs.	Rs.
1	Kanara	2,700	450	1,080	450	450
2	Dharwar	11,850	1,975	4,740	2,070	1,850
3	Bijapur	4,500	750	1,800	900	900
4	Belgaum	5,250	875	2,100	1,040	990
Total		24,300	4,050	9,720	4,460	4,190
<i>Khandesh Division.</i>						
1	East Khandesh	11,550	1,925	4,620	2,220	1,920
2	West Khandesh	6,300	1,050	2,520	1,050	900
3	Nasik	6,000	1,000	2,400	1,070	1,020
Total		23,850	3,975	9,540	4,340	3,840
<i>Central Division.</i>						
1	Poona	4,650	775	1,800	900	950
2	Sholapur	4,050	675	1,620	900	900
3	Satara	7,200	1,200	2,880	1,240	1,240
4	Ahmednagar	3,300	550	1,320	650	600
Total		19,200	3,200	7,680	3,690	3,690

A—contd.

each District in the Presidency, excluding Sind—contd.

management.			Surplus or Deficit.				
			Surplus.		Deficit.		
Cost of Peons	Cost of Clerical help.	Total Expenditure.	Number of Unions.	Amount	Number of Unions.	Amount.	Net.
21	22	23	24	25	26	27	28
Rs.	Rs.	Rs.		Rs.		Rs.	
1,200	180	6,510	1	439	2	1,187	— 748
5,040	900	28,425	6	4,892	7	2,581	+ 2,311
1,920	240	11,010	1	182	5	2,176	— 1,994
2,160	420	12,935	5	2,334	2	567	+ 1,767
10,320	1,740	58,780	13	7,847	16	6,511	+ 1,336
4,800	1,440	28,475	11	4,364	2	187	+ 4,177
2,640	600	15,060	3	6,794	3	866	+ 5,928
2,640	240	14,370	1	160	6	2,203	— 2,043
10,080	2,280	57,905	15	11,318	11	3,256	+ 8,062
2,100	660	11,895	4	8,406	1	24	+ 8,382
1,680	360	10,185	1	152	5	1,937	— 1,785
3,120	240	17,120	1	3,401	7	4,142	— 741
1,440	240	8,100	2	1,334	2	991	+ 343
8,340	1,500	47,300	8	13,293	15	7,094	+ 6,199

APPENDIX

Serial No.	Name of District.	Number of Supervising Unions.	Agricultural Credit.	Agricultural Non-credit and Non-agricultural Credit.	Total.	Subscriptions from Societies on working capital of	
						Agricultural Credit Societies.	Agricultural Non-credit and Non-agricultural Credit Societies.
1	2	3	4	5	6	7	8
<i>Konkan Division.</i>							
1	Thana	4	127	13	140	At $\frac{1}{2}$ per cent. 3,840	At $\frac{1}{2}$ per cent. 398
2	Kolaba	2	61	7	68	793	523
3	Ratnagiri	2	43	17	60	1,130	560
	Total ..	8	231	37	268	5,763	1,471
<i>Gujarat Division.</i>							
						At $\frac{1}{2}$ per cent.	At $\frac{1}{2}$ per cent.
1	Ahmedabad	3	87	.	87	3,744	..
2	Broach	5	165	.	165	9,554	..
3	Surat	4	145	.	145	8,444	..
4	Panch Mahals ..	3	87	.	87	2,137	..
5	Kaira	4	105	.	105	3,546	..
	Total ..	19	589	.	589	27,425	..
	Grand Total ..	105	3,575	334	3,909	1,68,349	10,786

A—contd.

INCOME.					Number of	
Contribution by Central Banks on loan operations with		Total income from subscriptions and contributions in case of			Supervisors	Assistant Supervisors.
Agricultural Credit Societies	Agricultural Non-credit and Non-agricultural Credit Societies.	Agricultural Credit Societies.	Agricultural Non-credit and Non-agricultural Credit Societies.	Total		
9	10	11	12	13	14	15
At $\frac{1}{2}$ per cent.	At $\frac{1}{2}$ per cent.	Rs.	Rs.	Rs.		
1,388	16	5,228	414	5,642	5	1
286	31	1,079	554	1,633	2	1
22		1,152	550	1,702	2	
1,696	47	7,459	1,518	8,977	9	2
At $\frac{1}{2}$ per cent.	At $\frac{1}{2}$ per cent.					
1,178	.	4,922	..	4,922	3	1
2,678		12,232	..	12,232	5	1
2,422		10,866	..	10,866	5	..
694		2,831	..	2,831	3	..
1,096		4,642	..	4,642	4	.
8,068	.	35,493	.	35,493	20	2
44,216	701	2,12,565	11,487	2,24,052	121	31

APPENDIX

Serial No.	Name of District.	EXPENDITURE.				
		Cost of Supervision Staff.			Cost of	
		Pay.	Provident Fund and Leave Contribution.	Travelling Permanent Allowance.	Travelling Allowance and Inspection fees payable to Committee members.	Rent, Contingency, etc.
	<i>Konkan Division.</i>	Rs.	Rs.	Rs.	Rs.	Rs.
1	Thana	3,450	575	1,380	550	500
2	Kolaba	1,650	275	660	300	300
3	Ratnaguri	1,200	200	480	300	300
	Total	6,300	1,050	2,520	1,150	1,100
	<i>Gujarat Division.</i>					
1	Ahmedabad	2,250	375	900	450	500
2	Broach	3,450	575	1,380	750	750
3	Surat	3,000	500	1,200	650	650
4	Panch Mahals ..	1,800	300	720	400	400
5	Kaira	2,400	400	960	550	550
	Total	12,900	2,150	5,160	2,800	2,850
	Grand Total	86,550	14,425	34,620	16,440	15,670

A—concl'd.

Surplus or Deficit.							
management				Surplus.	Deficit.		
Cost of Peons.	Cost of Clerical help.	Total Expenditure.	Number of Unions.	Amount.	Number of Unions.	Amount	Net.
21	22	23	24	25	26	27	28
Rs.	Rs.	Rs.		Rs.		Rs.	
1,440	120	8,015	1	361	3	2,734	— 2,373
720	..	3,905	.	..	2	2,272	— 2,272
480	300	3,260		..	2	1,558	— 1,558
2,640	420	15,180	1	361	7	6,564	— 6,203
960	..	5,435	.	.	3	513	— 513
1,440	600	8,945	4	3,485	1	198	+ 3,287
1,200	780	7,980	2	2,902	2	16	+ 2,886
720	240	4,580	..	..	3	1,749	— 1,749
960	300	6,160	1	136	3	1,674	— 1,538
5,280	1,980	33,120	7	6,523	12	4,150	+ 2,373
36,660	7,920	2,12,285	44	39,342	61	27,575	+11,767

8 Districts with surplus of Rs. 29,081
 11 Districts with deficit of Rs. 17,314

APPENDIX B.

Summary of Registrar's Proposals.

chene.—There are at present 118 Supervising Unions and 3,014 Societies are affiliated to them out of a total number of 4,603. The remaining 1,589 Societies have no supervision facilities provided.

	Rs.
Total Supervision fees received by the Unions from affiliated Societies on 31st March 1932	1,39,000

75 per cent. of this was spent on salary of Supervisors and their staff.

Government subsidy given to Supervising Unions :—

	Rs.
1928-29	6,700
1929-30	7,547
1930-31	8,799
1931-32	8,492
1932-33	12,733

Government spend about Rs. 50 for audit for each Society and the Supervising Union Rs. 38. Government at present receive only annas 2 per cent from affiliated societies which pay annas 8 per cent. to Supervising Unions. Government will withdraw this concession and would announce that Government Sub-Auditor would supervise Societies and Government would provide for suitable grants to the Supervising Unions for their office contingency, T.A. of M.C. members, etc. Government by withdrawing this concession would recover about 2.6 lakhs of rupees of audit fees from Agricultural societies (this is based on the figures of the working capital of the Agricultural societies).

There are at present about 4,600 Societies which would be divided into 23 Audit Divisions, each of 200 societies, and that audit division will be under one Auditor, 4 Sub-Auditors and 2 Clerks. The Auditor assisted by a clerk would be in charge of 60 societies and the Sub-Auditor would be in charge of 35 societies. The system of audit done by these officers will be progressive according to their visits to the societies and it will not interfere with the supervision work to be performed by them.

The additional establishment necessary for each audit division will be :—

3 Sub-Auditors, 3 Peons and 1 Clerk.

The grade of the Sub-Auditor will be Rs. 75—5/2—90 and Rs. 95—5—130, half of the posts being filled in the upper grade and half in the lower grade (grades as are proposed by the Thomas Committee). The pay of the clerk will be as sanctioned in Government Resolution, Revenue Department, No. 9804/24, dated 19th March 1932, viz., Rs. 30—5/2—60, and the peon's pay Rs. 16 per mensem. The following table gives the annual cost of extra establishment, taking the minimum and the mean of the pay admissible under the scales proposed :—

Pay of 69 Sub-Auditors out of whom 35 will be in the lower grade (Rs. 75—90) and 34 in the upper grade (Rs. 95—130).

	Minimum.		Mean.	
	Rs.	Rs.	Rs. a. p.	Rs. a. p.
<i>35 Sub-Auditors (Rs. 75—5/2—90)</i>				
Pay	31,500		34,650	0 0
Leave and Provident Fund charges at 25 per cent.	7,875		8,662	8 0
Travelling allowance at the average rate of Rs. 35 per mensem	14,700		14,700	0 0
	54,075		58,012	8 0

	Minimum.		Mean.	
	Rs.	Rs.	Rs. a. p.	Rs. a. p.
34 Sub-Auditors (Rs. 95—5—130)				
Pay ..	38,760		45,900 0 0	
Leave, etc. at 25 per cent. .	9,690		11,475 0 0	
Travelling allowance at the average rate of Rs. 35 per mensem ..	14,280		14,280 0 0	
		62,730		71,655 0 0
23 Additional Clerks. (Rs. 30—5/2—60).				
Pay ..	8,280		12,420 0 0	
Leave, etc. at 25 per cent. .	2,070		3,105 0 0	
		10,350		15,525 0 0
69 Additional Peons (Rs. 16 p.m.)				
Pay ..	13,248		....
Leave, etc. at 25 per cent. ..	3,312		..	
Travelling allowance at the average rate of Rs. 8 per mensem ..	6,624		....
		23,184		23,184 0 0
Grand Total		1,50,339		1,68,376 8 0

In order to ensure that the quality of audit does not deteriorate owing to combining audit and supervision, Super-auditors will be attached to the offices of the Assistant Registrars. These Super-auditors will be given one clerk and one peon each. They will audit 15 per cent. of the societies in charge of each Assistant Registrar (who has about 1,000 societies), i.e., 150 societies. There will, therefore, be 6 Super-auditors, 4 will be in the II grade and 2 in the I grade. The following table illustrates the cost of the Super-audit :-

	Minimum.		Mean.	
	Rs.	Rs.	Rs.	Rs.
4 Super-Auditors (Rs. 135—5—180).				
Pay ..	6,480		7,560	
Leave, etc. at 25 per cent. ..	1,620		1,890	
Travelling allowance at Rs. 60 per mensem ..	2,880		2,880	
		17,820		20,620
2 Super-Auditors (Rs. 180—10—270).				
Pay ..	4,320		5,400	
Leave, etc. at 25 per cent. .	1,080		1,350	
Travelling allowance at Rs. 60 per mensem ..	1,440		1,440	
		4,140		5,490
6 Clerks (Rs. 30—5/2—60).				
Pay ..	2,160		3,240	
Leave, etc. at 25 per cent. ..	540		810	
Travelling allowance at Rs. 20 per mensem ..	1,440		1,440	
		2,016		2,016
6 Peons (Rs. 16 per mensem).				
Pay ..	1,152		1,152	
Leave, etc. at 25 per cent. ..	288		288	
Travelling allowance at Rs. 8 per mensem ..	576		576	
		2,016		2,016
Grand Total		23,976		28,026

As Supervising Unions will be continued, provision for travelling allowance to Managing Committee members will be necessary, which will be about Rs. 11,500, i.e., Rs. 100 every year are provided for each Union. The total number of Unions will be 115. So also provision at the rate of Rs. 100 for each District Supervision Board will have to be made, which will be Rs. 2,300. Thus, the total cost will be Rs. 11,500 and Rs. 2,300 i.e., Rs. 13,800. Rs. 7,000 will be provided for rent, contingency charges of each Union at the rate of Rs. 60 per Union.

The Assistant Registrars will have to do additional work and one clerk will have to be given to them on the scale of Rs. 30-60. The total cost of this will be :-

	Minimum.		Mean.	
	Rs.	Rs.	Rs.	Rs.
6 Clerks (Rs. 30—5/2—60).				
Pay	2,160		3,240	
Leave, etc. at 25 per cent.	540		810	
	<hr/>		<hr/>	
		2,700		4,050

Two additional clerks will be necessary for Registrar's Office and the expenditure under this head will be as under :-

2 Clerks (Rs. 30—5/2—60).				
Pay	720		1,080	
Leave, etc. at 25 per cent.	180		270	
	<hr/>		<hr/>	
		900		1,350

Further, the Assistant Registrars will have considerable additional work thrown on them, and if this scheme is to have reasonable chances of success, additional assistance will have to be given to them. For this purpose, Sub-Assistant Registrars who could look after the supervision of societies and other office routine work will have to be given to Assistant Registrars. They will be of the II grade of auditors. Their cost will be :-

	Minimum.		Mean	
	Rs.	Rs.	Rs.	Rs.
8 Sub-Assistant Registrars (Rs. 135—5—180).				
Pay			9,720	11,340
Leave, etc. at 25 per cent.			2,430	2,835
Travelling allowance at Rs. 60 per mensem			4,320	4,320
	<hr/>		<hr/>	
Total			16,470	18,495

The total additional cost of the extra establishment and in the shape of provision for travelling allowance to members of Supervising Union Committees will be Rs. 2,15,085 in the initial stage. If expenditure on pay is calculated on the mean of the scale fixed for the incumbents, it will be Rs. 2,40,997-8-0. This still leaves intact Rs. 25,000 which are at present credited to General Revenues out of receipts from audit fees, as per Government Resolution, Revenue Department, No. 3818/24, dated 29th December 1930.

The Registrar will also need a Personal Assistant, as at present he is over-worked.

Advantages of the Scheme.

(1) As the Societies are composed of backward, ignorant and uneducated members, good, constant and vigilant supervision is absolutely necessary. At present, the Auditor cannot attend to this because he has more than sufficient work.

(2) The Supervisor will not be under the control of the Managing Committee members of the Supervising Union, so far as his pay, prospects, etc., are concerned and therefore, will be in a better position to do his work properly, especially that of improving bad

societies, detection of fraud, etc. A better qualified Supervisor will do his work without fear or favour of the influential members of bad societies

(3) At present, 1,589 societies do not get the advantage of supervision, but this scheme will have the merit of providing supervision for all societies.

Possible objections for combining Supervision and Audit.

(1) The quality of audit may deteriorate and that may have an adverse effect on the whole structure of the Co-operative Movement. But this is not insurmountable. The All India Institutes' Conference has declared that supervision and audit can be combined without danger.

Remedy.—Provision for Super-audit is provided. One Super-Auditor will be attached to the office of the Assistant Registrar who will check 15 per cent. of the societies.

(2) Non-official interests and enthusiasm in the working of the societies may be killed.

Remedy.—Supervising Unions are not proposed to be cancelled under this scheme and the workers will have ample scope for their activities.

(3) Government will assume a larger measure of responsibility for the sound working of societies, but this is necessary, as there is till now no organised and trained agency for teaching the members of co-operative societies the principles of co-operation. The Institute with its limited resources cannot do this work.

(4) The Sub-auditor will not be in intimate touch with the people as the Supervisor is at present.

This will not be so, as the Sub-Auditor under the proposed scheme, will be in charge of only 35 societies and will have ample time to attend to the work of supervision and improvement of societies

APPENDIX C.

Detailed Grouping of Societies in each of the Districts in the Presidency excluding Sind.

Serial No.	Name of Taluka or Petha.	Number of Societies.			Number of	
		Agricultural Credit	Agricultural Non-credit and Non-agricultural Credit	Total	Supervisors.	Assistant Supervisors.
1	2	3	4	5	6	7
KARNATAK DIVISION.						
<i>Kenara District.</i>						
1	Honwar including Bhatkal Petha	16	3	41	1	1
	Kumta	18	4			
2	Karwar	20	10	42	1	1
	Ankola	5	....		
3	Yellapur	6	1	33	1	
	Sirsi	14	2			
3	Siddapur	9	1	5		
	Mundgod Petha	5	2			
3	Total	93	23	116	3	2
<i>Dharwar District.</i>						
1	Hajyal (Kanara District)	2	..	37	1	...
	Dharwar	24	11			
2	Hubli	32	12	44	1	1
3	Bankapur	38	4	42	1	1
4	Kalghatgi	20	1	21	1	..
5	Hanagal	34	4	38	1	..
6	Karajgi	45	5	50	1	1
7	Kod	53	3	56	2	..
8	Banebenpur	36	4	40	1	1
9	Gadag	40	9	49	2	..
10	Mundargi Petha	20	4	24	1	..
11	Navalgund	46	5	51	2	...
12	Nargund Petha	17	1	18	1	....
13	Ron	45	3	48	1	1
13	Total	457	71	528	16	5

APPENDIX C—contd.

Serial No	Name of Taluka or Petha	Number of Societies.			Number of	
		Agricultural Credit.	Agricultural Non-credit and Non-Agricultural Credit.	Total	Supervisors	Assistant Supervisors.
1	2	3	4	5	6	7
KARNATAK DIVISION						
—contd						
<i>Bijapur District</i>						
1	Indi	31	.	31	1	
2	Begalkot	36	5	41	1	1
3	Badami	29	3	32	1	
4	Hungund	40	1	41	1	1
5	Muddebihal	7	1	23	1	
	Begewadi	15	..			
6	Sindgi	7	...	23	1	
	Bijapur	8	3			
6	Total	173	18	191	6	2
<i>Belgaum District</i>						
1	Belgaum including Chandgad	12	9	32	1	
	Khanapur	8	3			
2	Gokak	24	3	27	1	
3	Athani	21	1	22	1	
4	Hukkeri	18	5	23	1	..
5	Chikodi	46	5	51	2	...
6	Parasgad including Murgod M.	41	1	42	1	1
7	Sampgaon	33	4	37	1	....
7	Total	202	32	234	8	1
KHANDESH DIVISION.						
<i>East Khandesh District.</i>						
1	Chopda	32	1	33	1	....
2	Yawal	31	3	34	1	..
3	Baver	32	1	33	1	....
4	Erandol	50	3	53	1	1
5	Amalner	43	..	43	1	1
6	Parola	56	2	58	2	..
7	Challgaon	36	2	38	1	....

APPENDIX C—contd.

Serial No.	Name of Taluks or Pethas	Number of Societies.			Number of	
		Agricultural Credit	Agricultural Non-credit and Non-agricultural Credit.	Total	Supervisors.	Assistant Supervisors
1	2	3	4	5	6	7
	KHANDESH DIVISION —contd.					
	<i>East Khandesh District</i> —contd					
8	Bhadgaon ..	24	1	25	1	
9	Pachora ..	49		49	1	1
10	Jamner ..	51	1	52	2	
11	Jalgaon ..	41	9	50	2	
12	Bhusawal ..	54	3	57	2	
13	Edlabad Petha ..	22	..	22	1	
13	Total ..	521	26	547	17	3
	<i>West Khandesh District</i>					
1	Dhule ..	61	7	68	2	
2	Sindhkheda ..	65	....	65	2	
3	Shirpur ..	49	1	50	2	
4	Nandurbar ..	31	5	46	1	1
4	Nawapur ..	2	....		
	Taloda ..	9	1			
5	Shahada ..	42	2	44	1	1
6	Sakari ..	31	2	33	1	....
6	Total	290	18	308	9	2
	<i>Nasik District.</i>					
1	Igatpuri ..	21	2	23	1	..
2	Sinnar ..	12	1	30	1	..
	Nasik ..	7	3			
	Dindori ..	6	1			
3	Niphad ..	43	2	45	1	1
4	Chandor ..	12	1	45	1	1
	Kalwan ..	31	1			
5	Baglan ..	43	2	45	1	1
6	Malegaon ..	45	2	47	1	1
7	Yeola ..	12	2	33	1	..
	Nandgaon ..	18	1			
7	Total	250	18	268	7	4

APPENDIX C—contd.

Serial No.	Name of Taluka or Petha	Number of Societies.			Number of	
		Agricultural Credit	Agricultural Non-credit and Non-agricultural Credit	Total	Supervisors	Assistant Supervisors.
1	2	3	4	5	6	7
CENTRAL DIVISION.						
<i>Poona District</i>						
1	Bhimthadi	31	5	65	2	.
	Indapur	28	1			
2	Purandhar	28	1	29	1	
3	Haveli	25	16	60	2	
	Shirur	11	2			
	Mawal	3	3			
4	Dhond	21	2	23	1	
5	Khed	20	3	42	1	1
	Junnar	8	2			
5	Total	184	35	219	7	1
<i>Nholapur District</i>						
1	Sholapur	16	10	26	1	
2	Madha	39	4	43	1	1
3	Barsi	29	5	34	1	
4	Karmala	26		26	1	
5	Pandharpur	14	5	27	1	.
	Bangola	8				
6	Malshiras	32	1	33	1	
6	Total	164	25	189	6	1
<i>Satara District</i>						
1	Waiva	71	4	75	2	1
2	Shirala Petha	23	1	24	1	
3	Tasgaon	37		37	1	1
4	Khanapur	32		32	1	
5	Karad	28	3	39	1	1
	Pathan	8				
6	Satara	14	9	32	1	
	Javali	9				
7	Wai	21		22	1	....
	Mahableshwar	1				
8	Koregaon	41		49	1	1
	Khatav	7				
	Man	1				
8	Total	293	17	310	9	4

APPENDIX C—*contd.*

Serial No	Name of Taluka or Petha	Number of Societies.			Number of	
		Agricultural Credit.	Agricultural Non-credit and Non-agricultural Credit.	Total.	Supervisors	Assistant Supervisors
1	2	3	4	5	6	7
	CENTRAL DIVISION—contd.					
	<i>Ahmednagar District.</i>					
1	Kopergaon ..	29		29	1	..
2	Rahuri ..	25	..	39	1	1
	Sanganner ..	11	2			
3	Akola ..	1	..	49	1	1
	Ahmednager ..	4	7			
	Parner ..	3				
	Newasa ..	17	1			
	Jamkhed ..	4	1			
4	Karjat ..	3	..	25	1	...
	Shrigonda ..	8	1			
	Shevgaon ..	18	1			
	Pathardi ..	5	1			
4	Total ..	128	14	142	4	2
	KONKAN DIVISION					
	<i>Thana District</i>					
1	Dahanu ..	10	2	51	2	....
	Umbergaon ..	7	2			
	Falghar ..	13	3			
2	Bassein ..	11	3	19	1	....
	Wada ..	19	..			
3	Bhivandi ..	40	..	40	1	1
4	Kalyan ..	21	3	20	1	..
	Mokhada Petha ..	1				
	Shahapur ..	5	..			
4	Total ..	127	13	140	5	1
	<i>Kolaba District.</i>					
1	Roha ..	9	..	24	1	.
	Mangaon ..	1				
	Mahad ..	4	1			
2	Pen ..	8	1	44	1	1
	Allbag ..	14	4			
	Panvel ..	24	1			
	Karjat ..	1	....		
2	Total ..	61	7	68	2	1

APPENDIX C—contd.

Serial No.	Name of Taluka or Petha.	Number of Societies.			Number of	
		Agricultural Credit.	Agricultural Non-credit and Non-agricultural Credit.	Total	Supervisors.	Assistant Supervisors.
1	2	3	4	5	6	7
	KONKAN DIVISION —contd.					
	<i>Ratnagiri District.</i>					
1	Rajapur ..	7	2	26	1	..
	Devgad ..	9	5			
	Malwan ..	2	1			
2	Sangameshwar ..	15	3	34	1	.
	Chiplun ..	3	..			
	Ratnagiri ..	7	6			
2	Total	43	17	60	2	.
	GUJARAT DIVISION.					
	<i>Ahmedabad District</i>					
1	Gogha ..	8	..	21	1	.
	Dhandhuka ..	6	..			
	Dholka ..	12	..			
2	Sanand ..	6	..	24	1	..
	Virangam ..	18	..			
3	South Dascroi ..	14	..	43	1	1
	North Dascroi ..	19	..			
	Prantij ..	7	..			
	Modasa ..	2	..			
3	Total	87	..	87	3	1
	<i>Broach District.</i>					
1	Amod ..	23	....	23	1	..
2	Ankleshwar ..	44	..	44	1	1
3	Broach ..	28	..	28	1	..
4	Wagra ..	35	..	35	1	..
5	Jambusar ..	35	..	35	1	....
5	Total	165	....	165	5	1

APPENDIX C—concl'd.

Serial No.	Name of Taluka or Petha.	Number of Societies			Number of	
		Agricultural Credit.	Agricultural Non-credit and Non-agricultural Credit	Total	Supervisors.	Assistant Supervisors.
1	2	3	4	5	6	7
	GUJARAT DIVISION —contd.					
	<i>Surat District.</i>					
1	Fardi .. .	12	..	34	1	.
	Balsar .. .	22	..			
2	Chikli .. .	20	....	35	1	.
	Jalalpur .. .	4	..			
	Bardoli and Valod .. .	11	..			
3	Mandvi .. .	26	..	26	1	.
4	Chorasal .. .	10	..	50	2	..
	Olpad .. .	40	..			
4	Total .. .	145	..	145	5	..
	<i>Panch Mahals.</i>					
1	Halol .. .	33	....	33	1	..
2	Gadhra .. .	34	.	34	1	.
3	Kalol .. .	20	....	20	1	.
3	Total .. .	87	...	87	3	....
	<i>Kaira District</i>					
1	Borsad .. .	28	...	28	1	....
2	Anand .. .	19	..	19	1	....
3	Nadiad .. .	12	..	29	1	....
	Thasra .. .	17	....		
4	Kapadvanj .. .	9	....	29	1	..
	Mehmedabad .. .	13	....		
	Matar .. .	7	....		
4	Total .. .	105	...	105	4	....
105	Grand Total .. .	3,575	334	3,909	121	31



Government of Bombay
Home Department

Report of the Committee of Inquiry
into the flogging of Gangaram
Chavan, a prisoner in Bijapur Jail

BOMBAY

PRINTED AT THE GOVERNMENT GENERAL PRESS

1938

Obtainable from the Superintendent, Government Printing and Stationery,
Bombay, or through the High Commissioner for India, India House,
Aldwych, London, W.C.2, or through any recognized Bookseller

[Price—Anna 1 or 1d.]

REPORT OF THE COMMITTEE OF INQUIRY INTO THE FLOGGING OF GANGARAM CHAVAN, A PRISONER IN BIJAPUR JAIL.

We, the Chairman and Members of the Committee appointed under Government of Bombay, Home Department, Resolution No. 775/4, dated the 28th May 1938, have the honour to submit our report. Under that resolution we had to inquire into the circumstances under which Gangaram Chavan, a prisoner in the Bijapur District Prison, was ordered to be whipped and to report—

(a) whether the order was proper and justifiable ; and

(b) whether flogging as a jail punishment should be retained ; and, if so, under what circumstances and subject to what safeguards.

2. The members of the Committee received the Government Resolution on the 29th of May and met on the 30th. Chavan was whipped on the 5th of May 1938 ; and in order to ascertain the circumstances from all the persons concerned while the facts were fresh in their memory, we decided to examine these persons without loss of time. Accordingly on the 31st of May we recorded the statements of Gangaram Chavan and his two companions Ambaji Parit and Vyankappa Madur who had been transferred from the Bijapur Jail to Yeravda. The same evening we left for Bijapur and arrived there on the 1st of June. We visited the jail in the morning and had a plan of the jail (exhibit 9) put in ; and we examined in the afternoon the Superintendent, the District Magistrate, and Mr. A. C. Angadi, a non-official visitor who had been to the jail on the 5th soon after the flogging. On the 2nd we again visited the jail and recorded the statements of the Jailor and the Jamadar Gailbusing. We also selected at random two prisoners, Yamnya and Hussain, who were in the jail on the 5th of May and who might have seen and heard some, if not all, the incidents connected with the whipping. We left Bijapur the same evening, arrived in Poona on the 3rd and paid a surprise visit to Nasik on the 4th and without notice even to the Superintendent, examined at length three, and more shortly six, of the prisoners belonging to the Criminal Tribes who were said to have joined in the disturbance in the Bijapur Jail on the 5th May and who were subsequently transferred to Nasik.

3. All the prisoners examined were given to understand that they had nothing to fear and nothing to hope in making the statements.

4. We would at the outset clearly state that we have thought it desirable to exclude all political considerations entirely from our minds. Our stand-point is that of the citizen and the tax-payer.

5. The circumstances of the flogging are a pure question of fact and of the mentality of the actors. Whether the order of flogging was proper and justifiable would depend on whether it fell within the purview of rule 703 (14) (c) of Chapter XXXIII of Part I of the Bombay Jail Manual which contains the rules made by the Local Government under sections 59 and 60 of the Prisons Act (IX of 1894).

6. That rule runs as follows :—

“ Whipping, provided that the number of stripes shall not exceed thirty—

(a) Whipping shall be inflicted with a cane on the bare buttocks which shall be covered with a thin cloth soaked in antiseptic solution. The cane must not exceed half an inch in diameter and in the case of juveniles a lighter one shall be used. The drawing stroke is forbidden and whipping shall not be executed in instalments.

(b) The Superintendent and Medical Officer or Medical Subordinate shall be present when this punishment is inflicted.

(c) Whipping shall only be ordered as a punishment for the following offences :—

(i) Mutiny ;

(ii) Conduct seriously affecting the discipline of the jail or incitement thereto ;

(iii) Serious assaults on any public servant or visitor ;

(iv) After other punishments have failed in the case of offences of a specially grave nature.”

7. We now proceed to weigh the evidence as to the circumstances and record our considered and unanimous findings on them. In weighing the evidence we place first and foremost, admissions, next, the written record made immediately after

the flogging and before there was any question of an inquiry such as the present, and last, the oral evidence.

8. Thus weighed, the admitted circumstances are many, the disputed points but few. In fact that latter for all practical and important purposes reduce themselves to four mentioned in paragraph 21 below; and even on these, for the reasons which will appear, we entertain no doubts and have no hesitation in recording our findings.

9. We commence with the statement (exhibit 2) of the Chief party concerned, Gangaram Chavan, including his history as it appears therein.

10. Gangaram is a young man of about 18 or 20 and a Pardhi by caste. He belongs, therefore, to a Criminal Tribe. His parents are actually in the Criminal Tribe Settlement of Sholapur and he was born there and was educated in the school there up to the 5th standard Marathi. He was engaged in the Sholapur Mills from about 1932 to 1934 but was dismissed for taking part in a strike. He along with his elder brother and his wife claims to cultivate some lands six miles from Sholapur. But he admits that his main occupation, as soon as he left the mill, was that of a peon of the Lal Bavta, Girmi Kamgar (Red Flag Mill-hands) Union on a pay of Rs. 15 per month. Ambaji Parit was also one of the members of the Lal Bavta Union. Chavan states that one Karhadkar was the President of the Union and that the leader was Mr. Khedgikar, M.L.A.

11. On the 22nd of March 1938 nine men including accused No. 1 Raghunath Karhadkar, accused No. 5 Ambaji Parit and accused No. 6 Gangaram Chavan were convicted by the Special Magistrate, First Class, Sholapur, in Criminal Case No. 1 of 1938 under sections 143, 147, 506 and 114, Indian Penal Code, and sentenced to various terms of imprisonment ranging from 6 months to 9 months. From the judgment (exhibit 30) it appears that the Lal Bavta Union and other bodies decided to celebrate the 14th of February 1938 as a Political Prisoners' Release Day by a Hartal. Three processions were formed and in order to compel the mills and the workers therein to stop work, stones were thrown, windows were damaged and persons injured. Ambaji Parit and Gangaram Chavan were found by the Magistrate to have been among the ring-leaders at the head of the mob shouting slogans, exhorting mill workers residing in the Criminal Settlement and the surrounding locality and intimidating them

from going to work in the mills. On the day following the sentence Ambaji Parit and one Vyankappa Madur apparently convicted in a similar but separate case for similar conduct, were along with Chavan and others sent to the Bijapur District Jail. Of the ten prisoners, four had been classed as "B" class by the trying Magistrate. Subsequently, first two and then a third were put into the same class by Government and from and after the 24th April out of the ten these three alone, namely Chavan, Parit and Madur, remained in the Bijapur Jail and in the "C" class. On medical examination Chavan was classified by the Medical Officer as "Good hard", that is to say, physically fit for the hardest labour in the jail and was given grinding work. He never did the full task of 35 lbs. His actual turn out varied from 5 lbs. to 15 or at the most 20, and notwithstanding the warnings and other punishments he complained that he could not do the full task. But apart from short tasks or punishments on that account, there were no other grievances or defaults and no serious punishments for about a month after their arrival in the Bijapur Jail.

12. It is clear from the evidence that the grievances of Chavan and his two companions really began from the classing of their fellow-prisoners as "B" and their departure to other Jails. They felt that they themselves were also political prisoners and as such entitled to special treatment different from that of the ordinary prisoners in the "C" class. Chavan along with Parit now attempts to make out that after the departure of their companions, their treatment by the Jail authorities underwent, without rhyme or reason, a change for the worse. When we asked him to specify the alterations, three were placed before us. The first was that instead of being given sufficient time to obey the calls of nature as before, he was seized by the hand and dragged out of the latrine before he had really finished. The second was that the quantity of water he was allowed for bathing purposes was reduced, and the third was that he was not allowed to stroll after his meals. In fact Chavan did not specify these grievances even in his statement (exhibit 3) to the Home Minister when he was interviewed in Yeravda Jail on the 28th of May. He assigns no reason why the departure of his companions should have caused any difference to his own treatment in any of these three respects. He admits that he never complained about them even to the Jailor, much less to the Superintendent or a non-official visitor; and we have no doubt, from the very nature of these grievances, that they

are an after-thought to support his case. In fact the real grievance he himself admits in the following words :—

“ As we were sentenced for observing the Prisoners' Day, we considered ourselves political prisoners and therefore entitled to differential treatment not less than our comrades who had been classed as ' B ' and sent to other jails.”

13. It appears from his history-ticket that after eight or ten days which elapsed after vaccination on entering the jail, Chavan had been put on grinding. On the 1st of April he was warned, on the 6th of April he received two nights hand-cuffs and on the 21st April he refused to do more than 15 lbs. and was warned again. All these punishments were for short task. On the 26th April he represented his real grievance and applied to Government to be placed in the “ B ” class, for according to his own statement “ in 1938 I became one of the leaders ”. On the 30th he applied to the Home Minister for permission to purchase the *Lokshakti* newspaper.

14. Similar petitions were made by his two companions, Ambaji Parit and Vyankappa Madur.

15. Whether trouble was brewing or not for at least two days before the 5th of May, as one of the prisoners at Nasik stated to us, the disturbance on the morning of the 5th of May as soon as the prisoners were taken out from the cells, the refusal to take food and the fact that not only Chavan and his two companions but also twelve other prisoners belonging to the Criminal Tribe Settlement took part are facts admitted by all the prisoners who have been examined including Chavan himself. We content ourselves with the following extracts from Chavan's own statement :—

“ We began the hunger-strike. After that we were kept in separate cells. In order to inform the other prisoners that I had begun the hunger strike, I shouted the slogan ' Victory to the Red Flag '. The other two (i.e. Parit and Madur) raised the same shouts and some nine or ten prisoners from the Criminal Settlement also joined in the hunger strike. They joined the hunger strike so that we might get the necessary facilities. We all shouted the slogans three or four times. After the Collector came, I shouted the slogan once.”

16. The question naturally occurs how Chavan, Parit and Madur got the prisoners belonging to the Criminal Tribes

Settlement to join them; for, these at least never claimed to be political prisoners and therefore entitled to differential treatment. The grievance which they for the first time put forward on the 5th of May is on their own admission that though they had not committed thefts, merely because they belonged to the Criminal Tribes, they were classed as "habitual" and had to wear black caps like other habituals. They also now allege a breach of faith on the part of Government in not allowing 1,500 of the Criminal tribes to leave the Criminal Settlement at Sholapur. But none of them explained why these grievances which existed from the date of their admission to the jail, suddenly came to light on the 5th of May, six weeks afterwards. Chavan, the least reliable of the three, attempts to gloss over the matter and does not admit any pre-arrangement. But the matter is made clear by the other two prisoners and by some out of the Criminal Tribe Prisoners who joined them. Thus to quote from Ambaji's statement (Exhibit 4) :—

"We three and the prisoners from the Criminal Tribes Settlement, fifteen in all, told each other that we would go on hunger strike and we began the hunger strike at 7 a.m. In order that people should understand, first Gangaram and then all the rest of us shouted the slogan 'Victory to the Red Flag.' I told the Superintendent I would not pick up pots and plates at meal time or do any work."

17. Vyankappa Madur in his statement (Exhibit 5) states :—

"As we did not get the necessary facilities in the jail we three resolved on the previous day to commence the hunger strike on the following day. As we were previously acquainted with the prisoners from the Criminal Tribes they used to regard us as leaders and follow us. On the morning of the 5th as soon as we three shouted the slogans, 10 or 12 prisoners from the Criminal Settlement also shouted the slogans."

18. Of all the Criminal Tribe Prisoners we examined at Nasik, the best in our opinion was the Haran-Shikari Ratan Kallu, who places the matter beyond doubt. He had no previous notice even of our visit, much less that we were going to examine him. He is now away from Bijapur and from any possible fear of the Jamadar or Superior officers of the Jail. After making every allowance for tribe, class and Jail habitation, we were better impressed by his demeanour than

that of any of the other prisoners. To quote at some length from his evidence :

“ I know Gangaram Sadu Chavan. He is a Pardhi of the same caste as myself. I knew Chavan and Ambaji Parit before I was sent to the Jail. But I did not know Madur before. There was trouble brewing for about two days before Chavan was whipped.”

19. After narrating some instances of slaps and injustice to himself by Jamadar Gaibusing and a Subordinate Havaldar and the reasons why he did not complain to the Jailor or the Superintendent, this witness Ratan proceeds as follows as to the events of the 5th May :—

“ On that day we twelve and Chavan, Parit and Madur began Satyagraha. We had entered into a conspiracy (कट) at 5 p.m. on the previous day to perform Satyagraha. Ambaji Parit and Vyankappa Madur were the leaders of this Satyagraha and we decided that we would not take food from the following day. When we refused to take the food, Gaibusing Havaldar blew his whistle. The Jailor came. Parit and Madur placed their demands before him and we were placed in separate cells because the Jamadar must have been afraid as to whether we would not cause disturbance. The Jailor asked us ‘ why are you behaving like this ? ’ We said ‘ We have not committed thefts. Why do you give us black caps ? ’ I forgot to state that when we decided the previous day to perform Satyagraha we had decided to ask for the removal of our black caps. As the Jailor was going along we all shouted ‘ Success to the Red Flag, Success to the tricolour Flag ’. After some time the Superintendent came and asked each one of us ‘ Why do you behave like this ? ’ In the same manner as the Jailor had asked us. The Jailor was with him. We said : ‘ Grant us our demands ’. At that time we were all shouting ‘ Victory to the Red Flag, Victory to the Congress Flag ’. The Superintendent tried to ‘ Samjav ’ (pacify) us and said ‘ Why do you behave like donkeys ? ’. When the Superintendent came, the slogans stopped a while but again recommenced. After the Collector had gone round the corner, Gangaram Chavan shouted twice ‘ Inquilab Zindabad ’. Thereupon Gaibusing Havaldar came running and seeing who had shouted told the Collector that Chavan was shouting and took him away.”

20. It is now common ground that Chavan was taken into the Jail Office and questioned by the Superintendent in

the presence of the District Magistrate and the Jailor and the Jamadar and after some conversation, the nature of which is in dispute, the Superintendent sentenced him to nine stripes, drawing up a proceeding (Exhibit 29) as required by the rules, and the sentence was immediately carried out. The disturbance then stopped and other lighter sentences passed on the ring leaders were in fact remitted after a day or two as the other prisoners concerned promised to be of good behaviour and carried out their promise and there was no recurrence of the disturbance.

21. In fact there are at the most four points in dispute. The first is whether after the arrival of the District Magistrate the only shout was that admitted by Gangaram Chavan or whether there were also other shouts. The second is whether Gangaram on being brought into the office when asked to show cause why he should not be punished professed repentance and asked for pardon but was whipped nevertheless or whether he was recalcitrant and said defiantly "I am not afraid of any punishment." The third point is whether the prisoners belonging to the Criminal Tribes merely stated their objection to the colour of the caps or some of them actually threw them down. And fourthly generally speaking, whether the whole atmosphere was what might be called one of respectful protest or whether it was rather one of defiance and disturbance which threatened to spread and seriously affect the discipline of the Jail and might have even led to violence, calling for more drastic action than the flogging of a single prisoner.

22. On these four points not only is there the word of the Superintendent Dr. Henriques and of the District Magistrate Mr. Kothavala, supported by the Jailor and the Jamadar, but there are also records written (1) just before the flogging and (2) immediately afterwards before there was any question of inquiry or committee. The first (Exhibit 29) is headed "Details of Corporal Punishment" and constitutes the proceeding drawn up by the Superintendent at the very time in accordance with the law before the sentence of whipping was passed and carried out. The second consists of the Superintendent's report No. 1832, dated the 5th of May, to the Inspector-General of Prisons (Exhibit 31), giving an account of the disturbance which culminated in the whipping. The third consists of confidential reports made by the District Magistrate to Government and to the Inspector-General of Prisons on the 5th and 6th of May (Exhibits 32 and 33). All these records made at the time are opposed to Gangaram's

present version that his was the only shout after the District Magistrate came and that in the jail office before he was sentenced he asked for pardon and promised not to offend again. In respect of the shouts there is further the statement of a prisoner not at all concerned in the disturbance. We refer to Yamnya, one of the two prisoners we selected at random and examined in the Bijapur Jail, Yamnya does not belong to the Criminal Tribes and was not concerned in the disturbance. He was classed as "habitual" and wore a black cap not because he belonged to a criminal tribe but because this was his third conviction. He was sitting near the bathing platform when the disturbance began. But after the ten or twelve persons concerned had been put into separate cells and before the Superintendent arrived, he with others had been taken and locked up in the work shed and was doing weaving work when the District Magistrate came. His further statement is as follows :—

"The District Magistrate told them that if they had any grievance he would try to redress it, but they again continued shouting 'Jay, Jay'. When the Collector came to the cell of the man who was whipped, he began to abuse the Collector. I say so because the Jailor said to him 'Collector Sahebku Kayku Gah Dete' (Why do you abuse the Collector) and I heard those words."

23. Though this prisoner confounds the District Magistrate's visits to the jail on the 6th and 7th of May and wrongly places them two days before instead of two days after the whipping of Chavan, our random selection eliminated any tutoring to this particular witness and in fact not even the authorities at Bijapur much less the prisoner, knew that Chavan had at Yeravda two days before denied that there were any shouts but his own after the arrival of the District Magistrate or affirmed that in the Jail office he had begged pardon before the sentence of whipping was passed. In fairness to Chavan it should be stated that the other prisoner we selected at random at Bijapur, Hussain, only heard the shouting of only one man i.e., presumably Chavan, after the arrival of the Collector. In the face of the overwhelming evidence to the contrary we cannot accept Chavan's word corroborated by this single witness.

24. It appears to us on the whole that though the shouting after the District Magistrate came was appreciably less than on the arrival of the Jailor and then of the Superintendent, the tactics adopted were for the prisoner to whom the District

Magistrate was speaking and for the prisoners near his cell to abstain from shouting while other prisoners whose cells could not be seen by the District Magistrate, raised some spasmodic shouts, so that they could neither be identified nor punished. In accordance with these tactics Gangaram Chavan did not shout until the District Magistrate and the Superintendent were well round the corner and unable to see him or his cell. Unfortunately for him the District Magistrate and the Superintendent saw through these tactics and when they again heard a shout coming from a distant corner, they at once sent a Havaldar to find out the offender or offenders. The Jamadar followed him. They caught Gangaram shouting and reported the matter to the District Magistrate. Gangaram was taken out of the cell and placed before the District Magistrate and the Superintendent in the Jail Office.

25. The more important question is whether Chavan before he was sentenced asked forgiveness or was defiant and recalcitrant. If Chavan's version is to be accepted, not only were the Superintendent and the District Magistrate obdurate but they even falsified the record and all this to the knowledge of the Jailor and the Jamadar.

26. It is impossible for us to believe that they would go to this length. We accept the word of the officers concerned, supported as it is by the record made at the time and immediately afterwards, and we hold that, as the proceedings (exhibit 29) of the Superintendent state, Chavan not only admitted the shouting but was defiant and said "I am not afraid of any punishment." It is possible that he anticipated, not whipping, but rather punishment in some other form and was prepared to bear the latter, in the same manner as Ambaji Parit, who, according to the report of the District Magistrate (exhibit 33) dated the 6th of May, did not eat his food, persisted in shouting that he would not obey, jail regulations and was rude to the Superintendent and was only given standing handcuffs for two days.

27. On the third point as to the actual throwing down of the black caps by the prisoners belonging to the Criminal Tribes, they all admit representing their grievance on the 5th May to the authorities concerned. The Superintendent's report No. 1832 of the 5th May (exhibit 31) uses the word "discard their black caps," supporting his statement and those of the District Magistrate, the Jailor and the Jamadar.

28. On the fourth and the last point, placing ourselves as far as we can on the scene and at the time, it is difficult

for us to say that the apprehensions of the Jail authorities were without grounds. The intentions of the prisoners and their next action could only be a matter of inference from their class, their gestures and their actual conduct. The prisoners were sitting in files-near the bathing platform waiting for their turn. Suddenly some of the Criminal Tribe prisoners who were sitting in a separate file along with other habituals raised a shout. The Jamadar came to them to ask the reason. The shout was taken up by Chavan and Madur who left their own files and joined them. Parit who was then in a separate yard left his place in front of his cell in that yard and ran and joined them in the main yard. They all stood up with their pots and plates in their hands. There is no evidence that they had decided to go to the length of assaulting the Jamadar. Quite possibly they had no such intention. On the other hand the Jamadar was not in the secret of their conspiracy and of their intentions, and from their concerted action he might, not unreasonably anticipate and apprehend an actual assault as he says he did, when he blew his whistle. The prisoners concerned in this disturbance might well and for aught we know, truthfully assert their non-violent intentions. But the Jamadar with not less reason remembered that he was dealing with persons convicted of rioting and most of them belonging to the Criminal Tribes, so that a concerted attack on him with pots and plates would not be exactly a joke; and he might reasonably decline to take any such chances and prefer to blow his whistle and while the night duty warders were still in the jail, summon all the assistance he could and have the prisoners locked in separate cells.

29. The most favourable view of the disturbance would be that the hunger strike and the slogans of ten or twelve prisoners could be sufficiently met by separate confinement with fetters and the other like punishments and that it need not have spread to others but would have remained non-violent and confined to these prisoners alone. But the other side is set forth in the reports and statements of the officials from the Jamadar upwards. Bijapur is a jail with a population of about 200 inmates, with a comparatively small number of warders to look after them. The jail suffers from the fact that there are not sufficient number of separate yards, prisoners are not properly separated and a great many of the cells are within seeing and hearing distance of each other. Concerted action on the part of the prisoners is therefore easier. This concert, it was clear, embraced not only Chavan, Parit and

Madur, but it also included twelve others belonging to the Criminal Tribes. The whole order of that day had been disturbed and the meals of all the prisoners already delayed by an hour or more by reason of the disturbance created by these twelve and by their persistence and declining to yield and to be pacified, not only by the Jailor but even by the Superintendent. The spirit was sought to be kept alive even after the arrival of the District Magistrate by slogans which could have no meaning except defiance.

30. Trying to place ourselves in that situation at that time in that spot and on that day rather than from the detachment of Poona today, we think that the atmosphere and the situation were strained and created in the minds of the jail authorities a not unreasonable apprehension of the spread of the disturbance and increasing disorder and interference with the routine of the order and the discipline of the jail. Even without attaching undue weight to circumstances such as the shaking of the bars of the separate cells by the prisoners confined and the shouting of slogans, it is difficult for us to arrive at any other conclusion. These being the circumstances we proceed to the question whether the order of whipping was proper and justifiable.

31. The disturbance had lasted for three hours; the Jailor had been unable to quell it; the Superintendent had equally failed; one of the three ring leaders was about to spit on him (exhibit 7). These fifteen persons were adjuring other prisoners not to touch their food by the filthy suggestions which appeal to that class of mind. The state of the Superintendent's mind can be judged from the fact that he went himself in his car to fetch the District Magistrate to the Jail. The District Magistrate's attempts at pacification had succeeded, if at all, only in part. The general attitude of each prisoner was in the case of some insolent, in the case of all defiant, and the slogans had not stopped. When we asked Gangaram why he and the others adopted this means of disturbance and defiance of the jail authorities, though they had no power to grant the prisoners' requests, whether for differential treatment or in respect of black caps, and why the prisoners had not waited for Government to pass orders for any special treatment they desired, the only reply of Gangaram was that "it was my mistake". Placing ourselves on the other hand in the place of the Superintendent on whom lay the responsibility for discipline and order in the jail, a legitimate question which he could put was "What

was I to do ? ” To leave matters alone and the disturbance and disorder unchecked was impossible. Other punishments such as fetters had been tried. It was clear that the Criminal Tribe prisoners were being incited by Chavan and others. The only doubtful point perhaps is whether Ambaji Parit by reason of his age and education was not really the leader rather than Chavan. If he was, he was clever enough not to be caught shouting like Chavan. It appears to us that the conduct of Chavan seriously affected the discipline of the jail and that he was inciting the Criminal Tribe prisoners to follow him in his own indiscipline by raking up grievances such as their black caps. Chavan's conduct, therefore, fell within the purview of rule 703 (14) (c) (ii) of Part I of the Bombay Jail Manual. The authority which imposed the whipping was the Superintendent. His average of whipping in Bijapur and other jails under his superintendence was about one a year. As far as we have been able to make out from the record of punishments in the case of Chavan and his two companions, he does not appear to have treated them with special harshness ; on the contrary, he contended himself, at least on one occasion, with a warning. Nor did he strike us as an officer likely to err on the side of severity—a conclusion fortified to some extent by his calling in the District Magistrate before he resorted to whipping and by his infliction of only nine stripes out of the maximum of thirty allowed.

32. Our answer to the first question referred to us, therefore, is that in view of Chavan's conduct which seriously affected the discipline of the jail and of his incitement of the nine prisoners of the Criminal Tribes and the possible spread of his defiant spirit and his conduct to others in the jail, the order of nine stripes was justifiable and under the circumstances not improper. We are unable ourselves to suggest any other punishment which the Superintendent could have imposed at the time with equal effect if order and discipline were to be maintained in the jail, especially when Chavan persisted in his defiance even when he was taken to the jail office. We do not think that Chavan or his companions had any real grievance against the jail authorities or their treatment in the jail. What they sought was a matter for Government alone and was quite outside the power of the jail authorities. The proper course for the prisoners who felt these grievances was to petition to Government and wait for Government orders on the point and not to refuse food, to defy jail discipline or to shout slogans and incite other prisoners as Gangaram did. To permit Gangaram and his companions to persist

not only in the hunger strike but also in their slogans and shouting would have been subversive of all jail discipline; and the disorder might have spread to the other prisoners in the jail.

33. The order of whipping was, therefore, within the law and not improper, being limited to nine stripes and inflicted only on the leader who had been caught in the act and was defiant to the last and one medically classed as "good hard."

34. Mr. Kothavala was himself present when Chavan was sentenced to whipping and the statement (Exhibit 12) which he has submitted to us on the 1st of June concludes as follows :—

" I would request the committee to remove one misunderstanding that apparently finds a place amongst the press. It is presumed by all that I ordered whipping. My reports show I did not issue that order as I have no power to do so. In the circumstances of the case I agreed with the verdict of the Superintendent."

35. Mr. Kothavala was present in Bijapur; and when the Superintendent came to request his presence in the jail on account of the disturbance, he as District Magistrate could hardly refuse. Having gone there, he went round the cells, he satisfied himself by inquiry as to what the grievance of each prisoner was ascertained that they were beyond the power of the Superintendent or his own to redress immediately but must be a matter for petition to Government and for action by Government if so advised, and inform each prisoner accordingly, urging him in turn to give up his recalcitrant attitude. All this to our mind was quite proper. At the most, as the Superintendent says, he suggested a check to the game of shouting slogans when their backs were turned by sending a Havaladar to catch the offender. If game it was, Chavan should have been as prudent as Ambaji Parit and refrained from shouting. If Chavan was not, he has himself to thank for drawing special punishment down upon his own head. Whether the Superintendent should have taken steps without calling in the District Magistrate is a question, which hardly arises. But the District Magistrate had been called and had gone there. Having seen the state of things there he was right in remaining there, if as he says he approved though he did not suggest the sentence of whipping to the Superintendent. The legal responsibility for the sentence lies with the Superintendent alone. Of the moral responsibility the District Magistrate must in this case bear his share.

36. We now pass on to the second part of the reference, whether flogging as a jail punishment should be retained, and if so, under what circumstances and subject to what safeguards.

37. On this point we have examined the Superintendents of Yeravda Central Prison, Bijapur District Prison and Nasik Road Central Prison during our visits there, and have obtained the written statements of four senior Superintendents of other jails. We have also examined Lt.-Col. Jatar, I.M.S., C.I.E., the Inspector-General of Prisons, Central Provinces and Berar, who happened to be in Poona on leave, and was good enough to agree to give his evidence before us. We have also before us the valuable report of the Departmental Committee on Corporal Punishment, presented to Parliament in March 1938. We have also consulted the Report of the Indian Jails Committee appointed in 1920.

38. A few years ago the International Penal and Penitentiary Commission formulated a Code of Standard Minimum Rules for the Treatment of Prisoners (published by H. M. Stationery Office, 1936). Rule 36 contained the following statement of principle: "It is desirable to reach a stage where corporal punishment is no longer included in disciplinary punishments." These rules were approved by the Fifteenth Assembly of the League of Nations in 1934 and were recommended to the attention of Governments. They have been adopted by His Majesty's Government in the United Kingdom, but the question is whether the time has yet come when it is possible to dispense with corporal punishment as a penalty for offences against discipline in prisons.

39. Whipping in jails, from its very place in Section 46, clause 12 of the Prisons Act (IX of 1894), is evidently designed by the Legislature as the last punishment to which jail authorities should resort. In other words they must exhaust all other means before a prisoner is sentenced to whipping.

40. Lt.-Col. Jatar and all the Superintendents of Prisons are opposed to the abolition of flogging. The Departmental Committee in March 1938 have come to the conclusion that "it is essential to hold in reserve, as an ultimate sanction, the power to impose corporal punishment for serious offences against discipline in prisons." In paragraph 75 of their Report they observe:

"We are thus satisfied that the fear of corporal punishment does exercise a strong deterrent influence in restraining

violent prisoners who would otherwise commit serious assaults on prison officers ; if no other penalty would operate as an equal, or sufficient deterrent.”

41. Public sentiment is opposed to this punishment chiefly on humanitarian grounds ; but discipline in jails has to be maintained and Jail Officials protected from assaults by prisoners. Accordingly we do not think the time is come when we could recommend the abolition of whipping as a punishment in jails ; but we feel very strongly that its use should be restricted within the narrowest possible limits, and, therefore, we desire to recommend certain modifications in the existing rule.

42. The present rule which deals with whipping in jails is contained in Rule 703 (14) (c) in Chapter XXXIII of Part I of the Bombay Jail Manual, which we have already quoted in paragraph 6 above. It is based on the recommendations of the Indian Jails Committee of 1919 (Report pp. 133, 134, sections 227, 228). The present rule in England is to be found in Chapter 41, section 5, of the Prisons Act of 1898 (61 and 62 Victoria) :—

(1) Prison rules shall not authorize the infliction of corporal punishment—

(a) except in the case of a prisoner under sentence of penal servitude, or convicted of felony, or sentenced to hard labour ; nor

(b) except for mutiny, or incitement to mutiny, or gross personal violence to an officer or servant of the prison ; nor

(c) except by order of the board of visitors or visiting committee of the prison, after inquiry on oath held by them at a meeting specially summoned for the purpose, and consisting of not less than three persons, two of them being justices of the peace ; provided that the Secretary of State may, if he thinks fit, appoint a metropolitan police magistrate or stipendiary magistrate to take the place of the board or committee and the magistrate shall in any such case have the same power as the board or committee.

(2) An order under this section shall not be carried into effect until it has been confirmed by the Secretary of State, to whom a copy of the notes of evidence and a report of the sentence and of the grounds on which it was passed shall forthwith be furnished.

Such report shall be embodied in the annual report of the Prisons Commissioners.”

43. It will be seen that compared with the Indian rule quoted in paragraph 6 above of our report, the English rule is more narrow and does not contain clauses (ii) and (iv) to section (c) of rule 703 (14) of the Bombay Jail Manual and that in England the Governor alone is not, as the Superintendent is in India, competent to award the punishment, or even to sit on the Board.

44. We see no reason why the Indian rule should not be narrowed to the English rule with a corresponding narrowing of the power of the Superintendent and with his association with two other members of a Board as the authority to award whipping in jail. The Indian sub-clauses (ii) and (iv) are in our opinion far too wide and devolve too great a responsibility on the Superintendent, as perhaps Dr. Henriques himself felt on the 5th of May. Accordingly we recommend that in rule 703 (14) (c) of the Bombay Jail Manual, Part I, p. 122, in clause (i) after the word "mutiny" the words "or incitement thereto" should be added, and sub-clauses (ii) and (iv) should be deleted in their entirety.

45. As regards the authority who should be empowered to pass the order of whipping, the witnesses consulted by us are not unanimous. One Superintendent states that previous sanction of the Inspector General of Prisons should be obtained. Another is of opinion that some local authority should be consulted. Lt.-Col. Jatar says that in the case of political prisoners, the sanction of the local Government should be necessary. We have every confidence that the Superintendents of Prisons can be trusted to use a wise discretion in the exercise of the powers; but at the same time we feel that objection can be reasonably taken in theory to a system by which the power to impose this exceptional punishment is exercisable by the officials responsible for the prison administration. In view of the present state of public opinion, and in the interests of the Superintendents themselves, we do not think that they should be made to shoulder the sole responsibility of passing the sentence of whipping. Hence we recommend that a clause be added to rule 703 (14), somewhat corresponding to the English rule; as follows:—

(d) Except in a case of emergency when there is no time to assemble a Board, whipping shall not be ordered by the Superintendent alone but by a Board of three members. One of them shall be the District Magistrate or the Sessions Judge, if either officer is in the station, and in their absence a Magistrate of the first class. Another shall be one of the

visitors of Prisons appointed under Chapter XVI of the Bombay Jail Manual, Part I. The Superintendent of the Prison may himself be a third member of the Board except when the offence is committed in his presence or he is required to give evidence before the Board. In such a case one of the other visitors will be the third member of the Board.

Colonel Bhandari is of opinion that the Superintendent should always be a member of the Board.

46. We have deliberately reserved the power with the Superintendent in case of emergency, but we are confident that there will hardly be occasion for him to exercise that power, since it will not be difficult for him to convene the necessary board.

47. In the same way in regard to the carrying out of a sentence of whipping we recommend the adoption of the English rule that such an order should not be carried into effect until it has been confirmed by Government, to whom a copy of the notes of evidence and a report of the sentence and of the grounds on which it was passed should forthwith be furnished through the Inspector General of Prisons, except where the sentencing authority is, for reasons to be stated by it in writing, clearly of opinion that the sentence should be carried out immediately.

48. Under the English rule, the sanction of the Secretary of State is necessary in all cases before the sentence of whipping is carried out. We have, however, recommended an exception in cases of emergency when the sentencing authority thinks it necessary to carry out the sentence at once, if it is to have the desired effect. The most important factor which may have to be considered in such cases is the attitude and temperament of the offending prisoners and of those other prisoners who, though mere spectators in the beginning, might succumb to the incitement and join the offenders. Prompt and stern action taken at the right moment may very often be the factor on which such prisoners take their decision, and this will not be possible if time is to be lost in waiting for the sanction.

49. In this connection, the question naturally arises, if the Prison authorities in England can in all cases wait for the sanction of the Secretary of State before carrying out the sentence of whipping, why it is not feasible for the jail authorities in India to adopt the same procedure. In our opinion, the conditions in the two countries are not alike,

The number of literate prisoners in the prisons in England is much larger than in Indian Jails, and most of them think and decide for themselves before they take part in creating any trouble in the jail, and would not blindly follow a discontented prisoner. If the mischief is confined to the discontented prisoner alone, it would be easy to keep him in check until the sanction is received. In India, however, the majority of prisoners are illiterate and ignorant, they are ready to join in any trouble in the jail without any personal grievance and are easily swayed by any disgruntled or mischievous prisoner. Often the mere fact that the leader belongs to their community, caste or creed is good enough for them to join him. In such cases prompt action is needed, if the trouble is to be nipped in the bud.

50. Along with these general recommendations we might refer to the question raised by the demand of Chavan and his two companions in the jail to be classed as "political prisoners". But before we could make any recommendations in that respect or consider their exemption from whipping, we should have to define that term. The matter is not expressly referred to us. We have recorded no evidence on the point and upon the whole, therefore, we refrain from entering into that question and content ourselves with inviting the attention of Government to the recent legislation in other provinces such as the C. P. and Berar Prisons Amendment Bill (IX of 1938) which deals with the question of political prisoners. We leave it to Government to consider the question of similar legislation in this Presidency. The Superintendents here are unanimous that the definition or classification of political prisoners should not be left to the jail authorities and that such prisoners, if defined by legislation and classified by Courts, should be kept separate from other prisoners and should not be kept in the same jail or at least in the same yard with differential treatment. Such treatment causes discontent among other prisoners and might prove a fruitful source of trouble with results as in the case of Chavan.

51. In recommending the retention of corporal punishment, we have been influenced, not so much by its effect on the individual punished, as by the deterrent influence which the fear of it exercises on all prisoners, who might in its absence commit mutiny or serious assaults. The statistics supplied to us show that even under the existing rule it is sparingly used, and is held to reserve as the ultimate sanction by which

to enforce prison discipline and we hope that in course of time as the character of the prison population improves and there is less need for purely repressive measures, it may be found possible to dispense altogether with the use of this form of punishment, as has been done in some countries already.

52. We conclude with a summary of our recommendations :—

(a) Whipping as a jail punishment cannot be entirely abolished and should be retained but should be restricted to the following offences (1) mutiny and incitement to mutiny, and (2) serious assaults on any public servant or visitor. -

(b) Except in a case of emergency, when there is no time to assemble a Board, whipping shall not be ordered by the Superintendent alone but by a Board of three members. One of them shall be the District Magistrate or the Sessions Judge, if either officer is in the station, and in their absence a Magistrate of the first class. Another shall be one of the visitors of Prisons appointed under Chapter XVI of the Bombay Jail Manual, Part I. The Superintendent of the Prison may himself be a third member of the Board except when the offence is committed in his presence or he is required to give evidence before the Board. In such a case one of the other visitors will be the third member of the Board.

(c) Before carrying out the sentence, the sanction of Government must be obtained except where the sentencing authority is, for reasons to be stated in writing, clearly of opinion that the sentence should be carried out immediately.

53. A separate minute by the Chairman is appended.

(Signed) G. D. MADGAVKAR,
Chairman.

(Signed) M. G. BHANDARI,
(Signed) N. S. LOKUR,

Members.

Poona, 23rd June 1938.

Chairman's Minute.

This separate minute is appended for two reasons. I take a somewhat broad view of the term "safeguard" in the second part of the reference to the committee. Without prejudice to our answer above to this second part, Government perhaps would agree that prevention is better than cure and that the occasions when the question whether flogging should be imposed arises should be minimised. If so, some more broad and general considerations necessarily arise and may be noted. The second reason is that in the light of my experience as visitor to prisons during an official career of nearly forty years I have never felt that the reformatory aspect of prison life was kept in view as much as it could be even on the present scale of expenditure. It is, moreover, a commonplace that persons whose duty it is to administer certain laws and rules are not necessarily the best persons to suggest reforms. They may sometimes even be the last. We are all accustomed, even without excessive egotism, to consider that everything is for the best in the system we are ourselves administering. I doubt, for instance, if a majority of judges who have passed sentences of death would be found to recommend its abolition as a penalty.

2. The question of whipping is, scientifically considered, a part of penology, itself a part of criminal law and administration, which are intimately connected with social conditions. Consciously or unconsciously, our conclusions really imply a philosophy and a background even if they are not deduced from a theory. Public opinion and the press usually oscillate between two extremes. Prisons are either places in which terrible tortures are inflicted upon the unfortunate inmates by callous and brutal officers; or they are luxurious establishments in which worthless offenders are petted and pampered at the public expense by a body of sentimental enthusiasts. In fact most of us are unable to make up our minds whether prison is a retribution or a deterrent or a reformatory. To a certain extent the last is not easily reconcilable even with the second, least of all with the first.

3. I fully realise the difficulties of the prison as a reformatory. The character of a person is almost formed by the time he is about sixteen years old. The ordinary prisoner does not desire to reform himself. His chief object is to get through the period of his sentence with as little trouble to

himself as possible. To him not less than to the idle rich, work is distasteful; and even when he is at liberty, it is at the best an evil, necessary in order to keep body and soul together.

4. The external difficulties are not less formidable. Prison as a reformatory means that both courts and jails will consider the offender much more than the offence. Machinery renders obsolete many of the handicrafts which could be taught in jails. The installation of machinery in prisons would be difficult even in a rich country such as Great Britain and much more so in India.

5. But with all these difficulties I am clear that imprisonment, while it has to be as deterrent as is necessary for the safety of society, should also try to direct the anti-social mentality of the criminal towards the attainment of social aims by useful and creative work and be as humane as possible.

In other words society, even while it reluctantly and for self-preservation takes away liberty and inflicts imprisonment, has also and always to remember that it is one of its own members with which it is dealing and keep his reformation always in view as the end, to whatever extent, small or great, to be achieved. I base this view not merely on social and humane grounds but also on the enormous cost of prisons and prisoners. The deliberate production of humiliation is the last thing at which jails should aim. After all, imprisonment is itself ultimately corporal punishment in a definite sense. I cannot for a moment subscribe to that view of jail discipline which would accept as its motto *oderint dum metuant* (let them hate me so long as they fear me) or that the jailor should be encouraged to think of himself as the monarch of all he surveys and the cowering inmates should not dare to raise their eyes above the latches of his shoes. Discipline in the sense of order and obedience to that order are always necessary in jails, as for the matter of that in any other institution, such as a school or a regiment, unless complete anarchy is to prevail. But military discipline is not the only variety. Its ultimate aim is to train men to act together as a body and the military mind is apt to mistake the mechanical expression of outward respect for the true spirit of discipline and is inclined to lay undue stress upon uniformity. But the aim of penal discipline should be, as in schools, to train the men to act apart as they will have to a large extent on release, in other words to teach them to discipline themselves as members of a society based on co-operation, work and mutual usefulness.

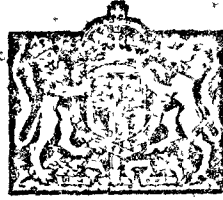
6. To put my own view shortly : whatever the difficulties, psychological and economic, internal and external, the ideal for jail discipline as far as practicable, should be, in my opinion, the maximum of the reformatory and the minimum of the deterrent element in prison life. Order and discipline by all means, but in this sense above, as a training for self-discipline : there should be an attempt to make the inmates realise that jail rules and regulations are as much in the collective interests of the prisoners and of their comfort as in the interests of the jail authorities ; respect with the minimum of fear and maximum of appreciation, not only of the justice, but above all of the humanity of jails and jail authorities. The prisoner need not cherish any illusions that he will cajole the jail authorities into condoning a breach of the rules. But he should also have a feeling that, consistently with obedience to the rules, he has in the jailor neither a bully, a tyrant, nor an enemy but a friend who, if only on the ground of their common humanity, would always be glad to help him to the utmost extent that the jail rules permit. I realise that this spirit and these aims are not always easily to be secured in jailors. But I consider it my duty to emphasize the fact that all rules and regulations in jails as outside, about whipping or any other punishment, have to be administered by officials to whom a certain amount of discretion must necessarily be left and that the quality of the officer in whom is vested the power to inflict or cause to be inflicted the punishment is not less material than the rule itself. Particularly in District Jails, the personality of the Jailor as the highest whole-time officer and one with the most contact with the prisoners is all important. But education and culture, a conviction that their common humanity is a stronger bond than differences of caste or class, creed or colour, law-abiding character or the opposite, and consequent interest in the reformatory element of his work—all these are in my opinion as essential qualifications whether for a Superintendent or for a Jailor as the strength to enforce jail rules and regulations and discipline. These are all qualities which should be easily available in India, even with the present pay of Jailors, particularly in these days of unemployment. If prevention is better than cure, if the occasions when it is necessary to consider the question of infliction of whipping are to be as few and far between as possible, then the personality and the spirit of the Jailor, from whom warders take their cue and Superintendents receive their reports, are elements as important as the laws and rules which Government frame in this regard. Without

casting any aspersions, personal or racial, I am not convinced, I regret, that the importance of this question has been appreciated in the past by the authorities responsible for such appointments. And I recommend rules and an authority which, as vacancies occur, will ensure such a selection of Jailors, as will increase the reformatory spirit in jails and minimise the occasions when the question of the necessity of whipping will at all arise.

(Signed) G. D. MADGAVKAR,

23rd June 1938.

Chairman.



Report of the Criminal Tribes Act
Enquiry Committee

1939

[Price—Annas 3 or 4d.]

BOMBAY
PRINTED AT THE GOVERNMENT CENTRAL PRESS

1939

Obtainable from the Superintendent, Government Printing and Stationery,
Bombay, or through the High Commissioner for India, India House,
Aldwych, London, W.C.2, or through any recognized Bookseller

REPORT OF THE CRIMINAL TRIBES ACT ENQUIRY COMMITTEE

CONTENTS

	Pages
CHAPTER I—INTRODUCTORY	1-2
CHAPTER II—GENERAL	2-25
CHAPTER III—HISTORY OF LEGISLATION	25-28
CHAPTER IV—SYSTEM OF CRIMINAL TRIBES ADMINISTRATION IN BOMBAY ..	28-30
CHAPTER V—NOTIFICATION	31-35
CHAPTER VI—REGISTRATION	35-40
CHAPTER VII—RESTRICTION	40-44
CHAPTER VIII—DEARALAS OF KAIBA DISTRICT	45-52
CHAPTER IX—INTERMENT IN A SETTLEMENT AND SETTLEMENT ADMINISTRATION	52-65
CHAPTER X—THE SHOLAPUR SETTLEMENT	65-68
CHAPTER XI—AGENCY OF SETTLEMENT ADMINISTRATION	68-74
CHAPTER XII—CONCLUDING REMARKS	75-76
CHAPTER XIII—SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS ..	76-81
APPENDIX A—LIST OF WITNESSES EXAMINED	82
APPENDIX B	83-84

CHAPTER I.

INTRODUCTORY.

We were appointed under Government Resolution, Home Department, No. 9849/3-I, dated the 5th October 1937, which runs as follows :—

“The Governor of Bombay is pleased to appoint a Committee consisting of the following members to inquire into the working of the Criminal Tribes Act, 1924 :—

The Honourable Mr. K. M. Munshi (Chairman),
Mr. N. G. Joshi, M.L.A.,
Rao Bahadur G. K. Chitale, M.L.A.,
Khan Bahadur Abdul Latif Haji Hajrat Khan, M.L.A.,
Dr. K. B. Antrolikar, M.L.A.,
Mr. F. B. Dabhi, M.L.A.,
Mr. D. Symington, I.C.S., Backward Class Officer, Secretary.

2. The terms of reference are as follows :—

(a) to investigate and report on the changes necessary to be introduced in the policy and law relating to the Criminal Tribes ;

(b) to investigate and report on the grievances of the members of the Criminal Tribes Settlements ; and

(c) to consider and report on such other matters as may be germane to the above.”

3. Mr. Symington was transferred as Special Officer to enquire into the Partially Excluded Areas and was succeeded by Mr. W. B. Gilligan who acted as our Secretary from 11th November 1937. Mr. Gilligan, however, went on leave and from 8th February 1938 his successor as Backward Class Officer, Mr. C. S. Devadhar, has been acting as our Secretary. At the same time Miss M. K. Davis, Inspector of Certified Schools, was associated with him as Joint Secretary.

4. We first met on the 24th September 1937 at Poona to settle our preliminary programme. As subsequently evolved our programme was three-fold :—

(a) to get acquainted with the existing system of administration through mainly our Secretary who is charged with the affairs of Criminal Tribes Settlements, and through the office of the Deputy Inspector General of Police, Criminal Investigation Department who is concerned with Criminal Tribes outside Settlements ;

(b) to visit personally as many Criminal Tribes Settlements as possible to get a first-hand knowledge of their administration and hear representations or grievances from the settlers ; to visit also local areas where criminal tribes exist in large numbers ;

(c) to examine witnesses specially acquainted with or taking special interest in the subject of criminal tribes administration.

5. We attached particular importance to the personal acquaintance with the actual administration in Settlements. Unfortunately the Session of the Legislative Assembly, to which all of us, apart from the Secretaries belonged, extended over a considerable time ; our Chairman, besides, is a Member of Government. We therefore found it difficult to arrange the intended visits early but we adopted the procedure of holding our meetings on the occasions of such visits.

In all we held 17 meetings out of which 12 were held either in Bombay or Poona and the rest outside. We visited the Settlements at Sholapur, Hubli, Ahmedabad and Belgaum and some of us including the Chairman paid visits also to Kaira District (Nadiad, Borsad, Ras Kanjari and Anand). Dr. Antrolikar and Mr. Dabhi visited the Settlement at Gadag, Bijapur and Ambernath at the request of the Committee. Khan Bahadur Abdul Latif Haji Hajratkhan and Dr. Antrolikar were requested by the Committee to investigate into the existing conditions of the Sholapur Settlement. They have submitted their reports. Mr. Dabhi at our request also submitted a report on Dharalas of the Kaira District. We examined 20 witnesses. A list of the witnesses examined is attached as Appendix A to this report. We also obtained materials on the subject of our reference from Madras, Punjab, the United Provinces and Baroda with a view to a comparative study of the methods adopted and the results achieved.

6. We desire to place on record the very valuable assistance rendered to us by Mr. D. S. Joshi, Under Secretary, Home Department in preparing the Report. We also take this opportunity to note the assistance given to us by our Secretary Mr. C. S. Deodhar, Backward Class Officer and Miss M. K. Davis, Inspector of Certified Schools.

CHAPTER II.

GENERAL.

7. The existence of certain classes of the population, living mainly on the proceeds of crime or indulging systematically in criminal activities cannot be gainsaid. It is true that criminality in these classes is on the wane and for not a little of this, credit is due to the systematic attempts at assimilating them in the general population. We do not propose to attempt a thorough and detailed historical analysis into the origin and continued existence of these criminal classes but a few general observations will not be out of place.

8. Enthoven in his "tribes and castes in the Bombay Presidency" in 1920-1922 carried out a general survey of the various groups. Kennedy's Criminal Classes in Bombay Presidency deals particularly with those classes with which we are here concerned. Although both the works mentioned are to a certain extent out of date they provide valuable material for a thorough knowledge of the problem.

9. The origin of the classes known to be criminal is not uniform. The names of certain tribes e.g. Haran shikaris, Phase Pardhis, etc., suggest that they are the descendants of a class who lived a nomadic jungle life in days gone by. Others like Ghanti Chors, Uchalyas, etc., whose very names denote their criminality were probably the product of times of social and political upheaval through which India passed for many centuries. Whatever the origin of all these classes it remains true that the basic reason for their continuance is as much economic as cultural and that either through lifelong habits or through the reluctance of organised Society to take them into its fold they persisted in the systematic commission of crimes. The distinction between these classes on the one hand and Thugs and the Hurs of Sind on the other is marked and must be stressed; fanaticism never characterised the tribes known generally as criminal. Of these criminal tribes some had no settled place of residence; they lived a wandering life throughout the year. Others again had a definite place of residence but in certain seasons every year took to a life of wandering during which they supplemented their income by crimes.

10. In Bombay 28 tribes, and certain mixed gangs, are notified as criminal tribes under the Criminal Tribes Act. We give in an attached statement detailed information about such declared "tribes".

Out of these the following belong to the category of wandering of nomadic tribes:—

- | | |
|------------------|------------|
| 1. Bauriah. | 5. Pardhi. |
| 2. Mang Garudi. | 6. Sansia. |
| 3. Marwar Baori. | 7. Waddar. |
| 4. Oudhia. | |

Serial No.	Name of the tribe.	District in which notified.	Sections of the Criminal Tribes Act applied.	Population.		Total population.	No. of Registered persons.		Total registered members.
				Outside settlement Census, 1931.	Inside and Settlement F. Colony 1937 March.		Outside Settlement.	Inside Settlement and F. Colony.	
1	2	3	4	5	6	7	8	9	10
1	Bauriah also called Dehliwal, Malpura, Kairwada or Kerara and Badak.	Throughout the Bombay Presidency including Bombay City	3, 4, 10, 11	..	..	..	8	..	8
2	Bedar also called Bedar, Talwars, Nalk-Makhalu or Walmikis.	(1) Sholapur ..	3, 4, 10	173,731	78	173,809	347	25	372
		(2) Belgaum ..	..	..	..	..	..	..	..
		(3) Bijapur ..	..	..	..	..	..	..	..
		(4) Dharwar and halling from ..	..	..	..	..	..	..	..
		(5) The native states of the Deccan and Southern Maratha Country.	..	..	..	..	..	..	..
		(6) H. E. H. the Nizam's territory ..	..	..	..	..	..	..	..
		(7) Mysore Province, and	..	..	..	..	..	..	..
		(8) Madras Presidency.	..	..	..	..	..	..	..

3	Bhampta (Rajput) also called Pardeahi, Bhampta or any other appellation.	Throughout the Bombay Presidency including Bombay City.	3, 4, 10, 11	2,559	3,452	6,011	176	665	889
4	Bhampta (Takari) also called Ghantichor, Uchalla, Kall Wadru, Tudug Wadru, Girmi Wadru, Waderi, Kamati, Patrut, Bestara, or Donga, Dasaru or other appellation.	Throughout the Bombay Presidency including Bombay City.	3, 4, 10, 11	..	..	.	..	..	..
5	Bhar	Throughout the Bombay Presidency including Bombay City.	3, 4, 10	.	..	..	..	..	..
6	Bhil	1. West Khandesh .. 2. East Khandesh .. 3. Nasik .. 4. Ahmednagar .. 5. Poona and .. 6. Sholapur ..	3, 4, 10	368,023	231	366,254	2,235	97	2,332
7	Chopesband	Bijapur ..	3, 4, 10, 11	919	631	1,544	2	9	11
8	Dharale	Kaira ..	3, 4, 10, 11	279,968	35	280,003	2,222	25	2,247
9	Futgudi	Thana ..	3, 4, 10, 11	.	7	7	48	4	52
		Carried over ..		825,194	4,484	820,628	5,086	823	5,859

Serial No.	Name of the tribe.	District in which notified	Sections of the Criminal Tribes Act applied.	Population.		Total population.	No of Registered persons.		Total registered members.
				Outside settlement Census, 1931	Inside and Settlement F. Colony 1937 March.		Outside Settlement.	Inside Settlement and F. Colony.	
1	2	3	4	5	6	7	8	9	10
		Brought forward ..		825,194	4,434	829,628	5,036	823	5,859
10	Kaikadi also called Korcha, Korwa, Pamlor, Telugu, Dhargar or Javeri or other appellation.	Throughout the Bombay Presidency including Bombay City	3, 4, 10, 11	9,900	2,201	12,101	133	473	606
11	Kamli ..	1. Belgaum ..	} 3, 4, 10, 11				7		7
		2. Bijapur ..							
12	Katbu ..	1. Belgaum ..	} 3, 4, 10, 11		50	50	25	8	33
		2. Bijapur ..							
13	Kathodi-or-Katkari	Nasik ..	3, 4, 10	4,251	3	4,254	35	1	36
		Poona ..	3, 4, 10, 11						
14	Koli ..	1. Nasik ..	3, 4, 10	104,115	28	104,143	324	15	339
		2. Thana ..							
		3. Poona ..							
		4. Ahmednagar ..							

16	Lamani also called Lambadas ..	1. Bijapur and 2. Belgaum 3. Dharwar and hailing from 4. The native states of the Deccan and Southern Maratha Country. 5. H. E. H. the Nizam's territory 6. The Madras Presidency	3, 4, 10	38,394	49	38,443	311	16	327
16	Mang	Satara	3, 4, 10, 11	36,443	51	36,494	431	11	442
17	Mang-garudi	Throughout the Bombay Presidency including Bombay City.	3, 4, 10, 11	4,384	1,849	6,188	252	716	968
18	Marwar Baori also called Gujarat Baori, Marwar Waghari, Salat Waghari or Baghari.	1. Ahmedabad .. 2. Kaira and hailing from the native states of-- (i) Baroda .. (ii) Kathiawar .. (iii) Jodhpur .. (iv) Rajputana ..	3, 4, 10, 11	..	..	..	54	..	54
		Carried over ..		10,22,031	8,065	10,31,296	6,008	2,068	8,671

Serial No	Name of the tribe.	District in which notified,	Sections of the Criminal Tribes Act applied.	Population.		Total population	No of Registered persons.		Total registered members.
				Outside settlement Census, 1931.	Inside and Settlement F Colony 1937 March.		Outside Settlement.	Inside Settlement and F Colony	
1	2	3	4	5	6	7	8	9	10
		Brought forward ..		10,22,631	8,665	10,31,296	6,608	2,063	8,671
19	Mina	1. Ahmednagar ..	3, 4, 10	..	..	..	..	..	..
		2. East Khandesh ..	..	..	..	..	..	..	..
		3. West Khandesh ..	..	..	..	..	..	..	..
		4. Nasik ..	..	..	..	..	..	..	..
		5. Poona ..	..	..	..	..	..	..	..
		6. Satara ..	..	..	..	..	..	..	..
		7. Sholapur ..	..	..	..	..	..	..	..
20	Oudhia	Throughout the Bombay Presidency including Bombay City.	3, 4, 10, 11	..	..	..	..	..	..

21	Pardhi also called Phase Pardhi, Baj Pardhi, Waghari Pardhi, Takari or Takankar, Haramshikari, Advichanchar or Chigri Betgar, Nirshikaris or Phasechari or other appellation.	Throughout the Bombay Presidency including Bombay City	8, 4, 10, 11	12,586	4,577	17,118	338	902	1,285
22	Fasi	Throughout the Bombay Presidency including Bombay City	3, 4, 10	.	.	.	7	1	8
23	Ramoshi	Satara	3, 4, 10, 11	24,182	60	24,242	630	22	652
24	Sansia also called Beria, Gujrat Bhat, Kanjar, Nat, Chhara, or Gujrathi Kolhatis	Throughout the Bombay Presidency including Bombay City	3, 4, 10, 11	194	1,719	1,913	64	507	571
25	Tadvi	East Khandesh	3, 4, 10	54	4	58	188	2	190
26	Vanjari also called Banjari, Rajput or Charan Vanjari.	East Khandesh	3, 4, 10, 11	31,259	9	31,268	66	1	67
27	Waddar also called Bhandi Waddar, Ghanti Waddar, Mann or Mati Waddar, Kal Waddar or Wadari.	1 Sholapur	3, 4, 10	51,819	216	52,035	163	69	232
		2 Belgaum .. .. .	.. .. .	.	.	.	..	..	..
		3 Bijapur and .. .. .	.. .. .	.	.	.	..	..	..
		4 Dharwar Districts, and hailing from .. .. .	.. .. .	.	.	.	..	..	..
		5 The native states of the Deccan and the Southern Maratha Countries .. .. .	.. .. .	.	.	.	..	..	..
		6. H. E. H. the Nizam's territory .. .. .	.. .. .	.	.	.	..	..	..
		7. Mysore Province and .. .. .	.. .. .	.	.	.	..	..	..
		8. Madras Presidency .. .. .	.. .. .	.	.	.	..	..	..
	Carried over			11,42,875	15,250	11,57,925	8,059	3,567	11,626

Serial No.	Name of the tribe.	District in which notified.	Sections of the Criminal Tribes Act applied	Population.		Total population.	No of Registered persons.		Total registered members.
				Outside settlement Census, 1931.	Inside and Settlement Colony 1937 March.		Outside Settlement.	Inside Settlement and F. Colony.	
1	2	3	4	5	6	7	8	9	10
		Brought forward		11,42,675	15,250	11,57,925	8,059	3,567	11,626
28	Waghari	Kaira	3, 4, 10, 11						
		Bombay City		17,275	57	17,332	335	32	367
		Bombay Suburban district							
	<i>Mixed Ganga.</i>								
	Bagadi	....		66	136	202	115	56	171
	Hurs	....		..	..	..	..	..	..
	Bhandi Sonars	....		..	..	..	..	..	..
	Mahars	....		..	..	..	..	..	..
	Thakurs	....		..	..	..	..	..	..

Gam Wakqal	..	...	.	.	.	.	.	..
Hindu Bhandari	..	.	.	..	.	.	.	..
Brahman	.	...	..	.	.	.	.	..
Fakir Musalman	.	.	.	.	.	.	.	..
Hindu Maratha	.	..	.	.	.	.	..	..
			..	11,80,016	15,448	11,75,450	8,509	3,855	12,164

11. It will be observed that the Bhils, Kolis, Berads and Dharalas each number over 100,000 while some of the tribes comprise only a few hundreds or even less.

12. It is not possible to give any accurate figure as to the exact number of Criminal Tribes in this Province. Census figures in respect of primitive, aboriginal peoples cannot be absolutely accurate. In the last census report of 1931 statement is made that the tribal figures submitted are the most unreliable of the Imperial Tables. It is possible, however, to give as a general estimate, that the total population of Criminal Tribes in this Province amounts to 11,75,459. This figure is based on the last Census Return as also in some cases on known figures regarding members of these tribes, interned in settlements, and apparently not included in the Census Return.

13. It is thus obvious that in dealing with the problem of Criminal Tribes in this Province, a considerable section of the population is to be taken into account. Only 2·03 per cent. of the total population of criminal tribes is brought under the provisions of the Criminal Tribes Act.

14. According to the present revised system of notification applied to Bhils, Kolis and Tadvis and Berads the actual number of tribesmen notified as criminal is however very small. This and other questions we shall examine in subsequent chapters.

15. We give below a brief account of the notified criminal tribes of the Bombay Province.

16. *Berad.*—Berads have been known to be addicted to cattle lifting and committing highway robberies, dacoities, crop stealing, burglaries and petty thefts. As a tribe they have been prone, with any disturbing cause, to form gangs, go into outlawry, disturb the peace of the countryside and defy the Police and authority. The Berads gave very great trouble in Belgaum District in the years 1915 to 1918 and special police parties had to be formed to put down their crime. They do not resort to unnecessary violence. A few are *jahgirdars* and hereditary patils while a large number work as Sanadis (Village Police), village servants and night watchmen. This tribe has been shedding its criminality as a result of their treatment under the Act and the improved conditions of life.

The tribe was declared as a Criminal Tribe by Government Notification in the Judicial Department, No. 5518, dated 18th August 1916, and Judicial Department, No. 5783, dated 29th August 1916, in Belgaum and Bijapur Districts respectively, and in the whole of this Province by Judicial Department, No. 4583/2, dated 16th February 1929. These notifications were superseded by Home Department, No. 9356-III/33, dated the 23rd June 1931. Registered Berads of the four Districts, Sholapur, Belgaum, Bijapur and Dharwar were subjected to section 10 (1)(b) only but this was cancelled by Home Department, No. 7613/3/3,

dated 20th April 1936, and sub-section A was applied and those hailing from the Indian States of the Deccan and Southern Maratha Countries, etc., were restricted under section 11 to the limits of the District in which they were registered. *Vide* Home Department, No. 9356-III/32, dated 23rd June 1931. But this notification was cancelled by Home Department, No. 7613/3/1, dated 20th April 1936.

This notification was further superseded by Home Department, No. 973/4 (1), dated 21st June 1938. By this notification only criminal Berads with convictions for a non-bailable offence on or subsequent to the 1st day of January 1920 have been declared as a Criminal Tribe. Such criminal Berads are liable to registration in all the districts of this Province. They are now subjected to section 10 (1) (a) and (b) only.

The registered population of Berads in the year 1922 was 964. In the year 1936 it dwindled down to 320.

Out of 347 registered persons at the end of 1937, 183 persons are eligible for exemption from roll call under rule 32 of the Criminal Tribes Rules as they have no convictions for the last 4 years or more.

In settlements and free colonies there are about 25 registered members of this tribe. The recent experience of the settlement department is that owing to party factions in villages Berad settlers released on licence to villages are often bound for good behaviour under security section of the Criminal Procedure Code.

The tribe as a whole has, however, shown considerable improvement.

17. *Bhamptas—Rajput*.—They are also called Pardeshi Bhamptas. They have been known to be mainly pick pockets and pilferers. They travel all over India and attend all important fairs. When visiting fairs they assume the garb of Bairagis or Sadhus and add the suffix "Das" or "Sing" to their names. In the railway trains they move in disguise and occasionally travel in European costume in the upper class compartments. They commit thefts in crowds, at fairs, places of pilgrimage and in railway trains, generally by day only. They are experts at removing jewellery from the persons of children and at pocket-picking. They also hover on the banks of rivers and steal the clothing of bathers. They decamp with their employers' property or pass it out to a confederate who visits the house generally in the garb of a mendicant. Recently they have been noticed visiting Post Offices in big cities and committing thefts of insured letters and parcels offered at the counter for registration.

An absconder of Mundwa settlement (near Poona) was caught at Kankal in United Provinces from where he sent telegraphic money orders to his family in the Mundwa Settlement.

This tribe was declared as a criminal tribe by Judicial Department Notifications Nos. 3413, dated 3rd May 1912 and 5782, dated 29th August 1916, in the seven districts of the Central Division. Subsequently it was declared throughout the Province by Home Department Notification No. 9356-III/4, dated 23rd June 1931. The registered members are automatically subjected to sections 10 and 11 of the Criminal Tribes Act.

The registered population in this tribe, in the year 1936, outside the settlements was 114, the highest number of registered persons in any one year being 213 in 1929.

Out of 99 registered persons of this tribe at the end of 1937, 51 are due for exemption from roll call, etc., under rule 32, as they have no convictions for the last 4 years or more.

Their registered population in settlement and free colony is 119 and as a class they are averse to do any kind of regular work,—much less hard work. Some of them in the Ahmedabad settlement have taken to work in the mills.

18. *Bhamptas—Takari*.—These Bhamptas are also known as Ghantichors (bundle thieves), Uchahas (lifters), Khisa Katru (pocket cutters), Takaris, Wadaris, Kalwadru, Tudug Wadru, Kamati and Pathrut and Donga Dasaru.

They travel all over India and no railway is immune from their attention. They admit into their fold people of many castes and creeds including *Wans, Marwadis, Sutars, Berads* and also *Mahomedans*. They adopt children of other castes and bring them up to their own profession. They dress well and live in superior style just like the *Pardeshi Bhamptas*. They are always on the look-out taking stock of people, things and the situation generally. It is a rule among these Bhamptas not to give a girl in marriage till the intended husband has proved himself as a dexterous thief. They inter-marry with the *Kaikadis*.

They disguise themselves as well-to-do Marathas, Marwaris, Brahmins, or mendicants to suit the occasion. They are very clever at removing ornaments off the person of women and children in a crowd, at landing places, fairs, bazars and in temples.

This tribe was declared as a criminal tribe in the seven districts of the Central Division by Judicial Department, No. 3413, dated 3rd May 1912. Later on it was declared throughout the Province by Home Department, No. 4583/2, dated 16th February 1929. The registered members automatically become subjected to the restrictions imposed under sections 10 and 11 of the Criminal Tribes Act.

Their registered population in the year 1936 was 96. The highest number on the register in any one year was 597 in 1924.

Out of 77 registered numbers of this tribe at the end of December 1937, 55 persons are eligible for exemptions from roll call, etc., under rule 32

of the Criminal Tribes rules as they are free from convictions for the last 4 years or more. Only a few persons, viz. 22, remain active criminals.

In settlements and free colonies their registered population is 544. A good deal of reformatory effect of the settlement administration in respect of this tribe can be seen in this Province, as many of them are absorbed in the ordinary population.

19. *Bauriah*.—This is an up-country tribe and its members visit this province in the guise of Sadhus or Bairagees in small batches. After arrival in this Province by rail, they move about on foot from place to place begging for alms on the way. During their wanderings they select suitable houses for house-breaking and theft and return to those towns or villages after a month or so unobserved and commit crime. They are expert burglars. When a big deal is collected, they send the stolen property to their houses either intact or in a converted form by postal parcels, and they themselves disperse and return singly to their homes with their booty. No statistics are available in respect of the Bauriah population in this Province.

At least on three different occasions several members of this tribe were prosecuted and convicted under sections 400 and 401, Indian Penal Code.

This tribe was declared as criminal in the seven districts of the Central Division by Government notification in the Judicial Department, No. 3413, dated the 3rd May 1912. Subsequently the tribe was declared as a Criminal Tribe throughout this Province by Home Department, No. 9356-III/46, dated 23rd June 1931. The registered members are subject to the operation of sections 10 and 11 of the Act.

Out of their registered population of 60 at the end of 1937, 42 persons are eligible for exemption from roll call, etc., under rule 32 of the Criminal Tribes Rules. No members of this tribe are interned in settlements.

20. *Bhars and Pasis*.—These two tribes belong mainly to the United Provinces and their members are criminals of a *bad type*. They migrate into this Province either singly or in batches to commit crime. They are generally found in Khandesh and the city of Bombay. They commit burglaries and dacoities. They are cruel and commit even murders if obstructed by their victims. In the United Provinces these two tribes have been declared under the Criminal Tribes Act by classes on lines similar to the classifications of Bhils of this Province.

Some years ago they were a source of great trouble to the city of Bombay. In the United Provinces, section 10 (1) of Criminal Tribes Act only is made applicable to them. They come to Bombay without passes and could go anywhere unhampered. As a result of this the Bombay Police were not in a position to control their movements or

compel them to attend roll call, and so these tribes were declared as criminal in this Province by Home Department, No. 2396/3/4 and No. 2396/3/1, dated 2nd March 1934.

These being foreign tribes their population does not appear in the Census Report of 1931. The registered population of Bhars outside the city of Bombay in 1936 was nil as against 15 in 1935 and of the Pasis 8 as against 246 in 1935. The decrease in the registered population is due to the application of rule 9 in registering members of this tribe.

Out of the 7 registered Pasis at the end of 1937, 5 are eligible for exemption from roll call, etc., under rule 32 of Criminal Tribe Rules as they have no convictions during the last 4 years.

Only one person belonging to Pasi has been interned in settlement.

21. *Bhils*.—Bhils are still a very backward community. For generations, mainly owing to bad economic conditions, members of this tribe were known to be addicted to robbery and theft. During the harvest season, certain classes of Bhils largely subsisted on theft of crops.

Bhils were first brought under the operation of the Criminal Tribes Act in 1914/1915, when they were notified in six districts only—East Khandesh, West Khandesh, Nasik, Ahmednagar, Poona and Sholapur (Judicial Department Notifications No. 2296, dated 27th March 1914 and 7510, dated 11th November 1915). Twelve years later, owing largely to the marked improvement of the major portion of this very numerous tribe, notification was restricted only to those Bhils in the above districts who had convictions for non-bailable offences or who were bound over under section 118, Criminal Procedure Code. In addition only registered Bhils were subjected to restriction under section 10 (1) (a) and (b) of the Criminal Tribes Act (*vide* Home Department Notifications No. 9752/1/1, dated 5th December 1927). Notification was restricted in 1934 and only those Bhils in the above areas were brought under control, who were actually in jail or convicted of a non-bailable offence or required to furnish security under section 118, Criminal Procedure Code on or after January 1st, 1920 (Home Department Notification No. 7947/2/1, dated 19th July 1934).

In 1937 the registered population of this tribe was only 2,235, of which nearly half, i.e. 1,051 are now eligible for exemption, as they have not been convicted for non-bailable offences during the last 4 years. A study of the treatment of Bhils under the Criminal Tribes Act since 1914 shows how control has been relaxed as criminality declined.

22. *Chapparbands*.—The Chapparbands originally were a wandering tribe throughout India. In Moghul times, Chapparbands were the contractors for army huts. On the break up of the Moghul Empire, they took mainly to coinig for subsistence. In addition they were accustomed to steal ponies and sell or hire them out in pre-railway days.

Chapparbands were the first tribe to be interned in settlements under the Criminal Tribes Act in this Province. About 1909, in Bijapur District, it was estimated that, out of 900 adult Chapparband males, 200 were in jail for coining and of the remaining 700, no less than 650 admitted that they maintained themselves by coining and only 50 pursued an honest livelihood. This tribe was notified under the Criminal Tribes Act in Bijapur District in 1916 (Judicial Department No. 5518, dated 18th August 1916) and the notification was extended to the province in 1929. (Home Department No. 4583/2, dated 16th February 1929, superseded by Home Department No. 9356-III-26, dated 23rd June 1931) Being a wandering tribe, much advantage has been secured in its case, by settlement treatment. Settled habits have gradually been inculcated and the tribe is gradually becoming merged amongst ordinary Mahomedans. There are at present only 9 registered members of this tribe in settlements and free colonies.

23. *Dharalas*.—As explained in detail in Chapter VIII, Dharalas do not constitute a strict ethnological unit. Generally they are agriculturists and several of them have been found addicted to highway robbery, dacoity, cattle lifting, theft and house breaking.

Prior to the passage of the Criminal Tribes Act of 1911, Kaira District was noted for dacoities and certain classes of Dharalas were held responsible for them. In 55 villages they were notified under the Criminal Tribes Act but three years later the whole community was declared a criminal tribe throughout the district (Judicial Department No. 5631 of 3rd November 1911 and Judicial Department No. 5786-A of 7th August 1914). Every registered member was subject to hazri in accordance with section 10 (1) and, in the year 1922, section 10 (1) (b) was also applied and restriction imposed under section 11. All these orders were, however, cancelled and the whole tribe brought under the operation of the new Criminal Tribes Rules in 1930. The notifications now in force in respect of this tribe are :—

Section 3—Home Department, No. 9356-III/54 of 28th November 1931,

Section 4—Home Department, No. 9356-III/68/2/16 of 7th June 1933,

Section 10—Home Department, No. 8453/3/14, dated 25th November 1936,

Section 11—No. 9356-III/57, dated 28th November 1931.

At the end of 1937, 2,222 Dharalas were on the register, of these no less than 1,482 have no convictions for non-bailable offences for the last 4 years and have qualified for exemption from roll call. In addition there are 25 registered members resident in settlements and free colonies.

24. *Futgudis*.—Early in the present century, Futgudis were noted burglars. Their criminal activities were mainly restricted to Thana District and they were declared a criminal tribe in 1915 in that area.

The census figures of 1931 do not give the population of this tribe but, at the end of 1937, there were only 48 registered Futgudis, (of whom 15 were without conviction for the past 4 years and are, therefore, eligible for exemption), as against 259 registered members in 1927. At present there are only 4 members of this tribe resident in settlement or free colonies.

25. *Kaikadis*.—Kaikadis are still noted as expert burglars and house dacoits and are known to resort to brutal practices, if thwarted. Their *modus operandi* is to travel in gangs long distances by railway or motor bus. On arrival near their destination, they remain in hiding, whilst one tribal member acts as a scout. During the ensuing night the gang, armed with sticks, strings, stones and other house-breaking implements, proceeds to the attack. Afterwards they quickly move on by rail or motor bus to fresh areas. On conclusion of a depredatory tour they return to their headquarters. As recently as 1927/8 a gang of Kaikadis resided at Miraj and Sangli, posing as well-to-do Javeries from Bombay City. Within the course of 11 months, they were instrumental in committing 30 dacoities in the Districts of Belgaum, Satara, Poona, Sholapur, Bijapur and Ahmednagar as well as in Jath, Mudhol, Ramdurg and Jamkhandi States. Similar instances have occurred both in other districts in this Province as well as in the Berars, Central Provinces and Kolhapur State.

This tribe was first brought under the Criminal Tribes Act in 7 districts of the Central Division in 1912 (Judicial Department No. 3413, dated 3rd May 1912). Three years later it was also declared in Thana, Bijapur, Sholapur and Kanara Districts as well as in Bombay City and Suburban Districts (Judicial Department No. 5518 of 18th August 1916, No. 5782 of 29th August 1916, No. 2266, dated 8th April 1918, No. 2423-I, dated 25th January 1923, No. 3315, dated 21st February 1923, and No. 1794, dated 20th September 1923).

All these notifications were subsequently superseded by its declaration throughout the Province under Home Department No. 4583/2, dated 16th February 1929, superseded in its turn by Home Department No. 9356/III/20, dated 23rd June 1931. Registered members are restricted under sections 10 (1) (a) (b) and section 11 of the Criminal Tribes Act.

The highest number of Kaikadis on the register outside settlements was 357 in 1924 against 117 in 1936. There are now 133 registered members, of whom 81 have no convictions for the last 4 years or more and are thus eligible for consideration of exemption. In addition, there are no less than 473 tribal members in settlements and free colonies. Kaikadis are even now so unreformed, that they constitute the stiffest problem in settlement management. As recently as 1934, Kaikadi settlers in Sholapur broke out of the wire enclosure and committed daring dacoities in the neighbourhood.

26. *Kammis*.—The Kammis are a small tribe, resident only in Bijapur and Belgaum Districts. Its members were known to be

addicted to the commission of local theft and house-breaking. Originally this tribe was only notified in Belgaum and Bijapur Districts, subsequently it was declared throughout the Province but finally its notification was again restricted to the above districts. (Judicial Department No. 5518 of 18th August 1916 superseded by Judicial Department No. 4583/2 of 16th February 1929 and Home Department No. 9356-III/14 of 23rd June 1931). Registered members are also restricted under section 10 (1) (a) and (b) and section 11 of the Criminal Tribes Act.

The highest number on the register in any given year was 39 in 1922 as against 7 in 1937, all of whom have no convictions for the past 4 years and are, therefore, eligible for exemption. This tribe has a small population and the conduct of its members has much improved.

27. *Katbus*.—This is a resident tribe previously addicted to the commission of local offences (house-breaking and theft). As in the case of the Kammiss, it was first notified in Bijapur District, subsequently throughout the Province and finally again in Bijapur and Belgaum Districts (Judicial Department No. 5518 of 18th August 1916, Home Department No. 4583/2 of 16th February 1929 and Home Department No. 9356-III/17 of 23rd June 1931). Sections 10 (1) (a) and (b) and 11 are automatically applied to registered members. The highest number on the register was 154 in 1932 against 25 in 1937, of whom no less than 15 have committed no unailable offences for the past 4 years and are eligible for exemption. In addition, there are 8 Katbus in settlements and free colonies. Owing to the restrictions placed on them under the Criminal Tribes Act, this tribe has shown gradual improvement. Members are proficient in preparing parchment pictures on deer skin.

28. *Kathodis or Katkaris*.—Kathodis and Katkaris were previously addicted to the commission of petty thefts, burglaries and crop depredations. The tribe was declared by villages in the Nasik District in 1914 and throughout the Poona District in 1916. In the former area, registered members are subjected only to section 10 (1) (a) and (b) but in the latter they are also restricted under section 11. There were only 35 registered members at the end of 1937 of whom 11 persons were eligible for exemption. Only 1 Katkari was interned in a settlement.

The question of their criminality had been recently considered and Government have now cancelled the notification in respect of this tribe under their orders in Government Resolution, Home Department, No. 9268/3, dated 11th January 1939.

29. *Kolis*.—Kolis, as a class are cultivators and field labourers, some of whom have been recruited to Government service in the Forest and Police Departments. Many tribal members, however, were given to petty thieving, robberies and dacoities. As recently as 1935-36, a gang of Kolis under Ladya Koli committed several robberies and dacoities in the Nasik and Ahmednagar Districts. Kolis taking to outlawry constitute a real danger to the peace. In 1914 this tribe was notified in the

Nasik District but, five years later, notification was restricted only to certain villages (Judicial Department No. 2296 of 27th March 1914 superseded by Judicial Department No. 4658 of 12th June 1919). Subsequently as in the case of Bhils, notification was restricted to those Kohls, living in the hilly areas of 4 districts (Poona, Thana, Nasik and Ahmednagar), who had been convicted of non-bailable offences or had been required to furnish security under section 118, Criminal Procedure Code on or after 1st January 1920 (Home Department No. 8421/2 (i) of 20th September 1934). Registered Kohls are subjected to the provisions of section 10 (1) (a) and (b) only. Outside settlements, in 1936, there were 314 registered members as against 1,045 in 1925. Out of 324 registered members at the end of 1937 no less than 138 are now eligible for exemption. In addition there are 15 registered members in settlements or free colonies. The reduction in number of registered persons shows that tribal members are improving in conduct.

30. *Lamanis*.—In the past Lamanis carried on the profession of army contractors and transported grain, salt and merchandise to the Moghul armies of the 16th and 17th centuries and to the British army in the last century. Development of railway transport ruined their hereditary profession. As an alternative, they took to subsisting on crime—highway robbery, dacoity and cattle lifting. In the Karnatic, Lamanis also resort to illicit distillation of liquor.

This tribe was first notified in Bijapur District in 1916 and subsequently throughout the Province in 1929 (Judicial Department No. 5518 of 18th August 1916 and Home Department No. 4583/2 of 16th February 1929). In 1931 these notifications were, however, superseded and Lamanis are now only notified if they belong to Bijapur, Belgaum and Dharwar Districts or if they come from other Provinces and Indian States. (Home Department No. 9356-III-10 of 23rd June 1931.) Their registration is limited to only these three districts and all registered members are subject to section 10 (1) and (a) and (b).

The highest number on the register outside settlement in any one year was 2,308 in 1928 against 245 in 1936. At the end of 1937, out of 311 registered members, 91 were eligible for exemption. In addition there are 16 registered members in settlements and free colonies.

31. *Mangs*.—Mangs of the Deccan, especially in Satara District, are noted for gang robbery, dacoity, burglary, cattle lifting and poisoning. They are addicted to theft and cheating, and are in the habit of passing off brass ornaments for gold. In addition, they are expert night thieves and house breakers. In Satara, Mangs have been known, when committing house dacoity, to arm themselves with torches, guns, potash bombs, and slings. By means of hatchets, they have been known to force entrances and to intimidate occupants into giving up money and jewellery. Mangs were originally notified in only 44 villages of the Satara District, subsequently they were declared as a criminal tribe throughout that district (Judicial Department No. 2296 of 27th March 1914 superseded by Home Department, No. 3552/1 of 4th June 1923).

All registered members are subject to section 10 (1) (a) and (b) and section 11 of the Criminal Tribes Act.

The number of registered members has increased as the tribe, as yet, gives little indication of improvement. In 1924 there were 126 registered members against 461 in 1936 and 431 in 1937, of whom 218 were, however, eligible for the usual exemptions. In addition there are 11 registered members in settlements and free colonies.

32. *Mang Garudis*.—Mang Garudis are a wandering tribe who subsist in begging, petty theft, conjuring tricks and trading in and shaving buffaloes. Men, women and children are habitual thieves. Men readily graze their buffaloes on agricultural land and steal the crops. They also resort to cattle poisoning and cattle thefts and are known to defraud owners of barren she-buffaloes on the pretext of making them fertile. Occasionally they commit burglaries, highway robberies and dacoities. Curiously women are more criminal than men who are known to subsist on the criminality of their wives. Women cleverly pilfer clothes from the washing line, pick-pocket in the bazar and commit theft and house-breaking by day. To frustrate the police, Mang Garudi women have been known to strip off their clothes and stand naked before them or to seize a child by its legs and threaten to dash its brains out on the ground. In addition they are immoral.

In 1912 this tribe was notified in seven districts of the Central Division, subsequently in certain other areas and finally, in 1929, throughout the Province. Registered members are subjected to the usual restrictions under sections 10 and 11 of the Criminal Tribes Act.

The highest number of registered members in any past year was 1,903, against 328 in 1936. At the end of 1937, there were 232 registered persons, of whom 136 are eligible for exemption from roll call. In addition there are 716 registered persons in settlements and free colonies.

33. *Marwar Baoris*.—Marwar Baoris are a nomadic tribe, which in the disguise of Sadhus and Biragis, wanders all over India. They are an off-shoot of the large Bauriah tribe and are often wrongly identified with Gujarat Waghria. As a class men and women of this tribe are inveterate and hereditary coners.

In 1912 this tribe was declared criminal in 7 districts of the Central Division. In 1931, however, this notification was cancelled and they were notified in Ahmedabad and Kaira Districts together with those belonging to Baroda, Kathiawar, Jodhpur and Rajputana (Home Department No. 9356-III/43 of 23rd June 1931). All registered members are liable to restrictions under sections 10 and 11 of the Criminal Tribes Act.

Out of 54 registered persons of this tribe at the end of 1937, 39 are eligible for exemption of roll call as they have no conviction during the last four years.

34. *Minas*.—Minas are hereditary professional burglars. This tribe was notified in Nasik, Poona, Satara, Sholapur, Ahmednagar and East Khandesh and West Khandesh Districts in 1912. (Judicial Department No. 3413 of 3rd May 1912.) Since 1920 registered members have been liable to restriction under section 10 of the Criminal Tribes Act (Judicial Department No. 9829 of 19th November 1920).

35. *Oudhias*.—Oudhias, like Minas, belong to a foreign tribe. Members of this caste are noted cheats, pick-pockets and house-breakers. In 1912 this tribe was notified throughout the Province. Registered members are liable to registration under sections 10 (1) and 11 of the Criminal Tribes Act. For many years there has been no tribal member on the register.

36. *Pardhis*.—Pardhis come from hunter stock and are a survival of an earlier pastoral age. They are a wandering people, and are noted for hunting and poaching. In addition they make and sell indigenous drugs from roots and deal in black and white beads, known as Bajar Batu. Thakankar Pardhis make and repair grindstones, an occupation providing useful opportunity for spying out the locality for later theft and house-breaking. Sheep stealing and cattle lifting are crimes common to this caste. In addition, Pardhis are inveterate house-breakers, are known to commit occasional highway robbery and dacoity with great violence. They are also expert cheats. They sometimes offer gold ornaments for sale to a goldsmith at a low price. A bargain is struck and the goldsmith invited to bring the purchase price to some secluded spot, safe from police intrusion when more gold ornaments will be made available. The goldsmith reaches the spot and loses both his money and the valuables.

In 1912 this tribe was declared under the Criminal Tribes Act in seven districts of the Central Division but in 1929 it was notified throughout the Province (Judicial Department No. 3413 of 3rd June 1912 and Home Department No. 4583/2 of 16th February 1929). In 1931 this was superseded by another notification (Home Department No. 9356-III/23 of 23rd June 1931). Registered members are restricted under sections 10 and 11 of the Criminal Tribes Act. A successful experiment was made a few years ago in settling Pardhis at Barsi and Haregaon as an alternative to internment in a regular settlement. The colony at Barsi is still mainly under police control but will shortly be transferred to the control of the Backward Class Officer, as has already been done in the case of Haregaon.

Pardhis are still a very backward community. The tendency of recent years has been to increase the number of registered persons. In 1923, 275 persons, outside settlements, were registered, against 333 in 1937, of whom, however, 107 are now eligible for exemption from restriction. No less than 902 Pardhis, are however today resident in settlements and free colonies. During the present year, 25 Haran-shukaris of Bagalkot settlement made a day-light raid on neighbouring crops.

37. *Ramoshis*.—Ramoshis living in Poona, Satara and Nasik districts were formerly noted for their criminality. They were accustomed to commit thefts, burglaries, robberies and house dacoities in Marathi-speaking areas. A large number of this tribe, however, cultivate lands, work as hired labourers or field watchmen, and have secured appointment as hereditary village watchmen. A few have been enlisted in the police. In certain villages in the Poona, Nasik and Satara Districts, this tribe was notified in 1914 but the notification was cancelled in the first two districts consequent on the improvement of tribal conduct. The Satara Ramoshis are, however, still considered criminal. They were, therefore, notified in 1923 throughout that district (Home Department No. 3552/1 of 4th June 1923).

The number of registered members of this tribe has remained fairly constant since 1922. At the end of 1937 there were 630 registered members of whom 306 are eligible for the usual exemptions. In addition there are 22 registered members resident in settlements or free colonies.

38. *Sansia*—Members of the Sansia tribe wander throughout India. They travel in gangs and usually camp just outside villages, within easy reach of cultivated crops and the neighbouring jungle. They commit thefts in running trains as well as of standing crops and agricultural produce. They are noted for highway robbery, house dacoities and looting of tent encampments and isolated huts. In addition they are known to counterfeit nickel coins.

The Sansia Tribe was first notified in the Central Division in 1912 but were later declared throughout the Province (Judicial Department No. 3413 of 3rd May 1912 and Home Department No. 4583/2 of 16th February 1929). Registered members are subject to the restrictions imposed by sections 10 and 11 of the Criminal Tribes Act.

The highest number of registered members in any one year was 250 in 1933 against 64 at the end of 1937, of whom 33 persons are eligible for exemption. In settlements and free colonies, however, there are no less than 507 registered members. A recent experiment was made in internment large numbers of Chharas (who are themselves a sub-section of the Sansia tribe) in the Naroda settlement. Although a few years previously they had been a scourge to civilised life in Ahmedabad. Settlement life has already produced self-supporting habits and many members of this tribe are now engaged in textile mills and are earning good wages.

39. *Tadvis*.—The Tadvi tribe is really a small sub-caste of Bhils which has been converted to Islam. In 1914 they were notified in East Khandesh District but subsequently, in 1928, as in the case of the Bhils, only those Tadvis, who had been convicted of non-bailable offences or who had been required to furnish security under section 118, Criminal Procedure Code, on or after 1920 were notified as a class. Registered

members are subject to the provision of sections 10 (1) (a) and (b) of the Criminal Tribes Act.

The highest number on the register in any given year was 291 against 188 in 1937, of whom 60 are now eligible for the usual exemptions. In addition there are 2 registered members interned in settlement.

Members of this tribe have figured in several gang cases under Indian Penal Code Sections 400/401 and also in big dacoities and burglaries.

40. *Vanjaris*.—Vanjaris were notified as a criminal tribe in the East Khandesh District in 1912 and 1915 (Judicial Department No. 3413 of 3rd May 1912, Judicial Department No. 8177 of 9th December 1915). This tribe was also declared in certain villages in the Nasik District but this notification was later cancelled owing to the improvement of its members (Government Resolution, Home Department, No 9268/3 of 25th June 1937). Registered members are subject to the restrictions imposed under sections 10 and 11 of the Criminal Tribes Act.

The criminal habits of this tribe closely resemble those of the Lamanis. Vanjaris have been showing gradual improvement. The highest number of this tribe on the register in any given year was 182 in 1922 against 66 at the end of 1937, of whom 40 are now eligible for exemption. Only one registered member is interned in a settlement.

41. *Waddars*.—Waddars, on the whole, are a migratory tribe which is accustomed to make temporary encampments at certain places where work is available. Certain sections e.g., Mann and Bhandi Waddars settle in villages. Ghati and Bhandi Waddars are the most criminal. They are accustomed to commit dacoities outside a radius of 30 miles from their encampment, whereas house-breaking activities are carried out much nearer.

In 1912 this tribe was declared criminal in the Central Division but, in 1929, the notification was extended to the whole Province. Two years later it was superseded by another notification whereby only those members who were resident in Sholapur, Belgaum, Bijapur and Dharwar Districts and those coming from the Madras Province, Nizam's Dominions, Mysore State and Native States in the Deccan were declared. Registered members are now subject to restriction only under section 10 (1) (a) and (b) of the Criminal Tribes Act as the notification under section 11 has been cancelled.

This tribe is showing gradual improvement. The highest number of registered members in any given year was 290 in 1924 against 163 in 1937, of whom 68 are now eligible for exemption. In addition there are 69 registered members in settlements and free colonies.

42. *Bagdis*.—Bagdis are a wandering foreign tribe which are found chiefly in Satara, Poona and Belgaum Districts. Members of this tribe usually pose as Mahadev Kohls. As recently as 1929 a gang of 23 Bagdis committed 30 offences, including dacoities, robberies, thefts and house

breaking in Poona District. All these 23 were arrested and 18 sentenced to 2 years' rigorous imprisonment. These 18 members were notified under the Criminal Tribes Act as per Home Department No. 9652/2, dated 17th September 1931. Registered members are subject to the restriction of section 11. There are only 14 members of this tribe now on the register, of which 12 are eligible for the usual exemption.

43. *Waghris*.—Waghris are addicted to petty theft, pick pocketing and cheating. They also commit house breaking and occasionally indulge in robbery and dacoity. The women in this tribe give much trouble as they are often persistent beggars and cleverly steal ornaments worn by children.

Waghris were declared as a criminal tribe in 1914 in Kaira District, 1923 in Bombay City and in 1924 in Bombay Suburban District. In 1930 a new notification was issued for members of this tribe, living in Kaira District. Registered members are subject to the provision of section 10 (1) (a) and (b) and section 11 of the Criminal Tribes Act.

In 1931, no less than 10,099 members of this tribe were on the register as against 335 at the end of 1937, of whom 256 persons are eligible for exemption. In addition there are 32 registered members in settlements and free colonies.

CHAPTER III.

HISTORY OF LEGISLATION.

44. In earlier times members of predatory tribes were treated with the sword as enemies of Society. Mountstuart Elphinstone in his History of India expresses the ideas of his own time as follows :—

“It need scarcely be said that the long descent of the thievish castes give them no claim on the sympathy of the rest of the community, who look on them as equally obnoxious to punishment both in this world and the next”. One hundred years ago, predatory tribes were literally the terror of the country side.

45. From early in the nineteenth century, however, attempt was made to deal with members of predatory tribes within the provision of the common law. In this province some limited attempt was made under a local Act, Regulation XII of 1827 to control suspicious characters irrespective of caste or creed, by restricting movement by night and enforcing a certain amount of surveillance by village patels. Treatment of members of predatory tribes, within the common law, proved, however, of no effect. Towards the end of the nineteenth century it appears that no less than one-third of the jail population in this Province was drawn from predatory tribes. Jail treatment, moreover, proved no deterrent, as certain tribes merely became adept, on the detection of

Regulation
III of 1827
(Bombay).

offences, in putting forward innocent members as the accused and in protecting the principal offenders, on whose criminal activity they mainly depended for subsistence.

riminal
ibes Act
XVII of
71.

46. In 1871 the Government of India passed the first Criminal Tribes Act. It was applied in Sind and no where else in the Bombay Province. Owing to the fact that under this Act, the powers of Local Governments were strictly circumscribed, only a very limited operation was possible. The passage of this Act, however, marks the beginning of a constructive policy and subsequent amending legislation is built on its foundation. In this Act the phrase "Criminal Tribe" was first coined and the system of registration begun. The Act of 1871 is thus notable in the initiation of the registration system, but it is far more noteworthy in its clear recognition that the problem at issue was basically an economic one. Under this Act, prior to the notification of a tribe by the Government of India, the Local Government is required to provide employment facilities in areas of restriction and to establish settlements. The onus, laid on Local Governments, in this direction as prerequisite to application of notification, proved too much a responsibility and little attempt was made to put the Act into operation.

riminal
ibes
amendment
t of 1897.

47. With the passage of a short Amendment Act in 1897 Local Government were empowered to separate children, aged between 4 and 18 years, from irreclaimable parents.

riminal
ibes
amendment
t III of
11.

48. In 1911 a new All India Criminal Tribes Act replaced the Act of 1871. The speech of the Home Member, on its introduction in the Legislative Assembly, is interesting in its indication of the different social levels attained by individual Criminal Tribes. He classified them as falling into three main categories—those who were mainly reformed, and had settled down to honest occupations, of whom only a few tribal members had criminal records, those who had settled abodes but periodically took to a wandering life for criminal purposes at different seasons of the year and lastly the purely vagrant, gypsy like tribes who roamed over the country, committing depredations at will. This analysis still holds true today. There are now tribes, representative of each category and the only difference is that crime has since declined and the tribesmen are on the whole taking to a more settled life. The Criminal Tribes Act of 1911 lays down four distinct, progressive stages of treatment, viz. notification, registration, restriction and internment in a settlement. The minimum age for the separation of children from recalcitrant parents was raised to six years and certain allowed exemptions from registration were specified. Severe penalties were devised for the enforcement of the Criminal Tribes Act and members of notified tribes were made mainly subject to executive action and, thereby, denied the full privileges of the common law.

49. The main objective of the Criminal Tribes Act was to safeguard the rights of society against anti-social influence. Its secondary aim was the reformation of the Criminal Tribes—a reformation, which, in its early stages, had to be carried out against the will of its members.

The Government of India devised the Criminal Tribes Act as a symbol : each Local Government was empowered to frame rules for its wise and temperate administration.

50. The Criminal Tribes Act of 1911 marked the real beginning of forward action amongst Criminal Tribes. Its administration, however, suffered from misconceptions arising out of confusions in its text and from lack of any co-ordinating influence. From 1911 to 1924 the Criminal Tribes Act was put into operation in the Bombay Province by district action. Practices in notification, registration, restriction of movement and internment in settlements varied in different districts. Degree of activity largely depended on the policy and personality of District Magistrate and District Superintendent of Police. Each district formulated its own rules. In some areas every member of a Criminal Tribe, irrespective of sex, was registered if over ten years of age. In some districts the same tribe was notified but subject to varying rules of registration, and restriction. Internment in a settlement was carried out by Government according to the dictates of district policy and without formal inquiry. Lack of co-ordinating influence, both in the formulation of policy as well as in the practical control of the work, created confusion and short circuited effective work.

51. Inquiry into Criminal Tribes Settlement work was included within the terms of reference of the All India Jails Commission of 1919. One chapter of the Report presents both a survey of settlement work in India and a summary of opinion regarding the basic principle underlying settlement policy. In the opinion of the Commission, settlement work in the Bombay Presidency had attained a higher standard than in any other parts of India. Special emphasis was laid on the importance of the economic factor. "The first essential of success is the provision of a reasonable degree of economic comfort..... Enthusiasm, devotion and religious teaching are invaluable adjuncts in work among these people but they will accomplish little unless the foundation of economic comfort is first provided". Supply of adequate paid work for settlers is thus insisted upon as the first essential. Clear direction is also given that a settlement must not be considered as "a novel kind of jail", where Criminal Tribes' people can be indefinitely interned. The positive aspect of the work, the actual reformation of the tribes, is declared more radically important than its negative aspect, the protection of public safety. As a principal means of securing such reformation emphasis is laid on the necessity of providing adequate educational facilities in each settlement. The Report also lays down a canon regarding separation of children from parents and rules that this is only advisable in extreme cases. The Commission discuss in details the relative merits of different kinds of settlements and come to the conclusion that agricultural Settlements are handicapped by shortage of good land, scarcity of water and ignorant tribal labour : that settlements providing industries within their own enclosure, experience considerable difficulty in supplying adequately remunerative or socially useful work and that the most successful settlements in India are those "where labour is

All India J
Commission o
Report, 19

found in some large and neighbouring commercial undertaking, such as a mill, sugar factory or distillery”.

Criminal
Tribes
Amendment
Act of 1924.

52. In 1924 an All India Criminal Tribes Amendment Act was passed. The underlying principles of the earlier measure were retained: some minor confusions were removed and the only alteration of major importance was the provision of an official inquiry, prior to the passage of an internment order. As the Criminal Tribes Act was an All India measure, each Local Government was empowered to prescribe its own administrative rules. The Criminal Tribes Act of 1924 has remained in force up to the present time.

CHAPTER IV.

SYSTEM OF ADMINISTRATION OF THE CRIMINAL TRIBES ACT IN BOMBAY.

53. The foundation of Criminal Tribes administration in this Province was laid by Mr. O. H. B. Starte, I.C.S., who devoted practically the whole of his long service to this problem with unbounding zeal. Mr. Starte's was in many respects a pioneer effort as no other province had started seriously tackling the problem. In his own words before the Indian Jail Committee (1919-20) "I started with no previous experience and had no precedents to help me. I had to advance very slowly and carefully so that I could scrap experiments before such a procedure became costly and I also had to justify each new advance." The broad considerations which he evolved have served as the guiding principles of settlement administration in this province. We shall examine them in detail when considering separately the question of settlement administration but they may be briefly stated here.

54. The start was made with the wandering criminal tribes and the system was only gradually extended to the settled or semi-settled tribes. The problem was rightly judged to be mainly an economic one and the location of the settlement was therefore to be dependent on the consideration of a satisfactory supply of remunerative work—mainly in industrial undertakings in big towns—to the settlers. Along with this was another cardinal principle, viz., that family and tribal life was to be preserved. From this point of view it was desirable to intern whole families and even a whole tribe as far as possible and accordingly in the earlier cases of wandering tribes we find whole groups interned simultaneously.

55. As regards the agency of settlement administration Mr. Starte favoured the existence of both Government and privately-managed settlements. To quote again his evidence before the Indian Jails Committee; "I think that we need both. We must have a certain number of Government-controlled Settlements, partly in order to set

up a standard and partly to try our own ideas ; but at the same time we ought to have voluntarily run agencies in order to get in new ideas so that we might have one competing against the other ”.

56. Mr. Starte's work was mainly confined to the reformatory side of criminal tribes administration and in particular to Settlements. The preventive and punitive side has always been the concern of the police. We have noted already in Chapter III but the police administration was marked by a diversion of methods and lack of central direction and co-ordination. This co-ordination and central control was accomplished by the regular creation of a special branch in the Criminal Investigation Department in 1925 following on the Criminal Tribes Act, 1924. The Criminal Investigation Department did thereafter excellent work in bringing system to the whole administration. Briefly, common standards and forms were evolved for the notification, registration and restrictions of criminal tribes. mat

57. Very soon afterwards the question of making uniform rules under the Criminal Act, applicable to the whole province, came up and after very careful and prolonged examination and consultation with all officers concerned new rules were adopted by Government in June 1931.

58. As a result of the general re-examination by the Criminal Investigation Department and also in conformity with the new rules the rigours in the administration of the Act were in many cases relaxed. Notifications were cancelled in respect of Vanjars, Chamars, Mangs, Ramoshis and Thakurs residing in certain villages of Nasik District and Ramoshis of Poona District. Instead of wholesale notifications affecting entire tribes, amended notifications affecting only persons actually convicted of offences or bound over under section 118, Criminal Procedure Code, were issued in respect of Bhils, Tadvis, Kolis and Berads. Registration which in many cases was made indiscriminately was restricted under the new rules to those actually convicted of offences or those who were reasonably suspected of having been concerned in the commission of non-bailable offences and in the case of females to those having more than one conviction or a conviction with a sentence of over 3 months for a non-bailable offence. There has thus been a continued evolution of the criminal tribes administration policy in the province.

59. The need for maintaining the Criminal Tribes Act has clearly not disappeared yet. Our narration in Chapter II of the activities of the criminal tribes would make it obvious that the criminal tendencies of many tribes still exist to a marked degree ; though this has been either brought under control or the tribes have been put on a path of reformation. We may just add an instance to those concerning the depredations by members of the tribes which we have given in Chapter II. As recently as 1937 the agriculturists roundabout Hubli Settlement complained in deputation to Government about the blackmailing, robbing, stealing and intimidations by the settlers and free colonists of Hubli. These appear to have been carried on by the Haranshikari and Kanjar Bhats of the Hubli Settlement and Free Colony.

60. It is not merely that the old members of the tribes are criminally minded. It has been the experience even in Settlements, like Sholapur, that the children of criminal tribesmen, though attending schools and benefiting by the education, yet take to wandering in the bazar and actually committing petty thefts. They no doubt imbibe the undesirable habits from the elders. We do not consider that children should be completely severed from family life but we must recognize that they remain subject to the undesirable influence of some of the elders.

61. The new rules adopted in 1931 together with the Act govern the present administration of criminal tribes. We think it necessary to give a bird's eye view of the system at this stage. The Act contemplates four main stages or aspects in dealing with a "criminal tribe"—

(1) Notification as a "criminal tribe" of any tribe, gang or class of persons, or any part of a tribe, gang or class whom the Local Government has reason to believe to be addicted to the systematic commission of non-bailable offences (section 3)

(2) Registration of such a "criminal tribe" or part of it (section 4)

(3) Restrictions imposed—

(a) on registered members requiring themselves to report at fixed intervals or notifying places of residences and changes in them or absences therefrom (section 10),

(b) on the whole or part or member of the "criminal tribes" restricting its or his movements or settling it or him in a specified area (section 11)

(4) Internment in Settlement of a criminal tribe or part or member thereof in respect of which or whom a notification has been issued under section 11 [*vide* 3 (b) above]

✓ 62. Notification by itself does not make material difference to the position of tribesmen except that they become subject to the excessively heavy punishments for offences under section 23 of the Act.

63. Registration is usually followed with restrictive orders under section 10 and section 11 (though for the latter, registration as such is not necessary). We find that many tribes are subjected simultaneously to all the restrictions under both sections 10 and 11 of the Act.

64. Notification-registration-restriction, which may be called the preventive-cum-punitive aspects of the administration, fall within the province of the police department. The administration of settlements—which may be called the reformatory side—is vested in the Backward Class Officer (who was formerly designated for this purpose as the Criminal Tribes Settlement Officer). The proposals for internment of persons issue generally from the police department and go to Government through the Backward Class Officer, as regards the internment of settlers who are already residing within Settlements, as dependents of other settlers, the proposals come from the Backward Class Officer.

CHAPTER V.

NOTIFICATION.

65. Section 3 of the Criminal Tribes Act provides as follows —

“If the Local Government has reason to believe that any tribe, gang or class of persons, or any part of a tribe, gang or class, is addicted to the systematic commission of non-bailable offences, it may, by notification in the local official Gazette, declare that such tribe, gang or class or, as the case may be, that such part of the tribe, gang or class is a criminal tribe for the purposes of this Act.”

In our opinion the section is an adequate starting point for the purposes in view but it does not contain in itself a definition of the term tribe, gang or class and a definite criterion about the degree of addiction to crime. It would have been quite unnecessary to try and define the common terms of tribe, gang or class were it not for, what we consider, the risk of occasional looseness in their application.

66. We shall be content in laying down the broad considerations underlying the use of the terms. We take first the term “tribe”. A tribe is essentially an ethnological unit possessing common social organization and therefore also belonging to the same religion. It may consist of sub-units like clans and approaches very nearly the caste concept in Hinduism. There cannot be a tribe part of whose members belong to one religion and part to another. Mere similarity in names may also conceal behind it different ethnological units as, e.g. the Kohls in Gujarat and Kohls in the Deccan. In no case, should a tribe as a whole be declared a Criminal Tribe unless the ethnological unit as such is held, after enquiry, to be addicted to the systematic commission of non-bailable offences. In the past this point of view is found to be ignored in several cases.

67. The characteristic of a “gang” is voluntary association for criminal purposes. It is the motive or the purpose of association which is thus important and not the social, religious or professional ties of the members. But the association must be close and a body of persons individually addicted to the commission of crimes cannot be classed together as a “gang”. The members in a gang could strictly be anything more than one but in practice it has properly been laid down that the number shall not be less than five.

68. It is as regards “class” that the widest interpretation is possible and has in fact been placed on the term. A common purpose or bond, whether of profession, trade or even locality is inherent in a “class”. It is also clear that the common association must be otherwise than as members of a tribe or gang the distinguishing characteristics of which have been discussed above. Thus it would not be proper to treat as a “class” a particular section of a tribe or gang if the members of that section have no active characteristic in common apart from belonging to the same tribe or gang.

69. But it is not the whole tribe, gang or class that need be brought under consideration for the purposes of the section of the Criminal Tribes Act under consideration. Even if a part of any of these is found addicted to the systematic commission of non-bailable offences such part only can be notified as a "Criminal tribe". Here a possible misuse of this provision to cover a part of a tribe, gang or class must be guarded against. It could conceivably be argued for instance that an individual unconnected with a group which as such is addicted to the commission of non-bailable offences forms a part of the larger unit and can therefore be treated separately under the Criminal Tribes Act. This however cannot be in the spirit or the intention of the enactment. It would have been quite easy for the legislators to provide distinctly for the treatment of individual habitual offenders. The part must therefore be a substantial and clearly distinguishable part of the tribe, gang or class as a whole.

✓ 70. We have tried to define fairly precisely the terms in this important Section and one likely result of this will be that the act will be inapplicable in the case of certain groups or individuals to which the act might have been made applicable before in its looser interpretation. It is not that we do not realise the necessity of dealing in an effective way with the habitual or organised criminals. We are only anxious that the Criminal Tribes Act should not be applied in a way divorced from its intention and contents. But we are at the same time of opinion that there is urgent need of some legislation on the model of the Punjab Habitual Offenders Act. The problem of the confirmed criminal needs special treatment from the point of views of the Criminal and of the Society. It is not our province to discuss here the details of what steps should be necessary in the matter but we urge upon Government to take in hand at an early date the examination and solution of that problem.

71. We turn next to the consideration of the criteria necessary to be satisfied before a group can be declared a "criminal tribe". The relevant words of the Act in this connection are "addicted to the systematic commission of non-bailable offences". Addiction clearly implies habit and this must be proved by actual data in respect of the group. The commission of the offences has again got to be systematic; that is, they must be the result of pre-arrangement or settled habit. Finally a group to be considered as being addicted to the systematic commission of non-bailable offences (a) the proportion of such offences committed by the members of such group must be substantially greater than the corresponding proportion for the rest of the population of the locality; and (b) that the proportion of persons falling under the following categories in the group itself is substantially high—

1. Those who actually commit non-bailable offences, including those convicted for individual offences and those ordered to give security for good behaviour under section 118 read with section 110 in Chapter VIII, Criminal Procedure Code.

2. Those who abet them, and

3. Those who are reasonably suspected of being habitually associated with or concerned in crimes committed by members of the two categories mentioned above.

In the case of settled tribes to be notified this number will have to be very high indeed while on the other hand in the case of wandering tribes, in whose case detection of crime is not so easy some allowance will have to be made for this factor.

72. In the past these considerations have not always been borne in mind when notifying a "Criminal Tribe". Notifications have been made indiscriminately perhaps because in the earlier days the main idea appears to have been to rope in many tribes in the Settlements. We understand that the notifications in respect of Vanjars, Chamars, Mangs, Ramoshis and Thakurs residing in certain villages of Nasik District and Ramoshis of Poona District have been cancelled in the last few years as *these* "tribes" could not be said to be really "criminal". There are other tribes whose criminality has decreased to such an extent that the question of cancelling their declaration as "criminal tribes" require to be immediately considered. We have given in Chapter II information about the tribes.

We recommend that the declarations in respect of Bagdis, Chhaparbands, Futgudis, Kamnis, Katbus and Vanjaris should be cancelled at an early date, as these tribes have shown very great improvement and can no longer be considered "criminal".

There are some foreign tribes like the Baurias, Bhars, Minas, Oudhias and Pasis members of which have been known to have carried out depredations in this province. It appears that the danger from these tribes to this province has not been so serious in recent years. We have not sufficient data about the population, habitat and the criminal activities of these tribes to enable us to make definite recommendations in this respect but we recommend that Government should take up the examination of the case of these tribes at an early date.

Out of the remaining tribes, Berads, Bhils, Kolis, Lamanis, Waddars and Waghris have shown gradual improvement in recent years. In their case we recommend that Government should, as early as possible, take up the examination of the incidence of criminality among them and if it is found to be low enough, in the light of our analysis, they should be denotified. In respect of the rest of the "tribes" we are not in a position to recommend that they should be denotified without a proper and thorough investigation into the incidence of criminality among them. Government should undertake this investigation, and as and when this incidence falls below the standard laid down by us, they should be denotified. When Government undertake the investigation in respect of any of all these tribes, opportunities should be given, if possible, to the leaders of the tribes to represent their case.

73. We are further of opinion that before a tribe, gang or class is notified as a criminal tribe inquiry should be held in a quasi-judicial form calling upon the individuals falling in the third of the categories mentioned above in paragraph 71 to show cause why they should not be so considered.

Where the persons suspected are numerous, and in particular a group in a village, the District Magistrate may, in addition to individual notices, issue a general notice upon all of them, either by beat of drum or by publication in any other manner, and may hear any of their recognised leaders on behalf of all of them, in addition to hearing any individuals who may appear before the District Magistrate.

This procedure would eliminate mistakes. We are of opinion also that many individuals can and will improve in the very act of defending themselves against the charges of being associated with or concerned in the commission of crimes. In no event, we think, should the Criminal Tribes Act be treated by the Police as an easy substitute for investigation into and proof of crimes against specific individuals under the ordinary criminal law, and the investigating authority must give reasons for his findings.

74. Before we proceed to the consideration of the other aspects of Criminal Tribes Administration we would refer here to one provision in the Criminal Tribes Act which in our opinion is most obnoxious. Section 23 of the Criminal Tribes Act provides as follows:—

(1) Whoever being a member of any criminal tribe and having been convicted of any of the offences under the Indian Penal Code specified in Schedule I, is convicted of the same or of any other such offence shall, in the absence of special reasons to the contrary which shall be stated in the judgment of the Court, be punished—

(a) on a second conviction, with imprisonment for a term not less than 7 years; and

(b) on a third or any subsequent conviction, with transportation for life:

Provided that not more than one of any such convictions which may have occurred before the first day of March 1911, shall be taken into account for the purposes of this sub-section.

(2) Nothing in this section shall affect the liability of such person to any further or other punishment to which he may be liable under the Indian Penal Code or any other law.

[The Schedule referred to covers the following offences:—

Indian Penal Code, Chapter XII, Sections 231 to 235, 239, 240, 242, 243.

Indian Penal Code, Chapter XVI, Sections 299 (304), 307, 308, 310, (311), 322, (325), 324, 326 to 329, 332, 333, 369, Indian Penal Code, Chapter XVII, Sections 382 to 387, 390 to 398].

Imp

Every member of a notified "Criminal Tribe" becomes subject to the provisions of this section. Even for trivial convictions for a second time and after, under any of the prescribed sections such a member is punished with sentences which on their very face are brutal. They cannot be justifiable even in the case of most criminal of tribes and at any time of their existence; much less to criminal tribes in general. We are aware that the Government of Bombay had recommended its repeal in a communication to the Government of India in 1936 and in this they were supported by all their officers. The Government of India have early this year communicated their decision to leave it to the Provincial Governments to proceed by legislation themselves, so far as the administration of the Criminal Tribes Act within the Province is concerned. We recommend repeal of this section 23 of the Criminal Tribes Act.

CHAPTER VI.

REGISTRATION.

75. Under section 4 of the Act the Local Government may direct the District Magistrate to make or cause to be made a register of the members of any criminal tribe, or part of a criminal tribe within, his district.

76. A registered member becomes liable as such to the penalties laid down in sections 22, 24 and 25 of the Act. The Local Government may also impose restrictions on him under section 10. In practice it has been the policy in Bombay to subject every registered member to the restrictions under sections 10 and 11 of the Act according to the rules framed. The policy of registration is therefore of vital importance in the administration of the Act.

77. In the early days registration was undertaken of every member of a notified criminal tribe. For tribes of small number this was feasible enough but as applied to larger tribes it was found that the system could not even be administratively feasible quite apart from its iniquity. Thus we understand that the registration of a tribe in Ahmednagar District was going on for 10 years and was not even then completed. Even where there were certain restrictions on registration "doubtful characters" could still be registered and with the elastic interpretation of such terms and with the fact that lower authorities were empowered to prepare the registers very large numbers came on the roll. The system of registration has been freely and in some cases unnecessarily used; but we are satisfied that the system with proper safeguards is necessary. To a large extent revision has already taken place in the rules and in 1931 when new rules were adopted after prolonged examination the following provisions were embodied:—

Rule 9. Privileged persons.—(1) Subject to any orders of the ^{Under} Council contained in the direction given under section 4, ^{Section 20} (

the following shall be exempted from registration :—

(a) Every member who has not been convicted of or who has not been reasonably suspected of having been concerned in the commission of a non-bailable offence.

(b) Every female member who has only one conviction with a sentence of less than three months for any non-bailable offence.

(2) Unless the District Magistrate sees reasons to the contrary the following members shall be exempted from registration :—

(a) Every child under the age of 18 liable to registration, if regularly attending school, unless and until he is convicted of a non-bailable offence or is made the subject of an order to furnish security for good behaviour under section 118 read with section 110 of the Code of Criminal Procedure, 1898.

(b) Every inmate of a school established under the Bombay Children Act, 1924, and the Bombay Borstal Schools Act, 1929, or of any school established under section 17 who has been discharged, unless he has been convicted or reasonably suspected of having been concerned in the commission of a non-bailable offence since his discharge.

(c) Every member who has for a period of 8 years followed an honest means of livelihood and has not, during such period, been convicted or reasonably suspected of having been concerned in the commission of a non-bailable offence.

Explanation.—The decision of the Officer making the register as to the question of age of any person for the purposes of this sub-rule shall be final.

78. The provisions adequately restrict the number of persons that may be brought on the register. The provisions are on the whole more specific and exhaustive than any in the other provinces. Thus in United Provinces we find that only children whose parents or if neither parent survives, whose guardians have, on the ground of good conduct, been exempted from registration or whose registration on the same ground has been cancelled can be registered only on definite cause being shown against them. Children living inside a Settlement do not however have the same privilege. In the Punjab the following provisions exist :—

“ Unless it be otherwise declared by the Local Government in its direction under section 4 of the Act, the following shall be exempted from registration :—

(a) every child of a member of a criminal tribe, under the age of 12 years ;

(b) every child of a member of a settled criminal tribe between the ages of 12 and 18 years unless he is convicted or is reasonably suspected of having committed a non-bailable offence or an offence under the Criminal Tribes Act ;

(c) all female members of criminal tribes—provided that the wives and unmarried daughters aged 12 and over and other female dependents aged 12 and over of the male members placed in a settlement that has been established under section 16 of the Act shall be forthwith registered.

“ Unless the District Magistrate or in the case of persons residing in the settlements established under section 16 the special officer sees reason to the contrary, the following members of a criminal tribe in respect of which a notification under section 10, 11 or 12 has issued, shall be exempted from registration :—

(a) every child under the age of 18 liable to registration if regularly attending a school or working regularly in a settlement established under section 16 ; unless and until he or she is convicted or is reasonably suspected of having committed a non-bailable offence or an offence under the Criminal Tribes Act.

(b) Every male child liable to registration, whether under the age of 18 years or not, of a member of a criminal tribe whose registration has been cancelled under rule 24, or who has been exempted from registration under this clause, unless and until he is convicted or is reasonably suspected of having committed a non-bailable offence or an offence under the Criminal Tribes Act.”

79. In Madras all persons under 12 years of age are exempted from registration.

80. Coming back to the provisions of rule 9 in our province we think that a person against whom an order to furnish security for goodbehaviour has been issued under section 118 read with section 110, Criminal Procedure Code, should also be registered for he is just as undesirable a type as a person actually convicted of a non-bailable offence.

81. It will be seen that “ reasonable suspicion ” of having been concerned in the commission of a non-bailable offence occupies an important place in the provisions.

82. It is difficult in any case to decide questions of reasonable suspicion ; but the system is particularly liable to abuse as the enquiries on which the subsequent decisions rest are carried on for the most part by subordinate police officers or police patels. It was in fact strongly represented before us that registration is used by the subordinate police officers and the police patels as a constant threat on members of notified tribes and fraud and bribery are prevalent in this respect. The complaints particularly referred to Kaira District to which we return in a later Chapter. Registration provisions if they are to any extent indeterminate and indecisive give scope for an arbitrary exercise of discretion. Particularly with the subordinate police and the police patels they are bound to serve as a tool of oppression.

83. As we have remarked once before it is true that detection and successful proof in a court of law of offences committed by members of

criminal tribe have peculiar difficulties. At the same time safeguards for protecting the innocent should be made available to even these men when it is a question of a subjection to definite restrictions. While therefore a provision for taking action on "reasonable suspicion" as now exists may be necessary only a highly placed authority like the District Magistrate himself should be entrusted with the duty of deciding whether in fact the suspicion is reasonable. Part I, paragraph 2 of Government Resolution No. 9356-III/68/2, dated the 23rd June 1931, runs :—

"Before the issue of a notice under section 5 or 7 of the Criminal Tribes Act to any person who is to be registered only because he is reasonably suspected of being concerned in the commission of a non-bailable offence, the District Magistrate shall satisfy himself by a scrutiny of the evidence produced by the police that the suspicion is well founded."

We are anxious that the District Magistrate should make the scrutiny very carefully and before coming to a decision he should hold a quasi-judicial enquiry calling upon the individual concerned to show cause why he should not be reasonably suspected as aforesaid.

84. The existing exemptions applicable to certain classes of persons, e.g., children, inmates of Borstal or similar schools and persons with a clean record for 8 years are qualified again by the phrase : "Unless the District Magistrate sees reason to the contrary". We do not see any reason for the retention of this clause when provision for "reasonable suspicion" has already been made. We recommend at the same time that the age of children in this clause should be reduced from 18 to 16.

85. We see no need to maintain the provision in the existing clause (2) (c) of rule 62 as our proposals in respect of the relaxation of restrictions and the period of registration should cover the case.

86. Our attention has been drawn to paragraph 155 of the report by the Special Officer (Mr. Symington) on the aboriginal and Hill Tribes of the Partially Excluded Areas in the Province. The paragraph reads thus :—

"Government are, or shortly will be, considering the working of the Criminal Tribes Act as a whole. I submit that certain modifications in its application in these areas would be beneficial. At present every Bhil who is convicted of a non-bailable offence is notified as a member of a Criminal Tribe and registered and subjected to the provisions of section 10 or 11 of the Act. This sometimes has an anomalous, not to say unjust, effect. For instance I found 3 lads in a village in Nandurbar who had already been on a register and on daily roll call for two years as a result of having knocked a honeycomb out of a tree to eat. They were convicted of theft, and although the patil told me their character was good the other results followed automatically. This was not due to harshness on the part of the Police, but to the standing orders contained in the Criminal Tribes rules. In petty cases like this I consider that the trying court should

be empowered to record an opinion regarding the necessity or otherwise of registering the accused under the Criminal Tribes Act. Unnecessary registrations are responsible for considerable avoidable routine work, as well as individual hardship".

87. We agree with the Special Officer's proposal and do not see why it should be restricted to the Partially Excluded Areas only. We believe however that the deciding authority must some guidance in deciding in which cases registration is necessary and in which not. For want of a better and at the same time simple definition we propose that for the purposes of the rules regarding exemptions from registration a conviction may not be counted if the convicting authority, or in case no opinion has been expressed by him, the registering authority, owing to the nature of the offence does not consider Registration on that account desirable.

88. Coming to the specific form of the existing rule 9 we do not see the necessity of its negative form embodying the persons privileged from exemption rather than prescribing in a simpler and more direct way the classes of persons who should be registered.

89. The adoption of our proposals would make rule 9 read as follows :—

Registration.—Subject to any special orders of Government contained in the directions given under section 4 the following persons only of a "Criminal Tribe" shall be registered—

(a) Every member who has been convicted of or who has been reasonably suspected by the District Magistrate under a finding recorded in writing, of having been concerned in the commission of, a non-bailable offence, or has been required to furnish security for good behaviour under, section 118, read with section 110 Criminal Procedure Code.

(b) Every female member who has been convicted of a non-bailable offence and has been awarded a sentence of more than three months for it.

Provided, that the following classes shall be exempted from registration—

(i) Every child under the age of 16 liable to registration, if regularly attending school, unless and until he is convicted of a non-bailable offence or is made the subject of an order to furnish security for good behaviour under section 118 read with section 110 of the Code of Criminal Procedure, 1898.

(ii) Every inmate of a school established under the Bombay Children Act, 1924, and the Bombay Borstal Schools Act, 1929, or of any school established under section 17 who has been discharged, unless he has been convicted or reasonably suspected by the District Magistrate under a finding recorded in writing, of having been concerned in the commission of, a non-bailable offence *since his discharge*.

Explanation 1.—The decision of the Officer making the register as to the question of age of any person for the purposes of this sub-rule shall be final.

Explanation 2.—For the purposes of this rule a first conviction shall not count if the convicting authority, or in case no opinion has been expressed, by him, the registering authority, owing to the nature of the offence, does not consider registration on that account desirable.

CHAPTER VII.

RESTRICTION.

90. Every registered member of a criminal tribe may be required under section 10 of the Act to (either or both)—

(a) report himself at fixed intervals or in popular language, to submit to "hazri";

(b) notify his place of residence and any change or intended change of residence, and any absence or intended absence from his residence.

A notified tribe or part of it may, under section 11, be—

(a) restricted in its or his movements to any specified area, or

(b) settled in any place of residence.

91. It will be seen that the scheme of the Act contemplates the two kinds of restrictions to be imposed under different circumstances and applicable to different sets of persons for whereas section 11 may apply to the whole of a criminal tribe section 10 only applies to registered members of a criminal tribe. In practice, however, it has been found that the restrictions under section 11 cannot be effectively administered unless they are accompanied by restrictions under section 10 so that wherever possible the two restrictions have been imposed simultaneously. In our opinion where restrictions under section 10 only are necessary the restrictions under section 11 should not be imposed. It is only in the case of wandering tribes or such settled or semi-settled tribes whose members take to migration and criminal activity elsewhere (e.g., Waghria of Kaira District who migrate to Bombay Suburban and commit crimes there) that section 11 should be particularly applicable.

92. The restrictions that can be imposed under these sections of the Act are a necessary feature of the Criminal Tribes Administration. If the control of the "Tribes" given to systematic commission of offence is to be real the activities of its members require to be watched and controlled. At the same time the restrictions are not light. Particularly is this the case with the daily "hazri". They affect considerably the liberties of the "tribes" and must always be carefully scrutinized if the objective of the Act, viz., to wean these "tribes" out of a life of crime and assimilate them into society as a whole is to be achieved. The system of restrictions cannot therefore be the basis of condemning a man for his life and must provide incentives within itself for a person

towards betterment; in brief, they must provide for some reward for continued good conduct.

93. What we have said is particularly applicable to the "hazri" system. The "Hazri" system depends necessarily for its effective application on the village police patel who is entrusted with it. Even if the patel is perfectly honest and conscientious a roll call twice in the night cannot prevent a registered member from evading and absconding for part of the night and for the whole day. It is true that domiciliary visits to check his presence are possible and have been provided for, but these are by no means always effective. But when the patel's integrity is not unquestionable the "hazri" is liable to systematic evasion and fraud.

94. Mr. P. V. Domingo, a retired District Deputy Collector, related his experience in his evidence before us as follows :—

"Village headmen never reported absences of registrees forthwith. Generally no notice was taken until the Police came to visit the village when blanks in register were filled. Criminal Tribes men who refuse to work for the Patil are in the danger of being marked absent and prosecuted.

Generally they are marked absent only if they offend the patel by refusing to do him personal service. Hazri is never taken between 8 and 9 p.m. as laid down by law. The patils keep no regular hours at all. Crime will not increase if the hazri system is abolished."

95. Mr. Ravishankar Vyas who has worked among Dharalas and Waghris of the Kaira district for the last 20 years stated in his evidence before us as follows :—

"I say that crime increases by reason of the hazri to which Dharalas are subjected.

The patil of the village and the police have two instruments whereby to control these Dharalas :—

(1) Hazri.

(2) Criminal Procedure Code, Section 109.

If a police patil wants people to bring fodder for cattle he registers a few young Dharalas who would become his servants; if some Dharala goes about village with a hukah in his hand, it is regarded as an impertinence and an insult to the patil who gets him registered.

What regularly happens is that if a man is a regular criminal, he manages to square the patel who keeps the register unwritten for 3-4 days. If the man is arrested somewhere else, he marks him absent. On coming back, if he shares the spoils with the patel he is marked present.

When a man is registered, he has to have his presence marked every day. Very often he has to go out to business or field, and is unable to attend for hazri then he bribes the patil or the police officer, and

thus has to pay Rs. 15 to Rs. 20 per annum. The result is that the real criminal or substantive man, always escapes whilst the innocent man has to give hazri and work for a patel."

96. The more rigorous the system the more opportunities does it invite for fraud and evasion. The patel can also use it oppressively and in fact has been known to have used it so. Evasion and fraud have also existed in similar circumstances in Madras as an extract from Madras Criminal Tribes Manual below will show. When—therefore we propose that the "hazri" system should provide in itself for a toning down of its rigour we also believe that this should be done as far as possible on an automatic basis—just as in the case of registration in the previous Chapter we decided in favour of automatic application. It is only beyond the basic minimum that further concessions should be possible at the discretion of the District Superintendent of Police. We are aware that under proviso (5) Rule 16 of the Criminal Tribes Rules—

The District Superintendent of Police, may, by general or special written order and upon such terms as he shall think fit to impose exempt any member from making the reports required by this rule, or may extend the intervals at which such reports are to be made, or may cancel or vary any such exemption.

But this in our opinion is not enough and as far as we know the existing discretion has not been adequately exercised by the District Superintendents of Police.

97. We may here refer to the "Abeyance" system existing in Madras. The following extract from the Madras Criminal Tribes Manual shows the reason for the introduction of the system—

The application of section 10 (a) of the Criminal Tribes Act is not having the practical value contemplated. The wholesale and almost permanent application of the section to the great majority of the criminal tribes not only throws more checking work on the police force than it is possible to perform efficiently, but often results in driving some criminal tribe members to abscond and take to life of crime. Moreover crimes are being committed freely enough by reporting tribe members between the hours of reporting, and, most probably, satisfactory checking of centres being impracticable, reporting tribe members, who are actually absent and commit crimes, are being provided with alibis by incorrect records of checking. The application of the Act in these circumstances does not in many districts appear to have resulted in any decrease of the volume of crime committed by members of notified criminal tribes. A change of policy is desirable. The present idea is that criminal tribe members should be deterred from crime by strict supervision and restriction with the hope of good conduct earning a relaxation or exemption of this supervision and restriction. This hope is in most cases never realised and the criminal tribe members become callous and more wily. The system now proposed, which has been in force in the Coimbatore

district for the last four years and has achieved excellent results there, is to free the criminal tribe members from restriction but not supervision, while holding over them the certainty of a specific period of reporting under section 10 (a) if their conduct gives rise to suspicion or is unsatisfactory in any way.

The system of holding in abeyance from time to time, as is found necessary, the orders to report under section 10 (a) has been worked with gratifying results in Coimbatore district and is being started in other districts. It is considered desirable that the system should be introduced uniformly in all districts in which there are registered criminal tribe members.

98. It will be seen that in Madras "registration" is on a very large scale. Two kinds of orders are issued against registered members—

(a) Against criminal tribe members, who are believed or suspected to be committing crime or to be known to be in association with active criminals. These are required to report twice nightly.

(b) Against criminal tribe Members who are believed only to be of a criminal tendency, but who are not committing crimes for the time being. They are required to report once weekly in the day time.

99. The "Abeyance" system in Madras briefly consists in holding in abeyance this "hazri" if a tribesman has been of good behaviour for 4 months continuously. The "hazri" is liable to be reimposed if the member's conduct is unsatisfactory or if any ground for suspicion arises against him. With certain modifications the system has been we understand, been adopted in Baroda State.

100. A graded reduction in the "hazri" and a relaxation in the rules about notifying absences would best meet the considerations we have set forth. We recommend a modification of the existing system of restrictions, along the following lines.

101. The "Hazri" should be insisted upon daily for the first 6 months twice a week for the next 6 months and once a week for the next year. At the end of these 2 years the registered person should be put in either "A" or "B" category according as he has or has not been convicted within the preceding 4 years of a non-bailable offence and sentenced to imprisonment of 3 months or over. For the "A" class probationer the following rules should apply. He should be subject to a monthly "hazri" for 2 more years and in respect of restrictions under section 10 (b) should be given freedom to go to another district for any period on his undertaking to report once a month to the District Superintendent of Police of his original district and report to him and to the District Superintendent of Police of the new district about any proposed permanent change of residence. If he has been also subject to restrictions under section 11 (1) (a) of the Act, the "A" class probationer should be exempted from them, when he has put in a clear record of 2 years from the date of his probation.

102. The "B" class probationer should be subject to "hazri" only once every 3 months, for a further period of 2 years and should be given the same privilege in respect of restrictions under section 10 (1) (b) as an "A" class probationer. He should be exempted from any restrictions under section 11 (1) (a) if he has been also subject to them.

✓103. During the fifth year the registered member will continue to be such but will not normally be subject to any restrictions. After the completion of 5 years the registration itself will be cancelled as recommended by us in the previous chapter.

104. If within these 5 years the member does anything making him liable to fresh "registration" the restrictions shall start afresh from such time. Thus the member will know that all the concessions he has earned through good behaviour over certain time will be wiped off and he will have to start afresh if he does anything by which he will be registered again. This would be a sufficient incentive for him to maintain his good behaviour. It will be seen that our proposals follow closely the provisions of existing rules 32 (1), 9 (2) (c), and proviso (5) to rule 16 except that a graded system of "hazri" is introduced for the 4 years period and is applicable to every one. The existing discretion vested in the District Superintendent of Police to further grant concessions in this for good behaviour should be retained and we would desire that a more systematic use be made thereof than appears to have been done so far. Thus in the case of a well-behaved members the "hazri" may be completely dispensed with after 6 or even 3 months at the discretion of the District Superintendent of Police and any unsatisfactory conduct should make the member subject to "hazri" again according to the general sale applicable for him, counting from the original date. We recommend that the District Superintendent of Police should be required to examine each case every year with a view to seeing whether any concessions are possible in each case.

✓ 105. As will appear from the facts about the registered members of the existing Criminal Tribes there are many who would qualify under our proposals for outright cancellation of registration or at least to the reduced relaxation proposed. We are anxious that our recommendations in respect of relaxation of restrictions and the period of registration should be put into effect without any avoidable delay.

106. Our recommendations with regard to the graded hazri and a probation system do not apply to *wandering* tribes subjected to restrictions under section 11 or 12 of the Act. In their case different considerations apply and the restrictions are necessary till the object of settling them to a normal ordered life is achieved. They should however apply to these tribes which have been wandering in the past but have in fact taken now to a settled life. They should also apply to tribes which emigrate only in particular seasons but otherwise lead a settled life.

CHAPTER VIII.

DHARALAS OF KAIRA DISTRICT.

107. The special treatment in this chapter of one particular "tribe" viz., the Dharalas of Kaira District requires a word of explanation. As the subsequent discussion will show the problem of Dharalas is unique and distinguishable from the problems of other tribes. We received also cogent and particularly strong representations on the treatment of the Dharalas.

108. There is no uniformity on the question as to what people are included in the term "Dharalas". The word is derived from "Dhara" meaning sword and Dharalas denoted the classes of population, who were swordsmen. The term is used sometimes synonymously with Kolis though generally "Kolis" include other classes than Dharalas. The Bombay Gazetteer (Volume IX) includes the four broad classes of Chunvaliyas, Khants, Patanwadias and Talabdas in the term "Kolis" and identifies Talabdas as Dharalas, holding the highest place among Kohs. Kennedy in his "Notes on Criminal Classes in the Bombay Presidency" follows the same classification but includes also Thakardas among Dharalas. The Kolis of Gujerat must not, incidentally be confused with the Kohs of the Deccan found mostly in the districts of Nasik, Thana, Poona and Ahmednagar or with the Kolis of Konkan.

109. The Gujerat Kolis are thus not a class which can be precisely defined much less so a class like the Dharalas. Enthoven in "The Tribes and Class of Bombay" says:

"There are several general terms in use among Kolis such as Dharalas and Talabdas, and while in some districts these terms have a definite significance, in others they have none, and even where there is a definite significance this will vary from district to district. In Kaira where Kolis are most numerous, all except the Kolis proper or Patanwadias are known as Dharalas, a term which includes the Khant, Baria, and Talabdas Kohs the latter being further sub-divided into Vaghelas, Pagis, Kotwals and Barias. Thus a Baria Koli is totally distinct from a Talabda Baria and a Rajput class name like Vaghela or Parmar may or may not give some indication of a Koli's marriage group."

Sometimes Barias, Khants, Pagis, Patanwadias are also included in the general term "Dharalas" used in Kaira.

110. It will be seen from the foregoing description that it is hazardous to treat Dharalas as such as a homogenous class of persons. The population of Dharalas in Kaira according to the 1931 census was 2,79,948 and they formed about 37 per cent. of the total population of the district. The Dharalas lead a settled life and are mainly agriculturists by profession.

111. We shall now trace the history of the application of the Criminal Tribes Act to the Dharalas. The Dharalas and also the Waghris of

some 55 villages in the district were notified a criminal tribe for the first time in 1911 after the passing of the Act of 1911. This notification for only some villages of the district was adjudged a failure in 1914 and the system was extended in its application. All Waghris, both male and female and children above 13 years of age and all Dharalas convicted of certain offences were now registered and a daily roll call for the persons so registered was instituted. In 1916 an elaborate system of rules for the Waghris only was introduced and thereafter the treatment of the Dharalas and Waghris began to be differentiated. In 1918 the idea of opening a settlement at the manganese mines in Panchmahals was mooted as a war measure but was abandoned. Government's views at this time were expressed in the following words :—

“ Government accept the opinion of the local officers that the control exercised over the Waghris under the Criminal Tribes Act has been successful.

“ In regard to the Dharalas, however, there is nothing to prove that their criminal tendencies have been effectively kept in check. This is, no doubt, due to the Criminal Tribes Act not having been enforced against them with the same stringency as against the Waghris. The District Magistrate, Kaira, should be requested to consider further and report to Government whether it is not possible to take stricter measures against the Dharalas. Government are aware of the fact that it would be impossible to confine the whole of the Dharala population of the Kaira District to the four mile limit, but it would perhaps be practicable and advantageous to keep a register of the worst characters and to enforce some such restriction against them.”

112. The District Magistrate who submitted his report thereafter, took an entirely different view of the problem and this view is expressed so forcefully and clearly that we feel we must quote it in extenso :—

“ The Act has had no appreciable effect on the Dharalas, and with all respect to the weighty opinions already recorded I would submit that the reason is that in this instance it has been applied to a purpose for which it was never intended. A caste which forms an integral part, amounting to 40 per cent., of the population of the district can hardly be regarded as a tribe or gang such as is contemplated by the Act. The view that Dharalas are, as a class, addicted to the systematic commission of non-bailable offences, appears to be based on a somewhat mistaken reading of the criminal statistics. If the population of any district were divided into 3 classes, 20 per cent. in Class A being the better classes, 40 per cent. in Class B the middle classes, and 40 per cent. in Class C the lower classes, it would be found that by far the greatest proportion of crime against property was committed by Class C, but no one would propose on that account to notify the depressed 40 per cent. as a criminal tribe. It happens that here Class C consists mainly of Dharalas, and hence the large percentage which they attain in the criminal returns. The Act depends for its success on the possibility of singling out the members of the tribe for special

treatment and on their being readily identifiable from among the mass of the people, but this is quite impossible in the case of the Dharalas. This was in the end recognized by Mr. Ghosal himself as well as by Mr. Bailey, both of whom had a great experience of the working of the Act, but during the last year or two the position taken was that as the Act had been applied it should be worked so as to produce the greatest effect possible, without, however, much hope of success.

One of the principal difficulties in working the Act is that it has to be done through the Patels of the Villages most of whom are Patidars, and between the Patidars and the Dharalas there is a constant tug of war. Very few Patels, it is to be feared, attempt to carry out their duties solely in the public interest; the Act is regarded more as a means of getting the Dharalas under their control, and it leads to many abuses. The officers enquiring about bad characters have naturally to depend largely on the information they receive from Patels and their friends, and in many cases the latter simply scheme to put a man on the *hazari* in order to satisfy some private grudge. So low is the level of public morality in the district that it is quite impossible to sift the false from the true and to decide whether the man against whom information is given is really a bad character or not, and in many cases the threat of the Act is employed in order to put pressure on the Dharala so as to get the better of him in some dispute, or even to make him perform petty tasks for the benefit of the Patel or his friends.

The fact is that the application of the Criminal Tribes Act to the Dharalas of this District is an attempt to reach the very desirable end of a reduction in local crime by a short cut, and that it has proved and is certain to prove a failure. So long as the police force of the district is kept far below the proper strength necessary to cope with the volume of crime which prevails no improvement can be expected merely from putting 2 or 3 per cent. of the criminal classes of the district under restrictions which must in the nature of the case be ineffective."

113. Government however do not seem to have accepted this view. They called for further reports. No action was taken and meanwhile for five years up to 1923 the District was the scene of an unprecedented wave of crimes—of dacoities, robberies, arson, etc., in which even Government servants were not spared. A crisis was being reached and Government agreed as an inferior measure to the deportation of a number of Dharalas to strike terror into the community. At the same time a strong force of armed constabulary from outside was drafted into the district and this had an immediate effect in quietening the situation and the proposed deportations were therefore postponed.

114. When the District Magistrate, Kaira, reported again in October 1924 there were only 403 Dharalas registered it is true, but in the opinion of this District Magistrate also it was really the strength of the police force which met the situation and not the application of

the Criminal Tribes Act. He doubted also the efficacy of deportation of a certain number of Dharalas. He arrived at the following conclusion :—

“ The simple fact is that crime last year ceased abruptly when an adequate force of Police was brought into the district, and the arm of the law asserted itself in every village of the affected area. There has been a profound calm ever since, and this at present shows no sign of being disturbed. The advocates of the Criminal Tribes Act cannot claim that this state of things has been brought about by the working of the Act, and in fact they cannot escape from the conclusion that it was brought about by the normal method in such cases, i.e., the use of overwhelming physical force. The Superintendent of Police has drawn attention to the comparative freedom from crime of the northern talukas of the district in 1923, and he ascribes this to the fact that three gangs of dacoits were broken up and captured. In other words when the problem of suppressing crime was tackled in the ordinary way, the usual and natural results followed. My view therefore is that the fetish of the Criminal Tribes Act as the principal means of controlling a tribe of the size and character of the Dharalas should be abandoned without delay and once for all, and that while the Act should remain in force it should only be as a subsidiary weapon, and should not be allowed to disguise the elementary consideration that the main way to suppress crime of the type favoured by the Dharalas is by the use of adequate physical force.”

115. With regard to the use of the Criminal Tribes Act as a subsidiary weapon he made certain proposals most of which were supported by the Inspector General of Police and the Commissioner and accepted by Government and the orders to the following effect were passed on 28th November 1925—

1. In supersession of previous orders the names of only those Dharalas should be brought on the registers prepared under section 4 of the Criminal Tribes Act :

(1) who are convicted of robbery, dacoity, arson, criminal intimidation, cattle lifting, theft, house-breaking, cheating, dishonestly receiving stolen property, receiving gratification for restoration of stolen property, extortion, voluntarily causing grievous hurt or hurt by a dangerous weapon, or illicit distillation, or

(2) against whom an order is passed under section 118 of the Criminal Procedure Code to furnish security for good behaviour.

The registration should be made automatically on conviction or passing of the order as stated above.

2. The Registered Dharala should be required to live within the actual precincts of his village i.e., not in any isolated hut out in the fields that he may select, for such period not exceeding 3 years as may be ordered by Government under section 11 of the Criminal Tribes Act, 1924.

3. The existing obligation on registered Dharalas to report daily to the police patel is removed but if a registered Dharala against whom an order has been passed under section 11 is at any time not found in his village between sunset and sunrise, not having been provided with a pass to go abroad, or is found outside his village between sunset and sunrise without such a pass, he should be proceeded against criminally.

4. Police officers not below the rank of a head constable are authorised to check the presence of registered Dharalas and to demand the production of their passes if they are found outside the village limits.

5. Dharalas convicted of offences as mentioned below will ordinarily be placed in a settlement under section 16 of the Criminal Tribes Act, along with their families on the expiry of their sentence, namely—

(1) on first conviction of an offence under section 397, Indian Penal Code ;

(2) on second conviction for dacoity under section 395, Indian Penal Code, or any other section other than section 397, Indian Penal Code ;

(3) on third conviction for robbery under section 392, Indian Penal Code.

The police force in the district was also at the same time augmented.

116. By this time the 1924 Act had been passed, the Criminal Tribes section of the Criminal Investigation Department was organized and already there were proposals to make uniform rules for the administration of Criminal Tribes throughout the province. While these uniform rules were taking shape we understand that the Commissioner, Northern Division, stressed the need of not making radical changes in the accepted policy regarding Dharalas. At his suggestion changes in draft rules corresponding to the existing rules 16 and 29 were made enabling the District Superintendent of Police to make special concessions wherever necessary as e.g., in the case of the Dharalas.

117. It will be realised that under the rules now in force registration is not carried on quite so indiscriminately as was possible before, and in general the application of the Act was made more systematic. But there were three most important aspects of the Special orders of 1925, viz. (1) the registration was entirely automatic, (2) the " hazri " system was abolished, and (3) the Patel was not entrusted with the administration. There were strong reasons behind these orders. The " hazri " system was admittedly accompanied by inconvenience, frauds and evasions and the use in practice of the threat to " register " tribesmen was made, as graphically described in the District Magistrate's letter of 1919, which we have extensively quoted already.

118. We presume that Government did not want to alter radically the system specially evolved for Dharalas. But we are not aware of any special orders passed by the District Superintendent of Police in Kaira in virtue of his discretionary powers, as regards the Dharalas,

119. In a sense it can be argued, it is true, that the application of the existing rules in fact amounts but to a "subsidiary weapon" desired by the District Magistrate in 1925 but we must stress the inherent distinction between the Dharalas on the one hand and ordinary Criminal Tribes on the other. We can find support in another District Magistrate of Kaira who in 1926 reported: "The Waghris are a typical criminal tribe of comparatively limited numbers, and in their present stage of development almost all members of the tribe are still regarded as potential, if not actual, criminals. The machinery of the Criminal Tribes Act is well adapted to deal with such tribes as a whole and there is nothing unmanageable in its application, which has hitherto been attended by conspicuous success. The Dharalas on the other hand are not really a criminal tribe at all, but merely a large agricultural community, individual members of which are rather liable to commit serious crimes which are more the result of economic conditions and other unfavourable circumstances than of any inherent criminal mentality. Thus Dharalas, unlike Waghris, can be employed quite safely as policemen or peons. For police purposes it has been convenient to declare the Dharalas a Criminal Tribe in order to apply the discipline of the Criminal Tribes Act to a very small proportion of the whole community while leaving the rest quite free."

120. We have stated so far the historical outline and the inherent elements in the problem of the Administration of the Act in respect of the Dharalas. We now come to the present conditions in the district. One of us represents in the Legislative Assembly a Constituency of Kaira District and is very closely acquainted with the Dharalas problem and has carried out special investigations during this enquiry. We have also consulted the local officers and taken the evidence of Mr. Ravishankar Vyas, who is held in highest respect by the Dharalas and a social worker among them, of Mr. C. R. Saraiya, a pleader from Nadiad, Mr. Madhavai B. Shah, Secretary, Kaira District Congress Committee, Mr. Ishwarbhai Khodabhai and Mr. Bhagwandas. We had, besides, informal discussions with individual members of the tribe and received written statements from the Kshatriya Sudharak Mandal representing the Dharala Community and from Mr. B. B. Patel, M.L.A.

121. The following extracts from Mr. Ravishankar's evidence will show the objections he has to urge against the criminal tribes administration in respect of Dharalas :—

"...Crime increases by reason of the hazri to which Dharalas are subjected.....What generally happens is that if a man is a regular criminal, he manages to square the patel who keeps the register unwritten for 3 or 4 days. If the man is arrested somewhere else, he marks him absent. On coming back, he shares the spoil with the patel and is marked present....."

Self-respect runs in the very veins of Dharala people and when their self-respect is wounded they cannot endure it. The hazri system has made some of them desparate....

In many cases the Patidars, in order to revenge themselves on their rivals, employ them (Dharalas) or instigate them to commit crimes."

122. There seems no doubt that Criminal Tribes Act is in fact being used by the village headmen in some cases as an engine of oppression. The evil is the greatest with the "hazri" system. The hazrivalas are made to serve the headman almost as his personal servant and the threat of registration and subjection to "hazri" is used as a lever for extorting money. "Hazris" are not invariably properly kept and it is not unusual for a criminal to escape it by sharing his spoils with the patel. When the patel is common to more than one village the inconvenience of the registered members to report themselves at some distance from their village is great. There is also the humiliating effect of "hazri" and pass system on the registered members particularly when they are attending social functions. And above all the whole treatment wounds the self-respect of this vast community. We are informed also that the police too exact forced labour from the "hazrivalas".

123. It will be realised that our recommendations in the foregoing chapters will to a large extent remove the evils of the administration noticed here. Registration will for the most part have been taken away from the hands of the subordinate police and no longer will it be possible for registration to be used as a threat against an innocent person. Registration for trivial offences will also be curtailed. The hazri system itself would be modified to a great extent and drastically limited in duration. But these will merely be palliatives as far as the problem of Dharalas is concerned. We do not think it justifiable that such a large section of the population which lead a settled life should be branded a criminal tribe for the offences of a few among them. The registered members are but a fraction hardly amounting to 1 per cent. of the total population and that is all the more reason why the Dharalas as a whole should not be regarded from any criterion as a "criminal" tribe. The history of the administration of the Act as applied to this community has been on the whole an unfortunate episode and the evils still continue. We see therefore no justification for continuing in applying the machinery of the Act to the whole of this large community. In the neighbouring State of Baroda where the Dharalas have a large population the act is applied only to the Patanwadia class. We would have no objection if well defined classes with not too large numbers can be brought under the machinery of the Act on a very clear case being made out against them as regards their abnormal criminality. For this purpose and also not to disturb too suddenly the administration of the district we think a period of a year should be allowed. After this period the application of the Criminal Tribes Act to Dharalas as such should automatically cease. In the meantime it would be open for the police to make out clear cut cases against any particular classes as we have indicated above.

124. We have been referring throughout this chapter to "Dharalas" as a class for convenience although as pointed out earlier the term does

not connote any homogeneous group of persons. Not only that but we are informed that whatever the origin of the word, it is at present used as a term of contempt and insult. The so-called Dharalas resent, therefore, very strongly being referred to by that term and we were warned beforehand (in common, we understand, with all visitors from outside the district), not to use the term "Dharalas" while referring to them. Mr. Ishwarbhai Khodabhai, Secretary of the Kshatriya Mandal, moreover stated before us, in his oral evidence, as follows :—

"Our people feel insulted if they are styled as Dharalas. There is no interdining or inter-marriage between the Patanwadias and Baranjas. We are also not Kolis. We neither interdine nor intermarry with Patelia Kolis. . . . Patanwadias would be properly Dharalas."

In view of these facts we recommend the discontinuance altogether of the official use of the term "Dharalas" in future. Instead the individual terms should be used like Kotwals, Pagis, Baraiyas, Khants, etc. which are separate castes by themselves and are at present indiscriminately covered by the term "Dharalas".

CHAPTER IX.

INTERMENT IN A SETTLEMENT AND SETTLEMENT ADMINISTRATION.

I.

125. The essential function of settlement life is to be reformatory. Restrictions there must be by the very nature of the persons to be interned but they should be as few as may be compatible with discipline and the need to protect outside people from the criminal tendencies of settlers. It has been an accepted part of settlement life that it should be based on the family unit. In this particular it is most removed from prison life. Moreover a settler is allowed to keep his entire earnings to himself, the settlement management finding him remunerative employment.

126. Internment in a settlement can be ordered by Government when after due enquiry it is established that it is necessary. A whole tribe or a part or even a member of it can be placed in a settlement. The settlements under the Act can be industrial, agricultural or reformatory. In the Province of Bombay, there is one Reformatory Settlement at Bijapur and the rest are industrial settlements located at Hubli, Gadag, Belgaum, Khanapur, Sholapur, Nira Project Settlement (Camp Mahalung), Bagalkot, Ahmedabad, Jalgaon, Dhulia, Mundwa, Baramati and Ambernath. Agriculture is however attached to the Reformatory Settlement at Bijapur and one at Kumbharganir near the Hubli Industrial Settlement.

127. There are free colonies attached locally to the following settlements :—Hubli, Gadag, Khanapur, Sholapur, Bagalkot, Jalgaon, Dhulia, Ahmedabad, Ambernath, Baramati and Mundwa.

Some free colonies are not attached locally to any settlement, but are independent colonies under the supervision of Superintendents. They are:—Barsi, Hotgi, Indi, Akluj and Undirgaon. Two of them, viz. Hotgi and Indi are agricultural colonies. The early history of settlement administration in Bombay shows that the start was made with the wandering tribes or gangs which were placed in settlements situated near industrial areas providing sufficient demand for labour. Thus the first settlement was established at Bijapur where Chaparband, Haranshikari and Ghantichor tribes were interned. The statement attached to this chapter shows the population in each settlement and free colony.

128. A late start was made in "settling" members of tribes who normally lead a settled life in a definite locality. This is natural both because the problem of the wandering criminal tribes presented itself first to Mr. Starte and also because "settlement" system has peculiar advantages in weaning such tribes from a criminal life; for in a settlement they are assured of employment and at the same time maintain not only their normal family life and economic independence but also their social organisation. The "settlement" of a wandering tribe is in some respects quite different from the "settlement" of particularly criminal type of members of a normally settled tribe—albeit with their dependents. When a whole tribe is placed in a settlement the flow of life in it continues in a normal manner. On the other hand, when the individual members of a settled tribe are placed in a settlement, though they have their family life, they are mostly divorced for the time being from their society. The methods of dealing with these two distinct classes should also naturally be different. Where whole wandering tribes are interned the restrictions on their life should be different from those in the case of settlements where individual members are interned. A wandering tribe or group needs to be placed in a settlement as far as possible as a whole or in large groups although some individual members therein may be quite innocent and have not committed any crime themselves; it is only by their inclusion that social life is preserved in its entirety and the tribe as a whole is reformed, though the same distinction in treatment should be observed between the innocent and the convicts. We believe therefore that it would be desirable to continue the practice of placing in settlements whole wandering tribes or groups provided of course that a tribe or gang is found to be definitely "criminal".

129. Rule 45A of the Criminal Tribes Rules lays down criteria when a *member* of a criminal tribe is to be placed in a settlement. The rule is reproduced for convenience in Appendix B. The provisions of the rule are necessary and desirable to regulate the placing of individual members of tribes in settlement as otherwise an indiscriminate use may be made of section 16. When a whole tribe is however to be placed in a settlement the same considerations do not apply as we have shown above, though the enquiry prescribed by the section is obviously

necessary in either case. The actual wording of ^{rule} section 45A however does not make the position of enquiries clear when a whole tribe or gang is placed in a settlement. We therefore recommend that the rules should clearly provide for distinctive treatment for the two kinds of persons settled.

130. We turn next to the administration of settlements and its problems.

131. The essential considerations in the establishment of a settlement are primarily its location and size. Next come the questions of providing facilities for education and maintaining some civic administration. Above all are the principles to be followed by the management in the actual working of a settlement and regulating the discharge of settlers when they are fit to be left to take their place in the rest of the society outside.

132. While discussing these problems in detail below we shall lay down the general principles to be followed in respect of them and also examine how far they are being followed in the existing settlements. We propose to examine the problems of the Sholapur Settlement specially in a later chapter though we may have to refer to it at some places here too. Similarly we are devoting a special chapter to the question of the Agency of settlement administration and shall refer to it as little as possible at present.

133. The location of a settlement is governed by mainly economic considerations. Work should be available to the settlers and at the same time there should be scope for them to settle down permanently after final discharge. The demand for labour will therefore have to be not spasmodic or seasonal but steady and permanent. Inevitably therefore the settlements must be located near industrial towns. Thus the largest settlements in the province, viz. at Sholapur and Hubli are situated near large industrial towns and the latest, viz. at Naroda is in proximity to Ahmedabad. Whenever possible, however advantage should be taken of the demand for labour on works by or for Government, or the local bodies. Necessary instructions should be issued to all concerned so that effective contact is maintained between the Backward Class Officer and the Settlement Managers on the one hand and the constructing authorities on the other.

134. Agricultural settlements have on the whole been found more difficult to establish and maintain. The reasons are not far to seek. Suitable land in sufficient quantity is not available and most of the criminal tribesmen (and in this connection wandering tribes are mainly concerned) do not take easily to agriculture. Agriculture itself does not yield sufficient remuneration and, besides, requires capital in the form of cattle, implements, seed, etc., to start.

135. The economic considerations that apply to agricultural and industrial settlements do not apply to the same extent to "reformatory" settlements as these are by their nature more self-contained and provide labour within the settlement itself as far as possible. The only such settlement at Bijapur employs its settlers in the following industries—

Industry.				Number employed.
1. Weaving	..	..	..	45
2. Chappal-making	..	..	..	3
3. Agriculture	..	..	..	7
4. Tailoring	..	..	..	3

136. The problem of providing employment in a reformatory settlement is almost on a par with that of the jails though it is accentuated by the fact that whole families have to be maintained in a settlement.

137. The question of finding employment for settlers in industrial settlements is not always easy and some avenue of employment other than that in industrial concerns is often badly needed. We are of opinion that the Department of Industries may be asked to advise on the question of employment of settlers and in particular the organisation of industries within industrial and reformatory settlements. It should be possible to dispose of the articles produced in settlements, to Government and the public, in the same way, as jail manufactured goods and also those from the reformatory settlement at Bijapur are now disposed of. We recommend therefore that Government should ask the Director of Industries to work out a scheme for the organization of industries within settlements.

138. The size of a settlement is governed by two opposite factors. On the one hand it must not be too small; else the management charges are bound to be proportionately high. On the other, if a settlement is unduly large the essential requirements of a sound management cannot be fulfilled. The main purpose of settlement life is to reform the tribesmen and this requires that the management should be able as far as possible to provide individual attention to the needs and problems of the settlers. An unwieldy settlement also creates difficulties in maintenance of settlement discipline. We consider that a settlement should not normally be bigger than a medium-size village. According to this criterion the existing settlements at Sholapur and Hubli with 1,831 and 1,495 settlers (excluding free colonists who number 1,739 in Sholapur and 1,829 in Hubli) respectively are too large. We have had the benefit during our investigations of knowing the present views of Mr. Starte on the subject. He says—

"Ideally I would suggest about 800 in population but one can never get the ideal. It depends upon employment conditions. I do

not think, if I were starting afresh I would ever have allowed Sholapur to get quite as big as it has done, but it was difficult at the time to do otherwise, as the tribes urgently needed work and at the time the mills were short of labour."

139. We realise the difficulties in attempting now to split the existing large settlements into what we consider suitable sizes but at least a conscious effort should be made in future not to let a settlement grow unduly large. We believe that the settlement near Ahmedabad can absorb quite a good number whenever there be any need to provide for any more settlers.

140. Within the settlement itself the need for providing facilities for education and establishing Co-operative Credit Societies, has been generally recognised. Education for the children is compulsory which is as it should be. An important feature of settlement administration has also been the provision of civic amenities—mainly lighting and water-supply—at the cost of the settlers themselves. The necessary funds are raised from the settlers by means of a "sanitary" or "supervision" tax. The present maximum of Rs. 2 per month per male adult member in a family is in our opinion excessive and should not exceed the actual recurrent cost. The advantages of this system are that the members come to know in embryo their future responsibilities when in a free condition and are not left to look entirely to the authorities. Very often however the settlers are not brought to realise this aspect, they merely pay the tax as a form of uncompensated exaction. We believe that it should be possible to interest the leading persons in the civic administration of a settlement and recommend that whenever possible such well behaved members of the settlement as carry the confidence of their fellow tribesmen should be allowed some opportunities for realising and sharing the responsibilities of the work.

141. We consider it of paramount importance to provide means of healthy activity and entertainment to the settlers during their leisure hours. The departmental rules of the Settlement Administration already require that clubs should be started in all settlements with the following objects :—

- (a) All kinds of games, indoor and outdoor.
- (b) An annual sports day.
- (c) Concerts and other entertainments.
- (d) Lectures or debates or discussions.

We found small clubs only in the two Settlements at Ahmedabad and Sholapur but even these had not entered into the life of the settlers. These clubs properly organized would have an immensely beneficial influence on the life of the settlers, particularly the younger generation.

They should be located within the settlement proper, or as near it as possible. The management should wherever possible be entrusted to leading settlers themselves, the manager of the settlement exercising control over the finances and general activities of the club. The majority of abscondings from settlements and disturbances therein occur in the evening. Clubs on proper lines and efficiently organised should go a long way in providing healthy activity in place of criminal proclivities and we therefore recommend that such clubs should be started in all the settlements. They would make a positive contribution towards the reformatory work of the Settlements.

142. We come now to the principles of settlement administration and the system of discharge of settlers. It would be a mere platitude to say that the management of a settlement should be humane and sympathetic towards the settlers. So would it be to lay down that the success of settlement system can be easily gauged over a period of time by the number of criminal tribesmen let out to be assimilated in society outside. The figures of the number of persons discharged free from all conditions is very low.

Now, obviously when whole tribes are given to commission of crimes over generations they cannot be expected to be reformed within the space of a few years. In fact the dangers of hastening too fast are abundantly clear. But we believe that a generation is a long enough period at the end of which some tangible results may be expected and, if they are not so visible, it is time to take stock of the system and examine if it is the inherent difficulties of the problem that are retarding successful results or defects in the system which can be remedied. It is easy to argue in this matter that the new generation of children now growing up should have at least been brought up to new standards of conduct. But the children do not live divorced from their parents: we have urged before that they should not be divorced from parental life. They are influenced not only by the education they are given but even more by the family and social life coming down several generations in their tribe and the general economic conditions.

143. An average settlement consists of a settlement proper and a Free Colony. The latter is perhaps a misnomer in that it is meant not only for settlers who are completely free but mainly also for those who are discharged on probation. Some of the so-called free colonies contain persons who have been never registered or whose registration has been cancelled. We proceed now to discuss the organisation of the settlement and the principles and practice of discharge of settlers.

144. The distinctions between those living in the settlement proper and those in the "free colony" so-called, are that the former are subjected to the roll-call and other discipline of the settlement while the latter are only bound by the conditions of their probational discharge; these conditions may also include conditions as to roll-call and in fact the standard of conduct demanded from these "free colonists" is roughly the

same as from settlers. Moreover they are employed in the same occupations which is principally mill-labour in the industrial towns.

145. The sending out of "settlers" to the towns as free labourers for the whole of the day and subjecting them to the discipline of a settlement during the night has a great disadvantage. The psychological effect of such a system on the settler is undesirable. This is particularly the case when the labour available is in large industrial concerns like the mills at Sholapur and Hubli. As we have stated before the industrial settlements offer the best opportunities under the circumstances of the problem to offer adequate and steady labour.

In the earlier days of the settlements matters went on smoothly but the constant opportunities for mixing with labour in the industrial towns and coming into the influence of labour agitation having for its object the creation of class consciousness, brought in disturbing influences. The settlers were subjected to class conscious outside propaganda. Such influences and propaganda are not conducive to the main purpose of settlement life, as its discipline becomes irksome at a stage when the settlers have not yet been "nursed" to a non-criminal life. The criminal tribes by heredity and temperament fall an easy pray to any irresponsible agitation which does not impose self-control. The restless and criminal tendencies of these tribes easily lead to violent activities and are likely as they did in Sholapur, to create a formidable problem in the life of industrial town.

146. We believe therefore that a reorientation of settlement organization is necessary. It should be along the following lines. The two main divisions of the settlement proper and the "free colony" should remain. The latter should however be named "probationers' colony" as the large majority therein are probationers. The colony of fully discharged members if and where such is established may be called if necessary the free colony. The "settlement" and the "probationers' colony" should be located at no great distance from each other. Where plots are made available to the fully discharged members they should be located nearer the area of permanent employment and the habitat of the general population. The probationers should be subjected to as few restrictions as possible. They should be provided with employment in large concerns where they may mingle freely during the day with the other population. The settlers on the other hand should as far as possible be engaged in independent units, e.g., quarrying work or road and canal construction, etc. A probationer should be liable to revert to the settlement, if his conduct is unsatisfactory or he breaks any other condition of his probationary discharge. This system would provide within itself an incentive for the settler to improve and the "probationer" not to relapse into bad ways; it will be good for discipline and will save the settlers from contacts which for them may prove undesirable.

147. But having done this we believe it to be of the utmost importance that the system of discharge is exercised more generously

than has been the case so far. Rules 62 and 63 which govern the existing system read as follows:—

Rule 62.—Discharge from settlement.—A person placed in a settlement under section 16 may be discharged on probation therefrom if:— (Under section 20 (2) and (c))

(a) he has resided in a settlement in the Bombay Presidency for six years if he is a member of a domiciled tribe, or for eight years if he is a member of a wandering tribe, since the date of the expiry of his last conviction, and

(b) during the last three years of his residence in such settlement he has had no disciplinary punishment for breach of rules of the settlement, and

(c) in the opinion of the Settlement Officer he will be able to maintain himself and his dependents by honest means on discharge from the settlement.

Provided that—

(a) Where there is more than one registered settler in the joint family living in the settlement, each member must fulfil these conditions before the family is discharged.

(b) The Settlement Officer may in his discretion discharge a person on probation from the settlement within a shorter period than that prescribed in this rule.

Rule 63.—Discharge on probation.—(1) A registered settler may be discharged from the settlement in which he has been placed under section 16 for such period of probation as the Settlement Officer may determine, on the following terms, namely, that he shall:— (Under section 20 (1))

(a) reside in such place as the Settlement Officer may determine;

(b) if there is a primary school within two miles of such place send his children to such school until they have attained the age of 12 years, or until the period of probation has expired whichever may occur first;

(c) be of good conduct; and

(d) obey whilst on probation such conditions as to roll-call and the taking of passes as may be ordered by the Settlement Officer in consultation with the District Magistrate of the district in which the probationer's place of residence is situated.

(2) The period of probation shall ordinarily not exceed six years; but this period may be extended by the Settlement Officer in his discretion.

(3) Failure to comply with any of the conditions in sub-rule (1) shall at the discretion of the Settlement Officer render the discharged settler liable to recommitment to a settlement.

148. The rules as framed are capable *prima facie* of easy and generous application and allow the Settlement Officer in his discretion to shorten the usual term of 6 or 8 years after which a settler should be discharged. In fact, however, discharges even on probation have not been easy. In the first place clause (b) of Rule 62 is much too general regard being had to the very wide nature of the possible disciplinary punishments and the meticulous rules of conduct prescribed for the

settlers. Thus quarrelling is punishable under the rules; for trivial breaches of discipline warnings may be given and these will count as "disciplinary punishments" for the purpose of rule 62. It does not require much imagination to see that it is extremely easy to make out, if necessary, a case against discharge on probation even though on broad grounds such discharge may be advisable. The disciplinary punishments for which discharge may be refused should therefore be restricted in scope and confined only to the more serious. We recommend therefore that actual prosecutions under the Criminal Tribes Act or any other law and bonds required to be entered into or cash deposits required to be deposited as punishments or fines inflicted on more than 2 occasions, may alone be counted for the purposes of rule 62.

149. Why we feel it necessary that this change should be prescribed is that we came across many cases of discharge refused merely on the ground that a man quarrelled or drank occasionally. There was another very large class of cases in which discharge was refused because the man had no means to buy a plot of land in the free colony. This refusal no doubt is based on the reasoning that otherwise the man will not be able to maintain himself and his dependents by honest means on discharge; but this is really straining the language. With the meagre earnings of the settlers and their habits of living it is too much to expect that everyone will save an amount sufficient to buy outright a piece of land for himself. On the contrary it must be the legitimate function of a Credit Society or the management to advance sufficient amount at such times to the settlers. The settlers could also be allowed to hire plots or huts though we think that the value of property, possession and settled life can only be appreciated by the settler if he owns a piece of land as his own.

150. Rules can but prescribe general conditions and cannot guarantee that the system will be worked in a most desirable way. It is ultimately the spirit of the executive administration which will prevail and it is therefore of the first importance that the Settlement Officer should keep before himself an enlightened policy and see that it is uniformly followed in all the settlements. We came across many cases of settlers punished or refused discharge on probation for grounds which cannot be justified. Thus a man who had married a girl according to the custom and law of his caste was refused to be allowed to live with her and the two were hounded after merely because he had another woman kept as a mistress. Discharge was refused in one place on the vague ground that the man was not "sufficiently truthful" or "the wife was quarrelsome"! It would be a grievous mistake in our opinion to expect and demand adherence to social customs or rules of behaviour which are not even followed by the community at large outside. A high moral sense is undoubtedly needed but in prescribing a code different from that of the rest of the tribe or community who are not in the settlements there will merely be a confusion in the ideas of general social reform and the ideas of weaning these tribesmen from a life of systematic commission of crimes.

Serial No.	Name of the Settlement.	Established in what year.	Castes or classes to which members of the "Criminal Tribes" in each settlement and free colony belong.	Population at the end of March 1937.		Total.	Remarks.
1	2	3	4	5		6	7
				Sett.	F. C.		
3	Sholapur ..	1912	(1) Kaikadis .. (2) Bhampta .. (3) H. Shukans .. (4) Mang Garudis. (5) Bhats .. (6) Chapperband. (7) Hurs .. (8) R a j a p u t Bhampta.	632 322 320 329 268 7 5 2	365 597 154 180 109 337	3,627	
				1,885	1,742		
4	Gadag ..	1912	(1) Kaikadis .. (2) Bhampta .. (3) H Shikari .. (4) Bhats .. (5) Hur .. (6) Waddars .. (7) Lamans .. (8) Mangs .. (9) Mang Garudis. (10) Chapperband.	131 66 244 79 1 6 8 3	44 320 259 64 8 169	1,402	
				538	864		
5	Hubli ..	1916	(1) Kaikadis .. (2) Bhampta .. (3) H. Shikari .. (4) Mang Garudi. (5) Bhats .. (6) Waddars .. (7) Berads .. (8) B h a n d a r sonars. (9) Chapperband.	199 362 512 45 266 153 5 3 ..	398 429 754 .. 62 30 44	3,262	
				1,545	1,717		
6	Gokak Falls (Belgaum).	1915	(1) Kaikadis .. (2) Bhampta .. (3) Mang Garudi. (4) Bhats .. (5) Berads .. (6) Mangs .. (7) Ramoshis ..	7 32 176 4 1 29 37	.. 6 77	369	
				286	83		

Serial No.	Name of the Settlement.	Established in what year.	Castes or classes to which members of the "Criminal Tribes" in each settlement and free colony belong.	Population at the end of March 1937.		Total.	Remarks.
				Sett.	F. C.		
1	2	3	4	5	6	7	
7	Khanapur ..	1916	(1) Kaikadis .. (2) Bhampta .. (3) H. Shikari .. (4) Mang Garudi. (5) Katakuris .. (6) Waddars .. (7) Bhuls .. (8) Berads .. (9) Lamani .. (10) Mang ..	18	..	271	
				11	..		
				54	..		
				43	..		
				12	8		
				18	..		
				1	..		
				70	..		
				25	8		
				3	..		
				255	16		
8	N. P. Mahalung.	1924	(1) Kaikadis .. (2) Bhampta .. (3) H. Shikari .. (4) Mang Garudi. (5) Bhats .. (6) Chapperbands (7) Hurs .. (8) Dharalas .. (9) Waddars .. (10) Bhuls .. (11) Wagharis .. (12) Kols .. (13) Mangs .. (14) Ramoshis .. (15) R. Bhamptas.	57	..	575	
				57	..		
				136	30		
				51	..		
				2	..		
				3	..		
				10	..		
				2	..		
				6	..		
				69	..		
				4	..		
				9	..		
				9	..		
				6	..		
				124	..		
				545	30		
9	Ahmedabad ..	1932	(1) Kaikadis .. (2) Bhamptas .. (3) H. Shikari .. (4) Mang Garudi. (5) Bhats .. (6) Hurs .. (7) Dharalas .. (8) Bhuls .. (9) Wagharis .. (10) R. Bhamptas.	37	..	887	
				1	..		
				2	..		
				5	..		
				706	..		
				26	..		
				29	..		
				4	..		
				50	..		
				23	4		
				883	4		

Serial No.	Name of the Settlement.	Established in what year.	Castes or classes to which members of the "Criminal Tribes" in each settlement and free colony belong.	Population at the end of March 1937.		Total.	Remarks.
1	2	3.	4	5		6	7
				Sett.	F. C.		
10	Jalgaon ..	1932	(1) Kaikadis .. (2) Bhamptas .. (3) H. Shikaris .. (4) Mang Garudis. (5) Bhats .. (6) Bhils .. (7) Kohs .. (8) Mahars .. (9) R a j p u t Bhamptas.	10 19 38 158 54 60 8 2 5	.. .. .. .. .. .. .. .. ..	
				354	..	354	
11	Dhula ..	1933	(1) Kaikadis .. (2) Bhamptas .. (3) H. Shikaris .. (4) Mang Garudis. (5) Bhats .. (6) Hurs .. (7) Bhils .. (8) Kohs .. (9) Mang .. (10) Thakkurs .. (11) Tadrees .. (12) Fakir Musal- man. (13) Wanjari ..	15 11 33 122 31 16 65 5 1 1 4 1 9	.. .. .. .. 12 1		
				314	13	327	
12	Mundwa ..	1934	(1) Kaikadis .. (2) Bhamptas .. (3) H. Shikaris .. (4) Mang Garudis. (5) Bhats .. (6) Hurs .. (7) Bhils .. (8) Mangs .. (9) Ramoshis .. (10) R a j p u t Bhamptas. (11) Thakkurs ..	22 58 141 197 -38 7 5 5 12 42 3	.. .. .. .. .. .. .. .. .. .. ..	
				530	..	530	

Serial No.	Name of the Settlement.	Established in what year.	Castes or classes to which members of the "Criminal Tribes" in each settlement and free colony belong.	Population at the end of March 1937.		Total.	Remarks
				Sett.	F. C.		
1	2	3	4	5	6	7	
13	Ambernath ..	1934	(1) Karkadis .. (2) Bhamptas .. (3) Mang Garudis .. (4) Bhats .. (5) Hurs .. (6) Waghars .. (7) Kolis .. (8) Rajput .. Bhamptas. (9) Thakkurs .. (10) Futgudis .. (11) Katakuris ..	91	25	515	
				32	41		
				121	.		
				12	91		
				10	37		
				2	..		
				2	..		
				36	..		
				5	..		
				7	..		
				3	..		
				321	194		
14	Baramati ..	1920	(1) Bhamptas .. (2) Mang Garudis .. (3) Ramoshis .. (4) R a j p u t .. Bhamptas.	112	498	739	
				40	..		
				5	..		
				77	7		
				234	505		

CHAPTER X.

THE SHOLAPUR SETTLEMENT.

151. We have had to attach special attention during our enquiries to the Sholapur Settlement. Not only is this the largest and one of the earliest of the Settlements but it is also here that recently troubles manifested themselves acutely. This settlement was also managed by a voluntary agency as distinguished from one managed by Government itself. Thus the size, location, agency of management and the special problems of Sholapur attracted special attention on the settlement. As we are devoting the next Chapter to the question of the Agency of Settlement administration we shall defer the consideration of the aspects in Sholapur relevant from this point of view, to the next Chapter and deal here with the other matters meriting attention,

152. This Settlement came into existence in 1912 and was transferred to the American Marathi Mission for management in 1917. From small beginnings the numbers in the settlements soon increased as new tribes were being brought under the application of the Criminal Tribes Act. From 2,300 in 1917 the number rose to over 3,627 by 31st March 1937.

153. In 1917 Sholapur was a town rising industrially. The demand for labour was great. The mills established recently were feeling a shortage of labour. This demand for labour continued to grow as Sholapur grew and thus, happily for the Settlement, no special efforts were needed for the solution of the major problem of settlement administration viz., the provision of suitable and steady employment to the settlers. Indeed the local mills agreed to pay to the authorities a certain amount per head per month as capitation charges for the labour provided from the settlement. The mills were no doubt glad to have steady supply of labour which was subject to the discipline of the Settlement.

154. This happy state of affairs ended after the economic depression of 1929 and after. The demand for labour slackened and the employment of settlers did not remain so easy a problem as before. More labour has been now employed on outside employment like quarrying but this does not provide sufficient outlet for the total labour. It appears also that the personal relations between the Manager, who managed the settlement for the Mission, and the employers were not so cordial as before, thus adding to the difficulties of providing employment. To this must be added the events arising from the outside influence to which we have referred generally in paragraph 145 above. The Red Flag Union at Sholapur started a campaign to obtain influence over the settlers as part of their effort to obtain complete control over the labour population generally. The Union carried on incessant agitation since August 1937 for the removal of all restrictions on the members of the Settlement, including the repeal of the Criminal Tribes Act, and it organised meetings at which intemperate speeches were made inciting settlers to indiscipline and disobedience of the rules of the Settlement, and creating a spirit of defiance. This Committee was appointed by Government with very wide term of reference and took the evidence of Messrs. Karhadkar, Khedgikar & Punja at an early date. Even after the appointment of the Committee attempts to foment unrest among the settlers by the members of the Red Flag Union did not cease. This led the District Magistrate to issue early in October 1937 an order under section 144, Criminal Procedure Code, prohibiting the holding of meetings and processions in the vicinity of the Settlement for a period of a fortnight. This was extended by a fortnight and then allowed to lapse. After the lapse of the order however intemperate speeches continued to be made resulting again in an atmosphere of indiscipline and violence. Three settlers, two Kaikadis and one Bhampta, were giving trouble in the Settlement,

under outside influence. When arrangements were being made on the 10th November 1937, for their transfer to another Settlement, in the interests of discipline, a large crowd of settlers held up the cart conveying their females and began throwing stones with the result that the officers were forced to seek shelter within the office of the Settlement. The medical officer was injured by a stone and the police lorry had its windscreen smashed. Government, under these circumstances, authorised the issue of fresh order under section 144, Criminal Procedure Code, for a period of two months and we ourselves had to delay for some time our visit to the Settlement.

In view of the happenings described above and in the light of our recommendations in paragraph 138, one of the members of the Committee Khan Bahadur Abdul Latif is strongly of opinion that the Sholapur Settlement should be removed in the interest of peace and tranquillity of the City, or at any rate it should be reduced in size.

155. In this Chapter we confine ourselves to the detailed problem of the administrative side of the Sholapur Settlement. We have very carefully gone into the details of various aspects of the administration before Government took it over from the Mission on 1st October 1938 and without going into the detailed figures or individual cases shall briefly state the conclusions which we have arrived at. We found on the whole inadequate attention paid to the well being of the settlement population and the results in respect of the improvement of the settlers had been disappointing. For a combined population in the settlement proper and the free colony of over 3,600 the arrangement for water supply and sanitation were extremely inadequate. No supervision or an attempt to secure improvement appeared to have been made in the building of huts by settlers and the general lay-out of the settlement presented a desultory appearance. Rules made by the Settlement Officer and the management itself were not observed, disorderly kutcha structures having been allowed to be erected in places reserved for pucca huts.

156. The statistics of crime and disorderly conduct showed no improvement. Indeed crime had gone appreciably upward till 1936 and though a part of it could be explained by the prevalence of absence of employment yet the figures taken as a whole showed that the settlement had achieved little in weaning the population from a criminal life. Departmental punishments too remained at a very high figure.

157. It was a commentary on the settlement life and system in Sholapur that, with the settlement and free colony population of over 3,000 for years the number of persons discharged were few. This was in spite of the definite rules prescribing generally the periods of life in settlement and on probation. We are not quite sure whether the system of capitation grants described in the next chapter had not consciously or unconsciously an undesirable influence on the system of discharge of settlers. We are, however, of opinion that the disregard of the salutary rules governing discharge was to some extent responsible for the desperate

state of mind of some of the settlers, making them a prey to undesirable outside propaganda. It may also have rendered the question of employment difficult.

158. All this could conceivably be urged to show that the settlement population is so hopelessly depraved that improvement cannot but be at a snail's pace. But we have no doubt that the management itself cannot escape part of the blame. It appears that the Manager did not maintain with the general body of settlers any personal touch so vital to the successful administration of a settlement. Again, we came across several cases of ill-treatment or harsh administration of settlement rules.

159. After the Committee had gone into the various aspects of settlement administration at Sholapur, Government and the American Marathi Mission considered the best ways of improving the situation and it was mutually agreed that a retransfer of the settlement to Government would best solve the problem. Government, therefore, decided in June 1938 to retransfer the management and the formal change over was effected on 1st October 1938, though in actual fact Government began to take active part in the management much earlier.

160. We understand that since the increase of direct interest of Government in the management and particularly since the formal transfer of the management various improvements have been effected in the Settlement. A temple and a gymnasium have been erected of which the settlers are taking good advantage. Improvements have been planned in sanitation, roads and in water supply by sinking a new well; we understand they will, for the greater part, be carried out in the present financial year from the savings due to the transfer of the management to Government. A scheme is also under consideration of giving advance to the settlers on a very liberal scale for the erection of decent huts.

CHAPTER XI.

THE AGENCY OF SETTLEMENT ADMINISTRATION.

161. Almost from the start of Criminal Tribes Settlements it has been accepted both in Bombay and other provinces that it is desirable to utilise the agencies of private societies and in particular missionary societies in the management of settlements. Thus in Bombay the Sholapur Settlement was handed over to the American Marathi Mission in 1917, the Hubli Settlement to the S. P. G. Mission in 1920 and the Baramati Settlement to the Australian Mission in 1920. In Madras and the United Provinces the Salvation Army has been managing some of the Settlements. Later on it was found possible to entrust the management to non-missionary indigenous social bodies in some cases. The Belgaum Settlement was handed over to the Social Service League in 1927 and the Settlement at Jalgaon was entrusted to the Servants of India Society in 1933. The crest of the settlements and free colonies in

Bombay, numbering 9 are managed directly by Government. Out of the five settlements managed by voluntary agencies those at Sholapur and Hubli are both the largest and among the earliest of the settlements. Thus the total population, including that of the attached free colonies, at these five settlements on 31st March 1938 was as follows :—

Sholapur	..	.	..	..	3,570
Hubli	.	..	.	.	3,324
Baramati	.		..	..	305
Belgaum	..	..	..	..	376
Jalgaon	.	..	..	..	335

162. Various advantages are claimed for the system of management by these voluntary agencies. Foremost is the spirit of social service which actuates all such societies. Their staff bring the human touch to the administration, which tends always to be absent in all Government institutions used to work hide-bound by various departmental rules. The voluntary bodies also provide a scope for a sense of rivalry between them on the one hand and Government Settlements on the other. Finally, it is claimed that it is in fact cheaper to run the settlements with the help of these voluntary agencies than directly with the help of Government staff.

163. No one can deny that these voluntary agencies work for no selfish purpose and are moved by the highest altruistic motives. We must also testify to the devoted work rendered by some eminent managers. But it is very questionable if the various advantages claimed really accrue from a system of private management. The human touch is not so much due to the voluntary organizations themselves as perhaps to the individual Managers. And it is not possible to be sure that with the change of personnel the same standard will remain. It should be remembered that the voluntary managed settlements are subject to the same rules as the Government Settlements. The argument about rivalry can we think be overstated. In fact we are extremely sceptical if any feeling of healthy rivalry has in fact ever existed between Government managed settlements *vis-a-vis* the voluntary managed ones.

164. There remains then the argument of financial advantage in having voluntary organizations to run the settlements. We have come across various statements to the effect that the cost in Government Settlements is appreciably higher than in the others and figures of *per capita* cost have been referred to which do in fact appear to lend support to this contention. We have attempted to find out the basis for these figures and find that they have not been worked out with anything like

a precise uniform basis. It will not do merely to total up the Government grants to voluntary societies and get a cost-figure from it; the proper basis would be to take account of all other incomes (e.g. supervision tax) and expenditure which if the settlement were managed by Government, Government would have to account for. The cost can be worked out for the settlement population proper and for the free colonies separately or for both combined together. We find that even in the case of voluntarily managed settlements Government have contributed either the whole cost of buildings (in which case the buildings remain the property of Government) or their half cost (in which case the buildings become the property of the private organization). But no account is taken of the costs so incurred by Government in estimating the *per capita* costs of settlement management. At Sholapur, again, part of Mill Capitation grant (which is a monetary contribution by the Mills for the labour provided them) was credited to the Mission accounts. This share of the grant went into Mission accounts though it is not part of what Government actually contributes towards the expenses of management. Since the Sholapur Settlement has been taken on by Government, there has in fact been a saving.

165. There is the most important question, again, of the size of the settlements. It is an obvious fact that the larger the settlement the lesser would be the proportionate costs of management. Indeed this has been realised in the actual fixation of the grants made to these voluntary bodies. Up to October 1927 the grants were arbitrarily fixed at Rs. 11 per head at Sholapur which had a settlement population of 3,581 while at Hubli Gokak Falls (excluding Belgaum) and at Baramati it was at Rs. 13 per head the population at these centres being 2,362, 501, and 382 respectively. An attempt was then made to rationalise the system of grants and it was decided to make thereafter grants in the following uniform scale :—

				Per head.
for 1-500 settlers	..	..	..	18
for 501-2000	..	..	..	13
for 2000 and over	..	..	..	10

This scale was reduced as a measure of retrenchment in April 1933 be 8 annas in each scale group to Rs. 17, 12-8-0 and 9-8-0 respectively.

166. Side by side was evolved a system of grants for supervision of the settlers who were released on probation. These were fixed in 1926 at Rs. 4 per settler for the first 2 years for a minimum of 6 visits per year and Rs. 3 thereafter for the remaining 4 years for a minimum of 4 visits per year. Three years later, in 1929, this system was altered, a distinction now being drawn between settlers released on probation in a free colony attached to the settlement and those released on probation in villages. For the villages, the settlement management were paid

Rs. 4-4-0 per visit to a registered settler such visits being 4 in the 1st year and 2 for the succeeding 4 years. In the "Free Colonies" the grants were fixed at Rs. 12 per registered settler, the scale thus being higher for this class.

167. In fixing all these grants it was taken as a general guiding principle that the voluntary agency was not expected to contribute anything towards the expenses of management and it was to be reimbursed with all the reasonable expenses including adequate salaries for its staff. Budgets of the voluntary societies were scrutinised to see that only reasonable expenses were taken into account in fixing the scale of grants. We are not satisfied however that the scrutiny was in any sense adequate. It is argued that the pays allowed to the higher staff were really less than what they deserved on merits or what Government would have had to pay for their own staff if such were to be appointed. We had instances before us to show that this does not apply to all the staff. The salaries of the superior staff, on the whole account for a very large amount of the expenditure. Thus at Sholapur the Manager was paid a salary of Rs. 180 and odd with an allowance for children of about Rs. 100 per mensem. His wife was paid the same salary as he for medical supervision. There were two other ladies who assisted in the management and were paid Rs. 190 per mensem; one of them was a recent addition and was undergoing training in Marathi and drawing her full salary. Besides these items, there was also an allowance of Rs. 450 per year for the two children for the Managers for their schooling at Kodai Kanal. The total was thus almost Rs. 900 per mensem.

168. But there are other items which cannot properly be included in the reasonable expenses of management at all: We find for instance that part of the evangelical staff of the Sholapur Mission was paid for out of the settlement funds when this staff did no settlement work. The Sholapur Settlement published a pamphlet "Sholapur Settlement in 1935" at a cost of Rs. 500 and charged it to settlement account when the sole purpose of the publication was missionary propoganda. Rs. 5,000 in each of the two years 1934 and 1935 were credited to Mission accounts. This was no doubt done with the concurrence of the Backward Class Officer but the reason given was that it was credited as the Mission spent considerable amounts on the leave and passage charges of the missionaries. Regular annual contribution of Rs. 300 to the American Mission were paid as "Supervision charges" by the Sholapur Settlement. This in our opinion can be no settlement expenditure at all.

169. We understand, however, that the Society for the Propagation of the Gospel, which manages the Hubli Settlement, pay a part of the salaries of some of their workers who work in the Settlement. But the salaries they draw from the Settlement account are much higher than those which would have to be paid to managers if Government themselves had administered the Settlement.

170. The Jalgaon Settlement, managed by the Servants of India Society, and the Belgaum Settlement, managed by the Social Service League, Bombay, are paid at the same rates as other privately managed Settlements. The Jalgaon Settlement has been able to save Rs. 8,000 in five years out of these grants. We are given to understand that this amount has been kept as a reserve against a reduction in the number and a consequent fall in the grant. The Belgaum Settlement has similarly saved an amount of Rs. 9,000 during 9 years; we understand, however, that the savings have since November 1937 been ceased to be credited to the League's account separately.

We do not consider it desirable that such surplus should be continually laid by for possible requirements of future. These amounts should, in normal course, have gone to provide better amenities to the settlers.

171. What we are at, however, is the question of comparative costs of Government and "voluntary major" settlements. It would seem that an adequate and simple measure of working comparative cost would be found in comparing the salaries of the staff, for, the expenses of administration of services should proportionately be the same for all. We have no reason to believe that Government will not be able to obtain qualified managers for the settlements now managed by voluntary agencies at the same cost as or less than what is now incurred in these private settlements. We do not think that Government management will at all be more expensive than voluntary management. We have already shown the defects in the comparison with the figures of cost worked out at present. But we would urge the further factor that the two largest settlements comprising within them over 41.4 per cent. of the total settlement population and over 45.5 per cent. of the total settlement and free colony population, are privately managed and the figures for the large settlements are bound to be at a lower level than for the smaller settlements. We give it therefore as our considered opinion that Government management should be more economical than that by voluntary agencies.

172. Further there are definite disadvantages as far as agencies belonging to religions other than those of the settlers, are concerned. The Royal Commission on Indian Jails, 1919, had recommended definitely that although no embargo should be placed on the employment of a Christian Agency, preference should be given to persons of the same religious faith as the tribe proposed to be included in a settlement. The reasons for the recommendation are not far to seek. It is of the first importance that in a work of this kind the management should be able to have an insight into and sympathy with the whole life of the criminal tribesmen. The Mission Societies have obviously an interest in propagating their faith. As the following extracts from the Jail Commission's records of evidence show there was no doubt about the attitude on this question, of the societies:—

Question.—The evangelical work is confined to the Juveniles or to the adults?

Mr. Strutton.—It is for both ; for the juveniles in the School and the adults outside. It is optional as far as the adult is concerned but the mission school is run like other schools. Scriptural instruction is compulsory in the School but it is not given in a compulsory way outside the school.

Question.—Is it compulsory in the School ?

Mr. Strutton.—Yes.

Question.—Is there no reference in your report about your evangelical work ?

Mr. Strutton.—Yes.

Question.—So, Government are aware of that ?

Mr. Strutton.—Yes. One of the conditions was that the mission should have a free hand.

Question.—I take it that some of these religious bodies refused to help you unless they were given a free hand in preaching ?

Mr. Starte.—Yes.

173. The Mission Societies have taken pains to show before us that their teachings are moral rather than religious now and we can notice that in recent times there is not the same stress on religion. But a remark like the following made very recently in a note submitted to us by a mission worker of many years betrays, we believe, a lack of appreciating the fundamental need of having, as far as possible, the management belonging to the same religion as the settlers. The remark was : " Does anyone really think that India as a nation will suffer loss even if all the settlers in Hubli become devout Christians ? " In fact we had a definite impression, based on a personal inspection of the settlement and free talks with some of the settlers, that those in charge of the Hubli Settlement are inspired by a Christian zeal as one would find in Missions, rather than in a Government institution with Hindu and Mahomedan settlers.

174. Even now there is no doubt that by the discriminatory attitude of the mission societies a definite influence in favour of the Christian religion is exercised by them. For instance practically the whole staff employed at Sholapur and Hubli is Christian and we found in several cases that persons were virtually compelled to become Christians if they at all desired to have permanent employment in the settlement. Sunday prayers were till recently compulsory for all children and rewards were even offered at Hubli to children for regular attendance at the Sunday School. Even in administrative matters marked discrimination is exercised. Thus at Sholapur a Christian though he did not belong to the settlement or free colony was given a plot reserved for settlers.

175. We understand, however, that Government have recently passed orders prohibiting instruction being imparted in a religion other than that of a settler.

176. Thus far as regards the actual advantages or disadvantages of voluntary agencies for the management of settlements. We have shown

that it cannot inherently be advantageous to entrust the management to these agencies rather than Government itself to manage them. But we consider further that there are special advantages in Government itself managing all its settlements. By so doing it becomes easier for the settlement officer to control settlement policy more effectively and attain uniformity of standards. What is more important, the whole settlement staff is unified. We have in view the creation of a properly qualified class of Government servants employed in activities of social service. This cadre of social service officers may comprise not only the activities of the Criminal Tribes Department but should with advantage extend to a much wider range. For instance, the activities regarding the administration of the children Act and the Aftercare work in respect of Borstal lads and released prisoners are at present under the control of the Backward Class Officer who is also the Settlement Officer for criminal Tribes administration. We imagine Government may perhaps also revise the system of recruitment of the jail staff and attain at getting more enlightened servants for the purpose. We attach very great importance to the creation of this cadre of social service officers and on this ground, if not on others, recommend an unification of settlement administration in Government hands. We have referred so far to the advantages that will accrue if the settlements are taken over by Government itself. We recommend the transfer not only on the grounds of these advantages but also as, in our opinion, it is the duty of Government to run the settlements and not entrust them to voluntary agencies. The whole problem has radically altered with the introduction of responsible Government. The Government of the day will be fully responsible to a legislature wholly elected by popular vote. Government will have a programme of its own which has had substantially been approved by the public. Such a programme will inevitably cover items of social welfare. Government cannot divest itself of responsibility to carry out its programme and it will not be in the fitness of things to delegate its duties to independent bodies. We are therefore of opinion that Government should itself undertake the management of settlements and put into effective operation its considered policy. The sooner this change-over is effected the better and we recommend that arrangements should be made for expeditious transfer to Government of all the settlements at present managed by voluntary agencies, whether missions or other private bodies.

177. After all the settlements are taken over by Government the question of organization of industries within them would be easier of solution. It should be possible to put up wherever necessary and practicable separate industries at the settlements on the lines of the jail industries; output can be co-ordinated and a sales department organised for the sale of manufactured articles. This would go a considerable way in helping to solve the question of employment of settlers. We have recommended elsewhere that the Department of Industries should be consulted on the question of organization of industries in settlements. This organization of industries should be co-ordinated to cover all the settlements.

CHAPTER XII.

CONCLUDING REMARKS.

178. Before concluding our report we must record our general approach to the subjects which we have considered so that our recommendations may be understood in proper light. We are emphatically not of the opinion that the so-called "criminal" tribes are inherently "criminal" in the sense either that their criminality is necessarily hereditary or that no amount of attempts at improving them can alter their habits. We hope our historical summary and the recommendations lend no ground to any misconception in this regard. The tribes which have had to be treated as "criminal" have no hereditary traits in them which make them so; there is no biological evidence, and we do not think there can be any, to show that these unfortunate classes must exhibit unsocial tendencies always. As we have attempted briefly to show in Chapter II the "criminality" of each tribe is the product of social and economic environments which grew in times of social upheaval and have continued for a long time. At one time, a nomadic civilization during its period of transition to settled life or in contacts with other settled societies failed to provide for the assimilation of classes like the Haran Shikaris in the new order. At another, a one time militia or what may be termed in present day parlance territorials, reserves or legionaries were left on their own resources in normal times.

179. What is true is that these products of periods of social transition were allowed to continue their habits by a society which had not yet realised either the need or the possibility of so adapting the social structure that they could be absorbed again in its fold. Generations therefore went by, which served to perpetuate the cleavage which separated them from the main organised society making it more and more difficult for the eventual steps to be taken.

180. It is in this light that we approached the problems before us and at an early stage we were impressed by the fact that any sudden attempt either to ignore the problem or to treat it as solved or needing no solution would be fraught with great danger both to society in general and the classes themselves. If any such things are done hundreds of families will be thrown on the streets with the result that the men will resort to crime and find their way to gaols leaving their families without food, shelter or work. Merely by denying that there are any "criminal" tribes we cannot get away from the facts which daily manifested themselves in public administration. We had to base our conclusions and recommendations on the experience so far gained and the facts placed before us.

181. We have sought a two-fold solution of the problem of the "criminal" tribes. On the one hand there was the conviction that a proper perspective must be the essence of criminal tribe administration if the objective that there should be no "criminal" tribes is to be achieved. The existing rules and practices had therefore to be liberalised as far as practicable bearing in mind the stage now reached and wherever

possible we have made recommendations along these lines. All unnecessary restrictions will be removed and the rigour of administration softened. Our recommendations in respect of the process of notification and registration, of restrictions in general and of settlement administration will, we believe, coupled with the proper spirit behind administration provide for this essential liberalisation.

182. On the other hand there must be active steps taken on the social and economic side to provide the essentials by which these classes will get assimilated in the society in general. The need for remunerative work and a healthy social environment has already been recognised. We have sought to make the steps in this direction more systematised and thorough. Settlement life should provide a better social life to the settlers and ensure satisfactory and regular employment to them as far as possible. There should also be an incentive to the "Criminal" tribesman to improve himself and look forward to his free life.

183. Our recommendations can only be carried out by a conscious co-ordination and constant supervision of administration and this was one of the main reasons why we have recommended that all settlements should be managed by Government itself.

184. We have thus attempted to correlate general theories with facts as we saw them. It is essential that our recommendations should be put into effect as expeditiously as possible and the result carefully watched. These recommendations therefore are in no sense final but only a step towards the ultimate solution when there will be no "criminal" tribes as such. Our report is therefore an interim one. We suggest that the whole question should be thoroughly re-examined in the light of experience gained after the results of the proposals which we have made are seen in action and public opinion invited on them so that further and bigger step forward can safely be taken.

185. In the light of our approach to the problems we have all along been none too happy in having continually to use the word "criminal" tribes. It has also a tendency to stick to a class of persons longer than is necessary. We would prefer to call these classes "restricted tribes". The term "criminal" however must be used as it is legally required and it is hardly necessary to alter the law for this purpose. We would however strongly urge that the word "restricted tribe" may be given as much currency as possible except when strict legal requirements necessitate the use of "criminal".

CHAPTER XIII.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS.

(Numbers in brackets denote paragraphs of the report)

186. The origins of the classes or tribes known to be criminal have been diverse (9).

There are at present 27 "tribes" dealt with in this province under the Criminal Tribes Act. Of these some are wandering,

some lead a settled life while other migrate only in particular seasons. The total population of these "tribes" is over 11 lakhs of which only 12 thousand and odd are subjected to restrictive treatment (10).

187. The first specific legislation against the Criminal Tribes was the Criminal Tribes Act of 1871. Its operation extended only to Sind and not to Bombay Province proper. The Act of 1911 was more systematic and was applied to the whole province. With the passage of a short Amendment Act in 1897 Local Government were empowered to separate children aged between 4 and 18 years, from irreclaimable parents. For the first time four distinct parts of treatment were prescribed under this Act (47); notification, registration, restriction and internment in a Settlement (48-50). These were continued by the amending Act of 1924 which is the last piece of legislation on the subject (52).

188. The foundations of Criminal Tribes Administration in this province were laid by Mr. O. H. B. Starte, I.C.S. (53). The start was made with the wandering criminal tribes and the system was gradually extended to settled and semisettled tribes. The problem of wandering tribes was mainly economic and internment in a Settlement with provision of employment was the obvious remedy in their case (54). This was mainly reformation work. The preventive and punitive side of the administration continued to be the work of the police. Thus the Settlement administration in Bombay has been with the Criminal Tribes Settlement Officer whose work is now absorbed in the wider work of the Backward Class Officer. The Criminal Investigation Department of the police deals with the other three branches, viz., notification, registration and restriction. Behind this broad distribution of work there is, however, always co-ordination and the District Magistrate has important functions in respect of both.

189. The Criminal Tribes Rules were completely revised in 1931 after very long and careful consideration.

190. The need for maintaining the Criminal Tribes Act has clearly not disappeared yet. Our narration in Chapter II of the activities of the Criminal Tribes work makes it obvious that the criminal tendencies of many tribes still exist to a marked degree, though this has been either brought under control or the tribes have been put on a path of reformation. It is not merely that the old members of the tribes are criminally minded. It has been the experience even in Settlements, like Sholapur, that the children of criminal tribesmen, though attending schools and benefiting by the education yet take to wandering in the bazar and actually committing petty thefts. They no doubt imbibe the undesirable habits from the elders. We do not consider that children should be

completely severed from family life but we must recognize that they remain subject to the undesirable influence of some of the elders (59-60).

191. The four parts of the administration, viz. notification, registration, restriction and internment in settlement require critical examination (61-64).

192. The important words and phrases, in respect of the declaration of a "criminal tribe" are: tribe, gang, class, and addicted to the systematic commission of non-bailable offences (65):—

(a) A tribe is an ethnological unit of persons having the same religion and a common social organization (66).

(b) A "gang" implies association for criminal purposes (67).

(c) A "class" is a wider term but, even here, some common purpose or bond whether of profession, trade or even locality is necessary (68).

(d) "Addictions to the systematic commission of non-bailable offences" can only be inferred if there is in the "tribe" a substantial proportion of persons who are convicted of such offences or abet them, or who are reasonably suspected of being habitually associated with such persons or in the commission of such crimes (71).

✓ All the existing "criminal tribes" will not satisfy our analytical test. We recommend that—

(i) Bagdis, Chhaparbands, Futgudis, Kamnis, Katbus and Vanjaris should be denotified at an early date;

(ii) the cases about foreign tribes Baurias, Bhars, Minas, Outhias and Pasis, about whom sufficient data is not available, should be examined; and

(iii) out of the rest Berads, Bhils, Kolis, Lamanis, Waddars and Waghris have shown gradual improvement and Government should, at an early date, take up the examination of the incidence of criminality among them; if this is found to be low enough, they should be denotified. As regards the rest of the "tribes" a proper and thorough investigation should be carried out, and as and when the incidence of criminality falls below the standard laid down by us, they should be denotified (72).

193. Even after "tribes" are denotified it would be necessary and desirable to deal with individual habitual or confirmed criminals, we think that legislation on the lines of the Punjab Habitual Offenders Act should be introduced in this province (70).

194. We would also strongly urge that the word "restricted tribe" may be given as much currency as possible except when strict legal requirements necessitate the use of "criminal" (185).

195. In estimating the number of persons in the category of the "reasonably suspected" we recommend that a quasi-judicial enquiry should be held by the District Magistrate giving the persons a chance to refute the charge (73).

196. Section 23 of the Act which is most obnoxious in its extreme penalties should be repealed (74).

197. In the matter of registration though the rules in this province, as compared to those in others, are more calculated to prevent indiscriminate registration, they are capable of improvement (77-79).

The rule about exempting children in certain cases should be liberalised (80), and "reasonably suspected" persons given the same safeguards as recommended above when discussing the question of notification (83). Offences of a trivial nature should not be considered for registration if the convicting or registering authority does not consider it desirable to do so (86-87).

198. In respect of the "restrictions" imposed under sections 10 and 11 of the Act considerable relaxation is necessary. This is essential as not only are they severe in themselves but they, and in particular the "hazri" system, are also capable of being used, and have been used, as means of oppression on the part of those administering the Act in the villages (92-96). There is need also, on the same account, to make the rules, as far as possible, of automatic application, providing at the same time for further discretionary relaxation as at present.

199. The "abeyance" system already in vogue in Madras and which has had a salutary effect should be introduced. "Hazri" should be graded (100). The registration should cease after 5 years, and there should be no restrictions in the last and fifth year of registration. A system of classified "probation" should be introduced for registered members of non-wandering tribes, providing for gradual relaxation of control for the well-behaved. This itself would provide as an incentive for good behaviour (101-106).

200. The question of the "Dharalas" of Kaira District requires special examination. They are not a homogeneous class but include a number of clearly defined and separate castes (109). Their population is a little less than 3 lakhs and they form 37 per cent. of the population of the district. The application of the Criminal Tribes Act to these people and the Waghurs of this District has passed through vicissitudes (110). That they required special treatment was generally recognised and also the fact that the administration of the Act was accompanied by oppression (111-114). In 1925 "hazri" was abolished, registration was made automatic and the Patel's control was removed (115). When the rules under the Act were made uniform in 1931 throughout the province the acknowledged need

for special differentiation in respect of these people was apparently overlooked (118). In spite of the generally liberal nature of the revised rules in respect of the rest of the province, they were not suited to deal, in the light of historical facts of this district, with these people. Our investigation has made it clear that the evils in the administration still continue. Nor do we think it justifiable that a very large section of the population, leading generally a settled life, should be treated as has been done so far (120-122). We therefore recommend that "Dharalas" as such should be denotified. We would provide a year for transition within which period clear cut cases against particular classes included in the term "Dharalas" can be made out (123).

201. We recommend also the discontinuance of the official use of the word "Dharalas" as the term is at present resented by these people as a term of contempt and insult. Instead the various castes should be called by their respective names (124).

202. In respect of Settlement administration distinctive treatment should be provided, as far as possible, for the wandering tribes and the rest (128). The size and location of Settlements should be governed by mainly economic considerations (133). To be manageable a Settlement should not be larger than that of a medium size village (138). Industrial Settlements will, of necessity, have to be located near industrial towns and the scope for agricultural settlements is little (133-134). Where outside contacts have an undesirable influence from the point of view of discipline and reformation it would be necessary to organise industries within the Settlements (145-146) and the advice of the Department of Industries should be taken for the organisation and co-ordination of industries in industrial and reformatory settlements (137). It would be desirable to give a share in the management to well behaved settlers (140). The system of discharge from settlements also requires to be liberalised along the lines we recommend in detail (147-149).

203. With the liberalisation of the existing rules which we have recommended, the Act should be administered on more enlightened lines (150).

204. The Settlement at Sholapur is the largest and one of the earliest settlements (151). It grew fast and favoured by economic factors, could provide employment easily for the settlers, in the local mills (152-153). The administration however was defective and did not provide even for the elementary needs of the settlement in the matter of sanitation, water supply and lighting (155). The criminal record of the settlers showed, also, no improvement (156). The economic depression also led to discontent. The Red Flag Union at Sholapur, in order to obtain influence over the settlers, started a campaign among

them. It organised meetings at which intemperate speeches were made inciting settlers to indiscipline and disobedience of the rules of the Settlement, and creating a spirit of defiance. In spite of the appointment of this Committee this kind of agitation continued leading to the promulgation of an order under section 144, Criminal Procedure Code. An atmosphere of indiscipline and violence was created, and at the time of the transfer of 3 Kaikadi Settlers there was actual violence even against the medical officer and the police lorry (154). In view of the conditions described in paragraph 154 of our Report and our recommendation in paragraph 138, one of the members of the Committee Khan Bahadur Abdul Latif is strongly of opinion that the Sholapur Settlement should be removed in the interests of peace and tranquillity of the City or at any rate reduced in size. Government and the Mission which managed the Settlement agreed that the best solution of the problem would be reached (157) if the settlement was re-transferred to Government. The transfer accordingly took place on 1st October 1938 (159).

205. At present 5 of the 14 Settlements are managed by voluntary agencies (161). This system was introduced deliberately as it was claimed that private agencies have in some respects advantages over Government-managed agencies and also that they provided a healthy element of rivalry (162). We conclude that management by voluntary agencies has no inherent advantages in it and is not cheaper than Government management (171); that there is a definite disadvantage in handing over management to Christian Missionary Societies (172-174); and it is the duty of Government and in its interests, to manage the Settlements itself. Arrangements should therefore be made for the expeditious transfer to Government of all the Settlements still managed by voluntary agencies (176-177).

206. Our report is an interim one. We suggest that the whole question should be thoroughly re-examined in the light of experience gained after the results of the proposals which we have made are seen in action and public opinion invited on them so that further and bigger step forward can safely be taken (184).

(Sd.) K. M. MUNSHI, Chairman.

(Sd.) N. G. JOSHI.

(Sd.) G. K. CHITALE.

(Sd.) ABDUL LATIF HAJI HAJRAT KHAN.

(Sd.) KRISHNA B. ANTROLIKAR.

(Sd.) FULSINHJI B. DABHI.

(Sd.) C. S. DEVADHAR,
Secretary.

Bombay, 12th June 1939.

APPENDIX A.

List of witnesses examined.

Serial No.	Witnesses examined.	Places where interviewed.
1	Mr. R. A. Khedgikar, M.L.A.	Poona. Oral and written evidence.
2	Mr. R. G. Karadker, Sholapur	
3	Mr. Abdul Karim Lunje, Secretary, Sholapur City Congress Committee.	
4	Mr. D. O. Gundi, Settlement Manager, Ahmedabad.	Ahmedabad and Bombay. Oral and written evidence.
5	Rao Saheb Joshi, Personal Assistant to Deputy Inspector General, Criminal Investigation Department.	Bombay. Oral and written evidence.
6	Mr. O'Gorman, I. P., Intelligence Bureau, Bombay.	Bombay. Oral.
7	Rev. Hieb, Manager, Sholapur Settlement ..	Sholapur. Oral and written evidence.
8	Mr. Ravishankar Vyas	Bombay, Oral and written evidence.
9	Mr. John Barnabas, ex-worker of Sholapur Settlement, and now working in Nagpada Neighbourhood House.	Do.
10	Mr. Domingo, Retired District Deputy Collector, Ahmednagar.	Do.
11	Mr. S. G. Gokhale, Manager, Jalgaon Settlement ..	Bombay. Oral.
12	Mr. K. G. Sharangpani, Late Manager, Jalgaon Settlement.	Do.
13	Mr. S. P. Betgeri, President, Berad Nasik Samaj, Hubli.	Do.
14	Mr. Bade, Manager, Belgaum Settlement ..	Belgaum.
15	Canon A. L. Bradbury, Settlement Manager, Hubli.	Hubli.
16	Mr. A. V. Desai, Pleader, Hubli	Do.
17	Mr. Chunilal R. Saraya, Pleader, Nadiad ..	Nadiad. Written and oral evidence.
18	Mr. Madhavlal B. Shah of the Kaira District Congress Committee.	Do.
19	Mr. Ishwarbhai Khodabhai, Secretary, Kahatriya Mandal, Gana, district Kaira.	Do.
20	Mr. Bhagwandas Kashubhai Patel, Secretary, Anand Taluka Committee.	Do.

Note.—This does not include representatives of settlers interviewed.

APPENDIX B.

Rule 45A of the Bombay Criminal Tribes Rules, 1930

45A. (1) When it is expedient to place any member in a settlement established under section 16, the Deputy Commissioner of Police, Crime Branch, Bombay, in the Presidency town and elsewhere the District Superintendent of Police shall, so far as may be practicable, prepare a statement regarding such member (with his dependents) in the form in Appendix MM and such statement shall be forwarded to the Backward Class Officer by the Deputy Commissioner of Police and to the Deputy Inspector General of Police, Criminal Investigation Department, by the District Superintendent of Police :

Provided that no such statement shall be prepared unless—

(a) the number of times such member has been either convicted and sentenced for an offence punishable under Chapter XII, XVI or XVII of the Indian Penal Code or under the Criminal Tribes Act, 1924, or ordered to execute a bond under section 118 of the Code of Criminal Procedure, 1898, is not less than four in the aggregate, or

(b) the number of times such member has been either convicted and sentenced or ordered to execute a bond under the provisions mentioned in clause (a) is not less than two in the aggregate, and the total of the periods of such sentences and bonds is not less than seven years and three years have not elapsed from the date of the expiry of the period of the last of such sentences or bonds.

Explanation.—For the purposes of this rule the term “dependents” shall mean and include wife (wives) and children under the age of 15 of a member.

(2) Notwithstanding anything contained in the proviso to sub-rule (1), the Deputy Commissioner of Police, Crime Branch, Bombay, in the Presidency Town and elsewhere the District Superintendent of Police may for special reasons prepare a statement in the form in Appendix MM regarding any member when in the opinion of the Deputy Commissioner of Police or the District Superintendent of Police, as the case may be, it is expedient for special reasons to place such member in the settlement. In all such cases such special reasons shall be recorded in writing.

(3) On receipt of a statement under sub-rule (1) or (2) from the District Superintendent of Police, the Deputy Inspector General of Police, Criminal Investigation Department, shall scrutinize the same and if he agrees that such member should be placed in the settlement forward the same to the District Magistrate concerned.

(4) On receipt of a statement under sub-rule (1), the Backward Class Officer or the District Magistrate, as the case may be, shall hold an inquiry under section 16 :

Provided that such inquiry may be held by the Assistant Backward Class Officer if so directed by the Backward Class Officer or by a First or Second Class Magistrate residing in the District if so directed by the District Magistrate :

Provided that no inquiry shall be held under this sub-rule with respect to any member who is not a resident of the Bombay Presidency.

In case of doubt as to whether a member is a resident of the Bombay Presidency the question shall be referred to the Deputy Inspector General of Police, Criminal Investigation Department, who, after making such investigation as he deems fit, shall submit the question for the decision of Government and the decision of Government shall be final.

(5) The officer authorised to hold an enquiry under sub-rule (4) shall issue a notice to the member concerned to appear before him at such time and place as are specified in the notice and to show cause why he should not be placed in a settlement.

(6) The notice shall be served in the manner prescribed for the service of a summons under sections 69 to 71 of the Code of Criminal Procedure, 1898.

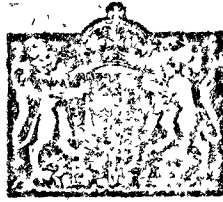
(7) If after service of the notice the member served does not appear on the date specified in the notice, the said officer may proceed with the enquiry in his absence.

(8) If the member upon whom the said notice is served appears before the said Officer on the date specified in the notice, he shall be given an opportunity to state his objections and the said officer shall, after considering the reasons for and against placing the member and his dependents in a settlement record his opinion giving reasons therefor.

(9) The said officer shall thereafter submit a report of his enquiry, in the Presidency Town to the Backward Class Officer and elsewhere to the District Magistrate who shall, after recording his opinion, forward the same to the Backward Class Officer.

(10) The Backward Class Officer shall on receipt of a report under sub-rule (9) refer the case to Government for orders together with his opinion.

(11) If the Deputy Inspector General of Police, the District Magistrate and the Backward Class Officer are not agreed under this rule regarding the expediency of placing a member in a settlement, the case shall be referred by the Backward Class Officer to Government for orders.



Report of the Bombay Disturbances Enquiry Committee



BOMBAY
PRINTED AT THE GOVERNMENT CENTRAL PRESS.
1939

Obtainable from the Superintendent, Government Printing and Stationery,
Bombay or through the High Commissioner for India, India House,
Aldwych, London, W.C.2, or through any recognised Bookseller.

Price—Annas 2 or 3d.

REPORT OF THE BOMBAY DISTURBANCES ENQUIRY COMMITTEE.

This Committee was appointed by a Resolution of Government in the Home Department (Political), No. S.D. 2878, dated the 11th November 1938, which is reproduced below :—

“ A general strike was declared on 7th November 1938, as a result of which serious disturbances broke out in the City of Bombay and in order to restore peace and order the Police had to resort to lathi charges and firing. Government have received reports that the said disturbances were due to the violence of speech and action on an organised scale resulting in damage to person and property. Government are of opinion that a full inquiry should be held by a committee into all the facts relating to the said disturbances and the precautionary measures and the action taken by the authorities. The Governor of Bombay is therefore pleased to appoint the following persons to form a Committee of Inquiry :—

Chairman.

The Honourable Mr. Justice H. J. Kania, Judge, High Court, Bombay.

Members.

Mr. V. F. Taraporewala, Bar-at-Law,

Mr. M. C. Chagla, Bar-at-Law.

2. Mr. H. K. Chainani, I.C.S., Deputy Secretary, Legal Department, and Secretary, Bombay Legislative Council, will act as Secretary to the Committee in addition to his own duties.

3. The Committee should be requested to inquire into and report on the following matters :—

(a) the origin, causes, nature and extent of the disturbances which took place in the City of Bombay as a result of the strike on the 7th November 1938 ;

(b) whether the precautionary measures and the action taken by the authorities before and during the strike were adequate and justified ;

(c) such other matters as may be germane to the above.

4. The Committee will have the power to lay down its own procedure.

5. The Committee should be requested to submit its report to Government with all convenient despatch.”

2. We held two preliminary meetings on 16th and 17th November to discuss the procedure and to draw up a questionnaire. The questionnaire framed by us (see Appendix A) was published in the Press on 18th November for general information, and members of the public were invited to send replies before the 8th December to all the questions

or to such of them in which they were interested and of which they had special or personal knowledge. Copies of the questionnaire were also sent to important bodies, associations and persons, including various labour unions in Bombay, the Secretary, Bombay Provincial Trade Union Congress, and the members of the Central and Provincial Legislatures representing the City of Bombay. Similarly, a copy of the questionnaire was sent to Government. The time for submitting replies was extended till the 15th of December, and this was notified in the Press. Certain parties having asked for further extension of time, the same was extended for them till the 22nd of December.

3. A hundred and twenty replies in all were received (see Appendix B). In addition, we had before us 154 statements of persons who had complained to the police about injuries to their person or property. The statements of various police officers concerned in the incidents which took place on the 7th November were also taken by the Commissioner of Police and forwarded to us by Government. The President of the Bombay Provincial Trade Union Congress intimated to us that that body had passed a resolution not to co-operate with the Committee, and that, therefore, they did not propose to send any reply. The Independent Labour Party, the Girni Kamgar Union (Red Flag), and certain other labour unions did not also send any reply.

4. We held a meeting on the 23rd of December and decided on the list of witnesses who were to be called for giving oral evidence before us.

5. We held our first public sitting in the Council Hall on the 3rd January and continued the sittings from day to day, except Sunday, till the 11th of January. We examined 130 witnesses, including several workers who had been injured or molested or prevented from going to work, shopkeepers whose shops had been looted or forcibly closed, and representatives of important associations and bodies who had sent replies (Appendix C). The Millowners' Association had filed a statement of the workers who had been injured in different mills, and out of those a few were selected to give oral evidence. Several women operatives were also examined to verify the correctness of the statements found in the written evidence tendered before us. Out of the persons who had complained to the police of injury or damage we also selected a few and examined them.

6. At the outset, we wish to express our thanks to those bodies and persons who came forward to assist us in our work by sending in their written statements and giving oral evidence. In particular, we are grateful to those workers who appeared before us and gave evidence, at considerable risk to themselves.

We may also refer to the expedition and efficiency with which the Council Reporters and our two clerks, particularly Mr. Bidaye, carried out their work. They had to undergo a heavy strain and put in long hours, consequent on our desire to bring this inquiry to a conclusion as early as possible. Our thanks are also due to the High Court Translators for the able assistance we received from them in the inquiry.

7. We desire to record our warm appreciation of the valuable assistance rendered to us by our Secretary, Mr. H. K. Chainani. Although in indifferent health he gave his co-operation ungrudgingly and even when we proceeded with our work at all hours of the day and night, he remained undaunted and attended to the work of the Committee in addition to his other duties.

8. When oral evidence was being recorded, no member or representative of the Bombay Provincial Trade Union Congress, the Gurni Kamgar Union (Red Flag) or of the Independent Labour Party attended or offered to give evidence before the Committee although due intimation of the sittings of the Committee was given in the Press.

9. After concluding the oral evidence on 11th January 1939, we carefully considered the same along with the statements in writing sent to us. We shall now state our conclusions on the matters referred to us for enquiry and report.

10. The first point we have to consider is the origin of the disturbances which took place on the 7th November 1938. The terms of our reference on this point have been objected to by the Bombay Provincial Trade Union Congress on the ground that it is assumed in the terms that the disturbances were a result of the strike on 7th November 1938. We may state at the outset that we did not proceed on any such assumption, and the Secretary, under our instructions, informed them accordingly. There are two aspects of the question, viz., (1) that there were no disturbances at all on the part of the strikers and the lathi charges and firing which took place were indulged in by the police wantonly with a view to prevent the strikers demonstrating peacefully as a protest against the Industrial Disputes Bill; or (2) that the strikers resorted to violence in the course of their demonstrations and tried to molest and injure workers who did not join in the strike; that they forced the shopkeepers to close their shops against their will and that they damaged the mills, which were in fact working on that day, so as to frighten the workers into coming out and joining in the strike.

11. Before going into the actual facts and incidents of the disturbances to see which of the above two views is correct, it is necessary to consider the constitution of the organisations which declared the strike and the ways and methods adopted by them to carry out their object.

12. The principal organisation of workers which called upon the workers to strike was the Bombay Provincial Trade Union Congress. This is affiliated to the All-India Trade Union Congress which was formed in October 1920. In 1929, at the Nagpur session, there was a split, and one section headed by Mr. N. M. Joshi and Mr. Bakhale seceded. They and their followers formed what became known as the National Trade Union Federation. The All-India Trade Union Congress then passed under the control of the Communists.

13. The Gurni Kamgar Union (Red Flag), which is affiliated to the Bombay Provincial Trade Union Congress, was started by the Communist leaders whose programme and policy was to bring about the overthrow of capitalism and establish the domination of the workers in

all spheres of life and in the government of the country by violent and revolutionary methods. The Government of Bombay, acting under the Bombay Special (Emergency) Powers Act of 1932, issued orders, between 20th July 1934 and 11th December 1935, restricting the activities of the following Communist leaders by confining them within certain areas and prohibiting them from taking part in any communist or labour movement or agitation or associating with any person connected with such movement, viz.,—Mr. G. M. Adhikari, Mr. S. V. Deshpande, Mr. S. S. Mirajkar, Mr. S. G. Patkar, Mr. K. N. Joglekar, and Mr. S. V. Ghate. A Marathi paper called *Kranti* was also being published under the guidance of these Communist leaders at that time. It appears that by reason of the curbing of the activities of these persons, the paper stopped publication. On 23rd July 1934, the Government of India declared the Communist Party of India and its committees and sub-committees and branches to be unlawful associations; and on 3rd November 1934, the Government of Bombay declared the Girmi Kamgar Union (Lal Bavta), among other associations, to be an unlawful association.

14. The Congress Ministry assumed office in July 1937 and has been in office since. The Government issued a communique on the 17th August 1937, declaring its policy in respect of industrial workers, in the following terms :—

“With regard to trade disputes, Government are determined to pursue an active policy with a view to maintaining industrial peace in the Presidency, endeavouring all the time to see that the workers obtain a fair deal. It is the intention of Government to promote legislation aiming at the prevention of strikes and lock-outs as far as possible. The basis of this legislation would be the requirement that no reduction in wages or other change in conditions of employment to the disadvantage of the workers should take effect till they have had sufficient time and opportunity for having the facts and merits of the proposed change examined and all avenues of peaceful settlement of the dispute explored either through the channel of voluntary negotiation, conciliation or arbitration or by the machinery of the law. A corresponding obligation would rest on the workers in respect of demands on their behalf.”

15. By October 1937 the Ministry released all the persons who were detained under the Bombay Special (Emergency) Powers Act, and cancelled all the orders made against the labour leaders. About the same time, the Girmi Kamgar Union (Red Flag) revived its activities, and their newspaper *Kranti* restarted publication on the 4th September 1937 under the editorship of Mr. Dange. We have been furnished with a list of industrial strikes from June 1937 in the different mills and workshops, and it appears therefrom that there occurred in this Province between 1st June 1937 and 18th August 1938 as many as 66 strikes. It is suggested by Government that this was due to the activities of the Communist leaders and in particular those who were set free by the withdrawal of the orders issued under the Bombay Special (Emergency)

Powers Act. Between the 14th of November 1937 and 16th of February 1938, 45 meetings were held under the auspices of the Girni Kamgar Union (Red Flag), in several of which threats of strike in the textile industry in particular were held out. On the 18th January 1938, Mr. Mirajkar filed a declaration for a new paper called *The National Front*.

16. In the beginning of 1938, efforts were made for the amalgamation of the All-India Trade Union Congress and the National Trade Union Federation. A joint session of the two bodies was held at Nagpur in April 1938, and the two bodies were amalgamated on certain conditions. On the 27th June 1938, a joint meeting of the Managing Committee of the Bombay Provincial Trade Union Congress and the National Trade Union Federation was held to elect office-bearers for the Province of Bombay. Mr. Jamnadas M. Mehta, Bar-at-Law, was elected Chairman, Mr. Mirajkar, General Secretary, and Mr. Joglekar, Joint Secretary. Mr. Jamnadas M. Mehta thus became associated with the Communist leaders who controlled the management of this joint organisation.

17. In accordance with the policy declared by the Ministry, the Industrial Disputes Bill was drafted and circulated for opinion. The Bill as originally drafted evoked criticism, and a second Bill was prepared and introduced in the Assembly. Some leaders of the said organisations objected to certain provisions of the Bill, in particular those dealing with the right of workers to go on strike. Some members of the Legislative Assembly put up a determined and prolonged opposition to the passing of the various clauses of the Bill.

18. On the 8th of September 1938, Mr. Parulekar, a member of the Independent Labour Party, returned to India from Europe, and at an interview which he gave to the Press he suggested that the workers should declare a one-day general strike as a protest against the Industrial Disputes Bill. This was published in the *Kranti* on the 17th September 1938.

19. Dr. Ambedkar, a barrister-at-law and a leading member of the Depressed Classes, had founded the Independent Labour Party in the Bombay Legislative Assembly. He had organised a corps of about 2,500 able-bodied and well-disciplined volunteers. On the 19th September 1938, in a Press interview, Dr. Ambedkar stated that the Independent Labour Party Executive had decided to organise a regular campaign against the Industrial Disputes Bill through meetings, demonstrations and processions till the Government were compelled to make it a dead-letter. He further stated that as a first step towards this campaign, the Party Executive was going to organise a one-day general strike in the textile industry and in other sections of the city's labour wherever the Independent Labour Party had got a good hold. This interview was published in the *Bombay Sentinel* dated 19th September 1938.

20. By about the third week of September the Communists who controlled the Bombay Provincial Trade Union Congress took up the suggestion of Mr. Parulekar and decided to join hands with Dr. Ambedkar in organising a one-day general strike. We have been furnished with

a report of the proceedings of a meeting of the Bombay Provincial Trade Union Congress held on the 24th September. According to that report, Mr. Nimbkar moved a resolution for a one-day general strike on 17th October, which was carried. A Council of Action was appointed to give effect to the resolution and the following were included in it :— Mr. Jamnadas M. Mehta, Dr. B. R. Ambedkar, Messrs. Parulekar, Dange, Nimbkar, Joglekar, Mirajkar, Bakhale, Khedgikar, Ranadive, Patkar, Jadhav, Pradhan, Joshi, and Jhabvala, and Dr. Menon and Miss Godavaribai Gokhale. The Council of Action thus formed combined the forces of the Communist leaders of the Bombay Provincial Trade Union Congress and of Dr. Ambedkar, leader of the Independent Labour Party. It was stated at that meeting that the following unions supported the proposal for declaring a one-day strike :—

The Bombay Girni Kamgar Union (Red Flag),
 The Building Workers' Union,
 The Lal Bavta Press Kamgar Union,
 The B. B. & C. I. Railwaymen's Union,
 The Bombay Port Trust Workers' Union,
 The Municipal Workers' Union,
 The Gold and Silver Workers' Union,
 The Kurla Girni Kamgar Union, Kurla,
 The Girni Kamgar Union, Sholapur,
 The Girni Kamgar Union, Dhulia,
 The G. I. P. Railway Workers' Union, Bhusaval, and
 The Press Workers' Union, Poona.

It is obvious that the alleged agreement of these unions was conveyed only by the leaders who were present at the meeting. There is no evidence before us of any ballot of the workers having been taken on the question. The date of the strike was postponed from 17th October to 7th November. In announcing the fact in its issue of 8th October, the paper *Kranti* stated that owing to the protracted proceedings in the Legislative Assembly the strike had been postponed to the 7th November in order to allow time for enormous preparations.

21. Between the 24th September and 6th November 1938, over 40 public meetings besides a number of street-corner meetings of the workers were held to popularise the strike. At these meetings speeches were made by various members of the Council of Action. During the same period, various articles appeared in the *Kranti* and the *National Front* on the subject. It is important to note the general tenor and tone of these speeches and articles in order to get a true perspective of the propaganda carried on by the Council of Action and the means and methods suggested to the workers to make the strike a complete success. We have carefully gone through all the speeches, reports whereof have been proved to our satisfaction to be correct by the evidence of the reporters and also of independent witnesses who were present when some of

the speeches were delivered. The study of these speeches leaves no doubt in our minds that the speakers indulged in abuse of the Ministry and represented to the workers that the passing of the Industrial Disputes Bill would ruin and enslave them and that it was the duty of the workers to make the strike a complete success by all means in their power, even to the extent of using violence to restrain the workers from going to work and the shopkeepers from keeping open their shops and the buses, tramways and victorias from running. We give here a few extracts from these speeches and articles in support of our conclusion.

22. A public meeting was held under the auspices of the Council of Action appointed by the Bombay Provincial Trade Union Congress on the 29th September at about 9-30 p.m. at Naigaum B Plot. About 50 persons attended. At that meeting, Mr. Ranadive stated, *inter alia*, as follows :—

“ A few days ago the unity of the All-India Trade Union Congress and the National Trade Union Federation was achieved, and the time had come to test the strength of this unity at a time so fateful in the interest of the workers The police might make lathi charge on them on October 17th. Even firing would take place. But such things were not new to the workers. They had borne them patiently in the past, and *the time had now come to show to the police that they did not give any importance to their lathis and guns more than a theatrical farce.*”

23. On the 1st October, another meeting under the auspices of the same organisation was held, when 200 persons attended. Mr. Nimbkar, one of the speakers, stated as follows :—

“ They (the workers) knew by their previous experience how the public vehicular traffic such as tramways, taxis, etc., would come to a stand-still.”

The following was published in the *National Front* on the 2nd October 1938 :—

“ The thunderous challenge of the proletariat will be delivered on the 17th (October). Munshi's Government may try to stop it with bullets, but the challenge will be delivered.”

24. According to a report furnished to us, a private meeting of the Manangng Committee of the Bombay Girni Kamgar Union (Red Flag) was held on the 8th October at about 9-30 p.m. in the office of the Union, when 9 members, including Messrs. Nimbkar, Joglekar, Patkar, Tambitkar and Jadhav, were present. Mr. Nimbkar then stated as follows :—

“ The Union should arrange to keep five selected men in each mill to see that on the 7th November they should try and instigate other mill-hands to come out.”

In the publication of the *Kranti* on the 8th October, the following, *inter alia*, appeared :—

“ As at the time of the Assembly elections the Congress showed its power by defeating Comrade Joglekar with the help of *goondas*, Mr. Munshi threatened to show the Congress strength at this time. *The Minister who broke the strike of the Bradbury Mills by a lathi charge will resort to firing* at the time of the general strike, break up meetings with the help of *badmashes*, and carry on false propaganda. The workers have no misgivings about this.”

25. On the 16th October 1938, a workers' rally was held at the Kamgar Maidan, when Mr. Parulekar stated, *inter alia*, as follows :—

“ Remember that we will rest only when we will hoist the Red Flag by ousting the Government on the strength of a Red Flag movement which is increasing day by day..... I want to ask you whether you are prepared to become slaves of your own free will. (“ No ! ”)..... I have to tell you two things : that the Black Bill is meant to deprive the workers of their right to strike, and that it would not be sufficient if the protest is made by the textile workers only on the 7th. The mills should come out. Shops should remain closed. *If the shops are not closed of their own accord, you close them down.* This is what I have to tell you. *If tram-cars do not stop, you stop them.* Otherwise Government's eyes will not be opened. We want to show that it is not Sunday, but it is the workers' strike. We have to show that Monday which cannot be made a Sunday could be made so by us. Then only the strike will be successful. Brothers, there must be a strike on the 7th. It should not be merely of textile workers, but municipal workers, outdoor workers, outside workers, textile workers, they all should come out on strike. *Tram-cars, motor cars, victorias, all these must come to a stand-still.* You will say, if they do not stop, what should you do ? If we take out a procession of such a number, if so many people unite and tell them, even the railway trains will stop. Perhaps the police will also join the strike. What of merely the tram-cars ? So great is the strength of our unity. We want to tell the Government if they are wise, they should come to their senses. Otherwise we shall bring them to their senses. If in spite of all this the Bill is passed, *we shall not only bury the Bill in Bombay, but we will not fail to bury those who support the Bill. This is our challenge.* Handbills come from the owners as well as from Munshi Saheb. I want to tell you that, *not only snatch those handbills, but show some tamasha to the distributor.....* Anti-labourites like S. K. Patil, Bala Marathe, etc., have joined hands with the capitalists. They should not be allowed to move in the mill area. Remember this (Tell them) Go and live in Fort area. If you live in mill area, it is not certain when the workers will show their hands to you. *It is not certain as to when your heads will be smashed by our workers.* If you happen to meet clerks going to the Municipal offices in the Fort, show them also. If you do like this, Government will be afraid and will withdraw the Bill.”

26. In the *Kranti* published on the 17th October, after making a reference to the alleged assault on a Red Flag lorry by the *goondas* of Mr. Keshav Borkar, it was stated as follows :—

“Workers, don't you feel infuriated by this *goondaism*? Have the workers of Bombay become eunuchs? This is the question which Borkar has put to the workers by attacking the lorry. What reply do the brave workers of Bombay mean to give to these bloodthirsty *goondas*?”

27. On the 23rd October, a workers' rally was held at Jamboree Maidan, Worli, where Mr. Nimbkar stated, *inter alia*, as follows :—

“Workers will participate in the strike. Workers will establish the Raj of the Red Flag There are people in Bombay who say that the Bill is favourable to the workers. Some satellites of those people are concealed in this meeting. I am going to ask you some questions in their presence. Do you want a union controlled by the capitalists or a *militant union*? (Workers reply: ‘Militant union!’) Will you hang your necks down if the Government declared unlawful your Red Flag Union? In Bombay City all the trams, trains, buses and conveyances will stop. *Will be stopped or not?* (Workers reply: ‘Oh, yes!’) (‘Declare one-day's strike on November 7th’). Some days before, some Congress *goondas* kicked our Red Flag volunteer on Fergusson Road. Beaten or not? (‘Yes’.) *The workers ought to have given a proper reply by slapping their faces.*”

28. On the 30th October 1938, at a meeting held at the Kamgar Maidan, Mr. Parulekar stated, *inter alia*, as follows :—

“One lakh and thirty thousand workers are going on strike on the 7th against this (Bill), and when the Bill will be passed, *its corpse will be burnt and the ashes will be applied to the faces of the Congress Ministry* If the workers declared strike within 4½ months the Government will move stone roller upon them. There must be a strike on the 7th. It will not suffice by striking the work by the millhands only. *Trams must cease working. You must stop them.* In 1926 I was told in England by the people there how they stopped buses and trams there. I am going to tell it to you. In 1926 the workers there declared a general strike. The workers remained at home. No one went to work. The Government then brought some of their hirelings to run the buses and trams. Trams began running. The buses started running. The workers started thinking how to stop them. There is East End, a workers' area like our Parel. When the buses reached there, the workers put the drivers into rooms, and thinking that insufficient, *even overturned the buses.* Who would then come to set them right? Thus the workers of England made their strike a success. *Similarly, you do all that is necessary.* Take out processions. *Stop trams, Stop buses. Make shops to be closed. Make this general strike a success.*”

29. In the daily *Kranti*, dated the 1st of November 1938, the following appeared :—

“Kamathipura is well known for rioting and shooting during the communal disturbances. *But in this locality there is also a militant section which is inspired by the Red Flag.* Thousands of mill workers and bidi workers have in the past replied to the demand of the Red Flag.....While the workers all over the City have prepared to meet the attack of the Congress Ministry through the Trade Disputes Bill, there is no doubt that the brave workers of Kamathipura will lead the struggle.....From the point of view of tramway service Kamathipura is an important centre. Several knots of the network of tram lines in the City are tied up in Kamathipura. The workers of Kamathipura have decided to remind the people travelling in their lakhs by the tram-cars of the strike of the 7th November *by cutting these knots.*”

30. The editorial of the *Kranti* of the 2nd of November says as follows :—

“Whether the leaders come up or not, *the workers must prepare their army and blow the bugle of war on 7th November. If prohibitory orders are issued, they should not be obeyed.....* 7th November is the anniversary of the Russian Revolution. This is the most revolutionary and sacred day. *On that day the workers' raj was established in Russia and Capitalism was buried. Socialism was established by the sacrifice of hundreds of workers' lives. Show your courage on the 7th November as would become this sacred and revolutionary day.*”

31. On the 4th November 1938, a meeting was held at Jamboree Maidan, Worli, where Mr. Ranadive, *inter alia*, stated as follows :—

“On the 7th there will not be the rule of Congress Ministers. *On the 7th there will be workers' Raj—the Lal Bauta's Raj.* We want to tell Mr. Smith that he should not allow his police to stir out of their police stations on the 7th.....Thirdly, the managers, assistant managers, jobbers, head-jobbers who did the work of strike-breaking for the last 10-12 years, we want to tell them that if they tried to break our strike on the 7th and go to work, *they should remember that the bobbins in the mills will come on their heads and they will even not know where the bobbins come from.....*There will be only one voice on the 7th, i.e., strike. *Prohibitory police orders will not be obeyed that day.* If the police of the Congress and the British Government, the dadas, Keshav Borkar, Alve, Kandalkar, Jairam Master, Ghagre Master, Bala Marathe, tried their strike-breaking activities that day they should remember that *the hammer of the unity of one lakh workers will not remain without falling on their heads.* Since the early cockcrowing,

from 3 o'clock in the morning of the 7th they (workers) should keep themselves wide awake and make *bandobast* of the strike-breakers. *On the 7th, the day on which the workers of Russia destroyed Tsardom, the workers (of India) will voice once more their determination to annihilate imperialism."*

Mr. Nimbkar at the same meeting stated, *inter alia*, as follows :—

"I want to tell the people of Sewri that their friend Borkar, whose gymnasium was burnt on the 11th December 1928 by the Red Flag workers, had thrown stones on the lorry that was moving through Gorupdeo area with the Red Flag workers and has thus broken the heads of four workers and thus has shed their blood. *The workers have not forgotten this and will not remain silent without taking revenge for the same.* Another thing I have heard is that the Madras Manager named Ayyar of the Gulab Mill has paid Rs. 200 to his head jobber and was trying to work the mill on Monday. He has decided to take the men in from 2 a.m. *Therefore, the workers should keep watch on him.* Similarly, Congress lorries with Desh Sevikas will be out on that day. *You should better amuse yourselves by stopping to have a look at them, but you will not enter mills. And if the Congress lorries ask you to go on work, make bandobast of them.* Except the four lorries of the Red Flag (not of Alve-Kandalkar, as they have also the red flag) *no other lorry should be allowed to this side: they must be stopped.* No one should go on work on the 7th. I am confident of the members of the Independent Labour Party. Similarly, I am confident of our Konkani brothers who are members of the Red Flag, but I am doubtful of some handful of Ghatis, some handful of Kamathis and some Bhayyas. *Therefore, you should keep close watch on these Ghatis, Kamathis and Bhayyas, and make bandobast of them.* Now about the programme of the 7th. There will be meetings from 9-30 a.m. The further programme will be told to you by your leaders at 12 in the afternoon. Before that all the volunteers of the Independent Labour Party and the Trade Union Congress *will gather at the Kamgar Maidan at 11 a.m. and will then march in a procession through the labour area.* There will be a mass meeting at Kamgar Maidan at 4 p.m. afterwards. We will burn the effigy of the Black Bill in this meeting. *.....And just as the workers and peasants of Russia destroyed Tsardom and established workers' and peasants' raj there about 21 years ago, on that very 7th, we, by declaring one day's strike, by declaring one day's hartal, are going to lay the foundation of, are going to make the preparation for the establishment of workers' and peasants' raj on the 7th instant."*

32. In the daily edition of the *Kranti* of the same date, in the leading article, the following suggestions were made to the workers :—

"(3) To trample under foot any order declaring the strike illegal ;
(4) of all this the most important thing is to call a meeting of every chawl and to select a committee of clever, expert and *bold* workers. This committee must make such *bandobast* that nobody should be

allowed to go to work on the 7th (of November 1938); (5) On the 'naka' of every street keep a standing watch. On the two days, namely Sunday and Monday maintain a watch on the 'nakas' of all the streets, by keeping awake day and night. If you happen to notice any suspicious movement on the part of anybody or the wandering *goondas* of Kandalkar and Borkar, keep an eye on them and drive them away. Do not allow any foreign and suspicious person to visit the chawls.

"Organise a strong blockade of the Mohalas".

33. In the issue of the *Kranti*, dated the 5th November, the following appeared :—

"The workers have on several occasions faced the police lathis and guns. Even today, if necessary, they will do the same. They wanted to tell Mr. Munshi that while he was a member of the Liberal Party in 1929, female workers had snatched pistols from the Police Sergeants and driven them away. In the strike of 1934 the police officers and constables had to drop their revolvers and lathis at Parbhadevi Road and run for their lives."

34. At a public meeting held under the auspices of the Gurni Kamgar Union on the night of the 5th November 1938 at Madanpura, Mr. Parulekar, *inter alia*, stated as follows :—

"I know that there is no necessity of making a speech in Madanpura because the workers of this place are so brave that even if they are given a notice of four hours they will go on strike. I will say that if this Bill becomes an Act 6 lakhs of workers together with their wives and children will be auctioned. The Government will act according to the wishes of the owners and will auction 25 lakhs of workers. The weapon of strike has been snatched away. So it is our duty to go after (the Hon. Mr.) Munshi with a lathi on the 7th and ask him as to why he is not looting the rich and why he is robbing the poor workers. On the 7th you must get up at 4 o'clock. As Ranadwe has said that there will be workers' raj on the 7th in Madanpura and not of Munshi, declare that you will not let the tram run. Tram should not run that day. It should be stopped. Do not let motor car run except that bearing red flag. Tell the victoriawalla that there is our raj this day. Give rest to the horse this day. In this way, everything such as victorias etc. should be stopped. Madanpura should take initiative. You should lead. You must stop motor cars and tram in Madanpura. Have the tea-shops closed. (The Hon. Mr.) Munshi should also be shown as to whose raj it is. Mills will be closed no doubt even if you will be sleeping in your houses. But this much will not do. Trams, victorias and motor cars should be stopped. And defy any order that may be issued by the Government that day as regards the manner and the route by which the procession may be taken in the same manner as the revolution was brought about in Russia on the 7th and workers' raj was established."

At the same meeting, Mr. Mirajkar stated, *inter alia*, as follows

“ See that nobody entered in the mills for work on the 7th November to show their resentment against the Black Bill.”

Mr. Ranadive also addressed the meeting and exhorted the audience to see that all the mills in Madanpura were closed on the 7th November. He stated, *inter alia* :—

“ Trams and victorias should also be stopped. . . . There would be workers' raj on the 7th and not of Mr. Munshi.”

Mr. Joglekar also asked the audience to make the one-day strike a complete success on the 7th November and hoped that the workers of Madanpura would assemble at the street corners and see that no worker went to work on the 7th November.

Mr. Jammaluddin Bukhari, the President, in winding up the proceedings of the meeting, exhorted the workers to do satyagraha and lie down before the trams and motor cars and have themselves crushed on the 7th November. He further stated that Mr. Munshi had given a statement to the *Times of India* assuring the loyal workers that they would be given police help if required and whoever obstructed them from going to work would be prosecuted, but the workers would show to these traitors *how men lived after their death*.

35. On the 6th November, at a meeting held at the Kamgar Maidan, Mr. Mirajkar announced the programme for the following day and stated, *inter alia*, as follows :—

“ Tomorrow morning all mills, all workshops will be out (on strike) ; all of you then collect in large numbers wherever we have announced meetings. These meetings will be, one at Naigaum B Plot, second at Jambori Worh Maidan, third at DeLisle Road, fourth at Clark Road near Simplex Mill and fifth at Foras Road. All workers, all men in their respective mohollas should gather at these 5 places in large numbers and then should act according to the directions of their leaders. Our Trade Union Congress leaders, Independent Labour Party leaders, our President Jamnadas Mehta, Dr. Babasaheb Ambedkar, Dange, Nimbkar, etc., should meet you at these different places. So, I request you all to collect at these five places.”

He announced that at the end of the meeting a procession would be formed and the procession should be taken in an orderly and peaceful manner by the road that would be shown by the leaders. He then said :—

“ *If any one tried to take away our flags and lights from your hands, you should not give them up.* It is our right to have flags in hands. The workers should remain wide awake from 3 a. m. in their respective mohollas, chawls and streets and *make bandobast of the strike-breakers* From 2,000 to 2,500 volunteers both of the Trade Union Congress and the Independent Labour Party, are present at this meeting. All these volunteers should

gather together at the Kamgar Maidan and protest against the Black Bill..... Police Commissioner has issued order prohibiting lathis. This is an injustice to us. This is an injustice to our volunteers who are expressing their protest against the same. *If the police took objection to the Red Flag lathis (flagstuffs), do not lose hold of the same.*"

36. On the 6th November, Mr. Dange also made a speech on the Kamgar Maidan in which he stated, *inter alia*, as follows :—

"We want to tell Mr. Munshi that there is no necessity for us to collect lathis or stones either..... We are going on a peaceful strike..... Criticism is going on in papers that the Independent Labour Party, the Trade Union Congress and the Communists have formed a united front and by co-operating with the Mahar Party of Dr. Ambedkar have adopted reactionary policy..... All the workshops, all the mills will be closed tomorrow and this will show that Bombay-City is of the workers..... There is workers' regime in Parel area today and not of the police. *We must convince tomorrow that there will be workers' Raj tomorrow, the 7th—even if for 24 hours there will be workers' raj in this workers' area and not of Mr. Munshi or of the police of the British Government. (Cheers.) If the five or ten lakhs of workers unite, we will be able to capture Bombay.*"

37. At the same meeting, Mr. Joglekar, *inter alia*, stated as follows :—

"Tomorrow the police might try to prohibit our meetings, our processions and would make our strike illegal. We must take care to frustrate this. We want now to take out a procession after this meeting. *You must make strong bandobast in your mohollas and chawls. Convert your chawls into fortresses. Do not sleep. Guard the corners. Guard the nakas of your Mohollas and chawls. Keep watch and let the strike-breakers suffocate in their homes.* I want to tell you this that the workers will lay the foundation of the workers' and peasants' raj by this strike on that important day of working-class revolution on November 7th.....all the workers and peasants of India will voice united front against the capitalists and just as the workers and peasants of Russia established workers' and peasants' raj on November 7th some 20-21 years back by implanting the Red Flag, similarly all the exploited masses of Bombay, all the poor people of India will fix their red flag in the shape of this one-day hartal..... Because by uniting all the workers and peasants, making them well organised and using this weapon of political strike for the fight for independence, *it is sufficiently powerful to paralyse imperialism and capitalism and to suffocate them all. We are going a step further by making use of this weapon in our political agitations.* Not only the mills but all workshops, all business, all transactions must cease working. All cars, motor cars, trams, buses, railways must remain on the spot. All the shops must remain closed..... Self-inspired, self-awakened, self-stirred, you should raise your volunteer corps. Keep honour of the Red Flag, *remember Parshuram Jadhav and make tomorrow's strike successful.*"

38. Leaflets inciting workers to take similar steps to make this strike a success were also distributed widely among the workers from time to time.

39. The above-quoted extracts from the speeches and newspapers under the influence of the Red Flag Union clearly show that the workers were asked to establish a militant union instead of a peaceful union organised on Congress lines. The expressions used clearly bear a war phraseology. It was expressly pointed out that Government was likely to use lathis and resort to firing by way of a challenge to the workers and that they should accept the challenge and resist the police. They were worked up to defy the police and law and order and were emphatically told that for 24 hours at least, especially in the Madanpura locality, the Worli locality and the mill area—DeLisle Road-Parel locality—the workers' *raj* should be established. It is significant that the 7th of November was also selected, as stated expressly, on the ground that it was the anniversary of the Russian revolution. As against these bellicose utterances, it is significant to note that there is hardly a word uttered by any of the leaders asking the workers to use peaceful persuasion to bring about the strike.

40. The evidence of several workers and the Secretary of the Bombay Provincial Congress Committee led before us clearly indicates that the Congress Committee was endeavouring from about the end of September to explain to the workers the effect of the Bill as conceived by the Ministry. For this purpose, meetings were held and leaflets distributed. At such meetings some persons tried to create disturbance and in some cases stones were also thrown. These incidents have been mentioned as having particularly taken place on the 5th and 6th November. On the 6th November two incidents are found repeatedly mentioned in the evidence led before us. One relates to the Desh Sevikas. It appears that in the afternoon of the 6th November, two lorries containing Desh Sevikas were proceeding along Parel Road. A procession of workers was coming in the opposite direction. A cyclist, who is stated to be a prominent worker of the Bombay Provincial Trade Union Congress, stepped in front of the first lorry and thus stopped it. Several Congress workers who were in these lorries were then roughly handled and assaulted by the crowd which had collected around them. It is alleged that a prominent Communist leader was one of the assailants. The Desh Sevikas who were in these lorries were also grossly abused and assaulted. The evidence among others of persons residing in the locality further shows that some people out of the crowd tried to pull the *saree* ends of some of the Desh Sevikas. This conduct on the part of the crowd may perhaps be attributed to the speech made by Mr. Nimbkar on the 4th November, a relevant portion of which is quoted above. The other incident was of the burning of a white *khaddar* cap, ordinarily described as Gandhi cap, which was worn by one of the witnesses. We may also refer here to another incident which took place on 7th November 1938, in the morning, at Worli. A Congress flag was pulled down from a shop and trampled upon. It is alleged that when this took place, Mrs. Dange was only a few paces away.

41. We have referred to the fact that chawl committees were directed to be appointed by the sponsors of the strike. We have received a large number of statements from workers employed in different mills. Several of them, who were orally examined by us, deposed to threats being held out to them by the Red Flag Union and Independent Labour Party volunteers in the course of 10 or 15 days before 7th November. They were told that if they went to work they would be beaten and that no one would be responsible as to what might happen to them. We have carefully examined the documentary and oral evidence on the point. We have no hesitation in accepting the oral testimony of the witnesses who were examined by us on this point. They appeared to be truthful and the evidence thus establishes that before the 7th of November considerable intimidation was practised in the chawls by threats of use of force if workers attempted to go to work on the 7th November.

42. The one-day strike on the 7th November was decided upon as a result of the union of the two parties, which fact is indeed admitted in one of the speeches quoted above. The Communists appeared to be keen on regaining their power over the workers. It appears that they were apprehensive of losing their control over the workers by reason of the activities of the present Ministry, coupled with the actual work done by the workers' organisations started and controlled by the Congress. The Committee of the Bombay Provincial Trade Union Congress which, as has been pointed out, had come to be dominated by Communist leaders and of which practically the only outside office-bearer was Mr. Jamnadas Mehta, sponsored the strike from this point of view. Dr. Ambedkar, who represents the Independent Labour Party and who appears to be accepted as the leader of the Mahar workers (about 15,000 to 16,000) in the different mills in Bombay, joined hands from a different point of view. It appears he was keen on opposing the Congress, and in his speech on the 16th October at the Workers' Rally, held at the Kamgar Maidan, he expressly stated as follows :—

“ Instead of joining the Congress the workers should form their own independent organisation to such an extent as to achieve political power in their hands.”

The object of Dr. Ambedkar is still more clear from the speech made by him in the afternoon of the 7th November, to which we shall refer later on. In that speech, he expressly used this strike as part of an electioneering campaign to dissuade the workers from voting for the Congress candidates at the municipal elections which were shortly to take place and at the elections of the legislature and public bodies later on. Thus, the common bond uniting the different parties was the hatred of their leaders for the Congress as shown in their speeches and from the fact that they participated in the meetings where anti-Congress speeches were delivered. The object of the Communists was to get the workers' *raj* and that of Mr. Jamnadas Mehta and Dr. Ambedkar was to gain power and control over the workers to thwart the Congress Government. The Industrial Disputes Bill was made a stalking horse. The leaders appear

to have anticipated that without force the strike might not be successful and, therefore, violence was preached. Police and law and order were to be defied to establish the supremacy of the workers, that is, their leaders, and the writ of the Congress Government was to cease to run on 7th November at least for 24 hours.

43. We are, therefore, of opinion that the origin of the disturbances is to be traced to the combination of these two parties on an anti-Congress platform and the incitement by the leaders of these parties to violence to make the strike successful.

44. The Millowners' Association sent their representatives before us to put forth their views. Through their Labour Officer they received reports of speeches made by different leaders of the workers' organisations and the workers in their mills. The Girni Kamgar Union (which is different from the Red Flag Union), the Bombay Kamgar Union and the Grain Dealers' Association sent their representatives to give evidence before us. The Secretary of the Bombay Provincial Congress Committee was examined by us. The conclusion reached by all these bodies and persons is the same. We are confirmed in our conclusion by the evidence adduced by these bodies and persons on this point.

45. Before dealing with the causes of the disturbances, it appears useful to narrate the incidents which, in fact, took place on the 7th November. We have before us the statements furnished through the Bombay Millowners' Association of all the mills working in Bombay. We have also the statements of the workers of several mills. In addition, we have the police reports of the working of the mills and other industrial concerns in Bombay that day.

46. The evidence shows that in the morning of the 7th November, up to about 8 a.m., everything was fairly normal. It appears that at a short distance from the gates of each mill one or more pickets (mostly volunteers of the Red Flag Union or Independent Labour Party) were stationed and they used to tell the workers, who were going in, to refrain from doing so. This does not appear to have had much effect. The mills ordinarily start work at about 7-30 a.m. The evidence shows that several workers, being afraid of molestation, went to work very early and some went in groups. Some went in victorias to avoid meeting the pickets face to face. Some workers had to resort to falsehoods to get into their mills. We have the oral evidence of one man, who told those who stopped him that he had arrived from upcountry that day and was going home in a victoria. He had also to persuade the victoria-driver to corroborate his false story. In another case, a worker had to request a shopkeeper to help him in going to the mill and a friendly taxi-driver was persuaded to take him to the mill. It appears that the propaganda and intimidation carried on before the morning of the 7th November prevented several people from going to work largely out of fear and not because they were in favour of the strike. It appears that a large number of workers, especially women workers, preferred not to face hooliganism and assault and were willing instead to forego a day's wages. The absence of a large number of workers from the textile

mills was thus not necessarily due to those workers concurring in the policy of the strike, but to the fear of personal assault.

47. The figures put before us by the Millowners' Association show that out of 64 textile mills two were closed owing to Purnima holiday and ten did not start work owing to shortage of labour. The figures of actual attendance supplied by the mills show that out of a total of 1,16,000 day shift workers, over 62,000 in fact attended the mills that morning. It has also to be borne in mind that out of the absentees about 15,000 workers were Mahars who were under the direction and guidance of Dr. Ambedkar. Apart from the textile mills, the evidence shows that the trams, buses, railways, Gas Company, factories and the other industrial concerns worked in the usual course. As for the Municipality, about 50 per cent. of the workers in the conservancy, drainage, and works departments, who largely belong to the Depressed Classes, absented themselves that day. The picketers' activity was very largely confined to the textile mills.

48. According to the programme of the Trade Union Congress, several meetings at different centres appear to have been held in the morning. Finding that most of the textile mills had started working, the strikers and their leaders realised that the peaceful methods so far adopted had not succeeded and the strikers began to resort to violence to bring out the workers who had gone in. Mr. More addressed a meeting at DeLisle Road at 9-30 a.m., where he stated that if there were workers in the mills they should be got out at noon. The method adopted was to stone the mills, to strike terror in the men that had gone in and make them feel that they were not safe from attack merely because they found themselves within the mill premises. The attempts at stone-throwing commenced from about 8-30 a.m. and started with the Sassoon group of mills. The David Mill was first stoned. 385 window panes were broken and 27 men were hurt. The workers did not come out. The next attempt was made on the Elphinstone Mill, which was in a vulnerable position. In addition to throwing stones at the Weaving Department and breaking some windows and 333 window panes, the crowd appears to have reached the mill compound and broken the corrugated iron sheet fencing. The crowd, which was not very large at that time, was dispersed by the mill authorities by the use of a water hose. Police help was sought and a party consisting of one officer and ten armed men was posted in front of the Elphinstone Mill on the Tulsī Pipe Line. The Crown Mill was heavily stoned and 906 window panes of 18" x 16" were broken and 29 workers injured. The other mills were also stoned from time to time.

49. At about the same time, attempts were made to stop vehicular traffic, particularly tram-cars. What appears to have been done was this. Several people rushed in and occupied all available seats in tram-cars, crowded the gangways and the platforms and stood on the foot-boards. A number of them carried red flags and were shouting "Stop cars". They had no intention of paying fares. Several persons stood in front of tram-cars and prevented them from moving. In some cases we have evidence that poles connecting the tram-cars with overhead

wires were pulled down. The tramway inspectors in the disturbed area went there and with the help of police cleared the crowds and pushed off the people who were standing on the tram tracks to prevent further progress. In some cases, damage was done by stone-throwing also. As a result of these activities, as deposed to by several Tramway Company officers, the tram service was considerably disorganised for some time. When police assistance was obtained, order was restored. There was thus a delay of about 10 minutes each time a tram-car was obstructed. More than 30 tram-cars were thus obstructed between 10 a.m. and noon.

50. In respect of the bus service, considerable trouble was experienced by the company in respect of the service going along the Worli Sluice Road. When a bus arrived at Kolvada terminus, the Red Flag Union volunteers are alleged to have told people, "Do not go into the bus. If you are assaulted no one will be responsible for that". That bus (No. 1615) in particular was very heavily stoned and the glass in front of the driver was broken into pieces. Driver No. 208 of that bus was injured by the broken glass. He had to be taken to a hospital and the injury to his eye was attended to. The bus was also considerably damaged, as about 40 stones, each alleged to be between one and two pounds in weight, were hurled at it. Seeing what was done to that bus and the temper of the crowd, the Tramway Company, in consultation with the police authorities, suspended the service in that part. Another method adopted at Poibavdi to obstruct the service was for about 8 or 10 people to crowd near the driver's seat and prevent him from working the levers. In one case people rushed and occupied not only all available seats inside a double-decked bus, but after sliding the sunshine roof, sat on top of the bus. There is also evidence to show that some victorias and private motor cars were stopped and horses of some victorias unharnessed.

51. It also appears that crowds headed by Red Flag Union or Independent Labour Party volunteers rushed at different shops which were open. In some cases it is alleged that the volunteers threw stones at the shops. In several cases, when the shopkeepers remonstrated against being compelled to close, articles from their shops were thrown on the road or stones were thrown at cupboards with glass doors. Such attacks on shops took place at Fergusson Road, Worli Naka, Sun Mill Lane, DeLisle Road, Elphinstone Road, Sayani Road, Saitan Chowki, Khed Gully, Kingsway, Bhoiwada, Naigaum Road, Vincent Road, Jerbai Wadia Road, Superibag Road, Kalachowki Road, Thakurdwar Road, Govindji Khimji Road, and Parel Road. There is evidence of one Irani restaurant at the junction of Gokhale Road and Bhavanishankar Road being attacked and stoned. The crowd removed Rs. 650 from the counter and caused other damage to the extent of about Rs. 325. Several of the shopkeepers who suffered loss due to these acts lodged complaints before the police, and the police diaries of the different stations show numerous instances of this kind. Several of the shopkeepers were examined as witnesses, and we found their evidence satisfactory. Several hawkers of fruits and gram suffered in the same way. Milkmen's pots were

overturned and tea-shops raided. A significant feature of this activity was that boys were marched in procession, and in several cases they were responsible for attacking the shops.

52. As already stated in the crowd which had resorted to this rowdy conduct there were several Red Flag volunteers and volunteers wearing the badge of I. L. P. (Independent Labour Party). The evidence shows that in not a single case any of these volunteers helped in preventing this disorderly behaviour. It shows, on the contrary, that they participated in and incited this kind of rowdyism. These volunteers had already received their lesson, for during the previous week, as has been shown above, from day to day it was dinned into their ears that shops had to be closed and vehicular traffic stopped by all means.

53. In addition to stone-throwing, we have evidence that in one case a burning piece of wood was thrown in the weaving-shed of the Crown (Dhun) Mill. The figures put before us show that up to about 11 o'clock 87 workers were injured. These figures have been collected from the statements furnished by the individual mills about the workers injured in their respective mills. There may have been other cases where no treatment was taken or no report made, but we have no means of checking the same. Instances of individual assault by slapping, removing caps and pushing were, however, numerous.

54. In the textile mills there is a recess at about noon. There is evidence of assaults on workers going home for their meals at that hour and that they reached their homes with difficulty. Many workers remained in the mill premises during the recess and in some cases were provided with food by the mill authorities. From the statements furnished by the different mills it appears that about 59 workers had reported injuries during the recess hour. Witnesses have further stated that they were assaulted in small lanes, and have given particular instances of assaults by Independent Labour Party volunteers in Tell Galli and Chor Galli. It is also alleged that 60 weavers of the Shapurji Broacha Mills who came out at noon were severely assaulted by Independent Labour Party volunteers with lathis. The figures supplied by the different mills show that over 51,000 workers continued to attend work in the different mills after the noon recess. This further shows that several, who had gone out for their mid-day meal, did not return to work. This was most probably due to an apprehension of further danger. To that extent the stone-throwing and other acts of rowdyism resorted to between 8-30 a.m. and 12 noon or 1 p.m. had the intended effect.

55. The normal time of closing the mills is 5-30 p.m. Several mills appear to have thought in the afternoon of closing their mills early to enable the workers to return home in safety. The Kohinoor Mill was stoned after the recess. A cordon of volunteers was formed near the mill gate to prevent women workers from returning to work. A large crowd collected and began to throw stones. The manager asked the pickets, who were wearing badges of the Red Flag Union on their arms, whether if he closed the mill they would allow the workers to return home

peacefully, and they said "Yes". The manager thereupon closed the mill at about 3 p.m., and the workers returned peacefully to the Kohinor Mill chawls, which are close by. The picketers thus achieved their object. Several mills asked for police protection, and, whenever asked for, it was given. The fact that about 258 workers who had attended work on that day in different mills were reported to have received injuries between 3 and 6 p.m. shows that several workers were stoned and injured while returning home. It is stated by witnesses that at about closing time, volunteers were moving in batches and beating people who had cotton fibres on them—indicating that they had gone to work. It was also stated that at 5-30 p.m. some Bhayyas who came out of the Morarji Goculdas Mills were assaulted with belts.

56. In addition to this disorderly behaviour, there was also very unseemly conduct on the part of crowds towards women workers. Some of these and also other witnesses deposed to this fact. Several women workers who were going to work or returning home after work were filthily abused. One witness expressly stated that when a batch of these women workers were returning, they were surrounded by a crowd of 25 or 30 untouchables coming from Kalachowki, who told them as follows: "If Marathas cannot provide food for you, our Ambedkar is there. Hand over the women to the Mahars". It is further in evidence that a procession of about 250 headed by Red Flag Union volunteers went in the lane near Ganesh Wadi when 40 or 50 women workers were going to work. The volunteers told them: "Now it is the Raj of Babasaheb (Dr. Ambedkar) and if you want money you could get it from him; but don't go to work". In several cases, the women workers were pushed and roughly handled. We have two disgraceful instances clearly proved before us in respect of the treatment of women workers. In one case a woman worker was surrounded by a crowd on the Dadar Main Road near the Gold Mohur Mill. The crowd completely stripped her of her clothes and jeered at her. In the meanwhile, Deputy Inspector Scott, seeing the crowd, rushed there, and on his arrival the crowd ran away. The poor woman put her clothes about her and was escorted by Deputy Inspector Scott to a tram to proceed home. Another woman was also similarly treated near Kalachowki. It is alleged that one Mr. Jadhav (Communist) with two members of his party was helping Dr. Ambedkar's people when this second outrage was committed. A mill worker who was present gave the names of ten other persons and a postman, who helped him in saving the situation by going to her assistance, although they were threatened with physical violence. The postman's statement corroborates this evidence. We have no reason to doubt the truthfulness of the evidence given in connection with these incidents.

57. At about 4 p.m. that day, according to the programme of the Bombay Provincial Trade Union Congress, a large meeting was held at the Kamgar Maidan. Small crowds drifted to the meeting from time to time but the meeting actually started at about 5-30 and terminated at about 7 p.m. The attendance at that meeting has been differently estimated as varying from 15,000 to 40,000. The principal police

officers kept a very vigilant eye on that meeting. When the meeting terminated it was dark, and the police kept a watch to see that the crowd dispersed without any untoward event. In fact, the crowd got away in groups and caused no trouble in the neighbourhood. In the meanwhile, the Spring Mill, which had worked at full strength throughout the day, closed at 6 p. m., and the workers began to leave for their homes. The mill authorities, finding that they had worked throughout the day loyally, considered it their duty to see that they were provided with a safe escort, and, therefore, the mill staff, consisting perhaps of 15 or 20 people, assembled the workers in mass formation and led them on to the road. When they came out, they were severely stoned. Some of them rushed on the Wadala side, some rushed towards the Parel side along Naigaum Cross Road, and some took shelter in the neighbouring houses, but a large number had to be rushed back to the mill compound for safety. The mill record shows that out of a total of 121 injured workers, 100 workers (men and women) of the Spring Mill were injured at this time, due to this severe stone-throwing by the crowd. About 6 p. m., a middle-aged retired Parsi engineer who was walking along Naigaum Cross Road was stoned and badly hurt. Two small Parsi boys who were going with others in a motor car along the same road were stoned and received severe injuries which kept them in hospital for several days. Between 6 p. m. and 7-30 p. m., firing had to be resorted to by the police officers at four points near the Spring Mill. We shall deal with those incidents later on. Workers, both men and women, who had been brought back to the Spring Mill were terrified and ultimately had to be escorted by the police in parties of 20 each. The work of putting them in safe areas lasted till about 11-30 at night. Even then, the mill record shows that about 20 workers were injured on their way. We have further evidence that several women workers had to take refuge in firewood depôts on the Naigaum Cross Road or the cross road facing the Kohinoor Mill, and they remained there trembling with fear for about two or three hours till they were escorted home by their relatives. Several women, who had taken refuge in houses round about, could leave those places only after 9 p. m. We have further evidence of one woman who, accompanied by her husband and another woman worker, came out of the Spring Mill and was decoyed by their neighbour, who in all probability was a striker. Having taken them with him, he left them on the way, where they were assaulted. We have also an instance of one woman worker who met with an injury after she returned to her room. She was residing in the Spring Mill chawls. A stone was thrown at her when she was in her room after the day's work. It injured her scalp and caused bleeding. The oral evidence of the women workers was very satisfactory. They gave their evidence without exaggeration, and we have no hesitation in considering them as truthful witnesses.

58. Stray assaults on the workers continued up to 11 p. m. Even thereafter, the desire to wreak revenge had not subsided, and there is evidence to show that near the Crown Mill people (strikers) were waiting to assault those who had remained inside. Workers were severely

stoned in the evening, and several workers stayed in the mill the whole night.

59. The above activities of the strikers and the crowd appear to have been confined to E and F Divisions (the Parel and DeLisle Road mill area). The Police Superintendents of C and D Divisions (south of the aforesaid mill area) sent us their reports, which show that there was no noticeable disturbance in the areas under their control. A procession of domestic servants started from Chowpati. At the commencement, it consisted of about 400 domestic servants, 300 dock workers, and some press workers. As the procession proceeded it gathered volume. Two instances, one of attacks on shops on Thakurdwar Road and the other of looting of a hand-cart by the crowd, have been mentioned in the evidence led before us. Apart from this, it appears to have behaved, on the whole, peacefully, and ultimately wended its way to Parel without any interference and dispersed.

60. The police force which started work at about 5-30 a.m. remained on duty throughout the day. Originally, it appears to have been arranged by the police officers that men who went on duty at about 5-30 a.m. would be relieved by 1 p.m. When the disturbances commenced and began to grow in violence from about 10 o'clock onwards, a large number of the men who were to act as reliefs were brought on duty, and instead of working as reliefs they had to work as reinforcements throughout the rest of the day. Not only the men, but all the officers who went on duty at about 5-30 a.m. continued on duty till about midnight without any respite.

61. Summarising the facts of the day, the figures furnished by the mill authorities show that out of 64 mills working in Bombay, 16 worked on that day with full complement, 15 with more than 50 per cent., 11 with more than 25 per cent., 10 had less than 25 per cent., 10 mills could not start work as the number of hands who attended was meagre, and 2 mills observed a holiday on account of the Poornima Holiday. On the whole, out of a total of 1,16,000 day-workers, over 62,000 attended that day in the morning. After the noon recess 8 mills were seriously affected and had to close down. More than 51,000 workers continued to work in the mills after midday. We also find that 633 men and women workers belonging to 31 different mills were injured on that day. A large proportion of workers injured belonged to the following mills:—

David Mill	..	..	..	..	27
Elphinstone Mill	..	..	..	..	17
Morarji Goculdas Mill	..	..	..	..	81
Crown Mill	..	..	..	..	29
Seksaria Mill	..	..	..	..	43
Toyo Poddar Mills	..	..	..	..	44
Spring Mills	..	..	..	..	124
Connaught Mill	..	..	..	..	46
Hirjee Mill	..	..	..	..	42
Empress Mill No. II	..	..	..	..	29

The evidence shows that some workers other than those mentioned in the statement sent by the Millowners' Association were also molested and assaulted. It is not possible to ascertain their number. The Tramway Company worked their tram and bus services throughout the day with temporary disorganisation, as stated above. Only about 50 employees out of a total complement of about 800 absented themselves from duty at the B. E. S. T. Workshop at Dadar. There was no interference at all with the working of the Railways, the Gas Company and other public utility companies. As regards the Municipality, a large number of sweepers and other workers did not attend work. These were clearly under the guidance of Dr. Ambedkar. Apart from that, 156 workers left the Municipal Workshop at Foras Road and joined the strike. The records of the K. E. M. Hospital show that 80 persons, out of whom 37 were millhands, were treated in connection with the disturbances. Out of them, only 19 were detained and treated as indoor patients. Of these, 10 had received bullet wounds, 8 (including the two Parsi boys) were injured by stones, and one man was injured by a lathi. The rest of the activities of the Town of Bombay were not interfered with to any noticeable extent, and the citizens carried on their normal avocations in the usual way.

62. Having regard to these figures, the authenticity of which is clearly established by the evidence led before us, it is instructive to notice the speeches made by the strike leaders at the Kamgar Maidan in the afternoon of the 7th November.

Mr. Nimbkar, *inter alia*, stated as follows:—

“ This strike which you declared this morning is the biggest one, and in which you had participated willingly. . . . The lakhs of workers and the thousands of volunteers of the Red Flag deserve credit for this . . . Today 95 per cent. out of 1,60,000 millhands are out on the streets and thousands of municipal workers have come out on strike today by stopping work of their own accord. The Presses have been closed. . . . The goldsmiths also have struck work. The domestic servants employed by big bosses at Girgaum and Malabar Hill, have also declared strike. . . . Hotel workers have struck work. The leather workers of Dharavi have struck work. . . . Port Trust workers have struck work. The various workshops in the City have been closed. . . . The workers of Bombay have awakened today. For the last four or five years we were sleepy and therefore there was aggression of capitalism and imperialism. As we were sleepy we were quiet. Brother workers, you have awakened today. . . . The Congress Government have brought this Bill to force upon us the class-collaboration in place of the class-war principle, and to kill our militant union as well as the Red Flag movement. . . . The union should be strengthened by bringing 1,60,000 workers in it and we must make it dance on the chest of owners.”

Mr. Pradhan, *inter alia*, stated as follows :—

“ This political strike was brought about successfully and with discipline and with utmost peace by the workers throughout the Presidency of Bombay.”

Dr. Ambedkar, *inter alia*, stated as follows :—

“ In order to know about the strike I purchased the ‘ Evening News ’ while coming. I was very anxious to learn the happenings of the day after I left about 9 a.m., making necessary arrangement for the strike this morning..... It has been published in the paper that the programme of one day’s strike chalked out by the labour leaders..... has proved futile. It was unsuccessful. Not only that, but 50 per cent. men of the 60–65 mills that are in Bombay were on work..... It is a matter of shame and disgrace that the representatives of a leading paper in Bombay should publish one-sided and false news..... Today nearly one lakh and twenty-five thousand workers consisting of men and women, though very poor, disregarding their day’s wages, have collected at this meeting..... Friends, my question to you is that the Congress should make laws and we workers should oppose them, and while opposing if any one behaves in a disorderly manner the police should fire upon him. This much you know, that the Congress people should come into power, enact any sort of law and you should then collect *en masse* to condemn it and should shout out big slogans with the Red Flag. If this much you are going to do, then I want to tell you that there are no fools like you..... The only wise way is to bring down the Congress Government which have been holding administrative reins. It is not a wise way to get our throats cut by giving power of enacting laws to Congress..... It is foolishness to give weapon in the hands of your enemies. You people have no sense. If the Congress had failed to get your support this Bill would not have been passed. ‘ Holi ’ is yet to come. I want to tell you that if you want to establish your *raj* the first thing that you should do is that wherever there is a question of power and authority and where there is Congress power, such places should be captured by your people..... During December next there will be Bombay Municipal elections. In this election there will be Congress candidates. In this election some people on behalf of the Independent Labour Party will contest the elections against the Congress candidates. If you have become wise by experience you will think as to what work the Congress has done during the last 15 months. From this your duty is not to vote for any Congressman. If you want to have labour swaraj, then you must have your representatives in the councils, municipalities and other institutions. If you forget my advice, then today’s programme will have no meaning.”

Mr. Jamnadas Mehta, who presided at that meeting, *inter alia*, stated as follows :—

“ Lakhs of workers in Bombay have not gone on work today. All the working class have not gone on work today. All the industries are closed

today..... The volunteers of the Independent Labour Party and the Girni Kamgar Union have not taken rest or taken food since last night, and have given the message to the workers to awake by wandering in the mill area. *Not a sparrow has gone to work today.....*
 We are sorry that the grudge the police had till today was out today at 10 o'clock. *The police fired at the peaceful workers.*
 The police are not ashamed for making lathi charge and opening fire *on unarmed persons.* It is a very shameful thing. The Government which claims to be the supporter of non-violence, in its regime the unarmed workers are fired at. You will be pleased to hear that not only the workers in Bombay have struck work but even in.....other places the workers have done the same..... Now I expect there will be the workers' *raj*."

63. The speeches quoted above clearly indicate the determination of several of the speakers to mislead and misguide the workers by giving inaccurate facts and figures. The evidence has established the facts and figures as set out by us, and the exaggeration indulged in in the speeches is so gross that we are led to the conclusion that the attempt was deliberately to deceive the public. Having seen the Kamgar Maidan, we are convinced that it is not possible to accommodate in the maidan and the roads surrounding it any more than about 40,000 people at the outside. The statement of the speakers that there were over a lakh of people or lakhs at the maidan shows the extent to which exaggeration can go. The further statements that 95 per cent. of the workers were on strike, that not a sparrow had gone to work and that there was a peaceful strike are a gross distortion of the truth.

64. The above summary of facts and instances which have been proved before us show the nature and extent of the disturbances which took place on the 7th November. As regards the causes, it is clear that the disturbances started only when the leaders and the strikers realised that the strike was a failure and that all their preparations and intensive propaganda to make the strike successful had proved futile. As the strikers had been told to make the strike successful by any and every means at their disposal, when peaceful methods failed, violence was naturally resorted to. Stone-throwing at mills after 8 a.m. was intended to terrorise the workers who had gone in and coerce them to come out. The assaults and stone-throwing on workers who went out for their mid-day meal were clearly with the intention of striking terror in the minds of those who went out and preventing their return. Assaults on the workers who were returning from work in the evening, and especially on those who had returned to the mill chawls after the day's work, were sheer acts of revenge. The absence of the principal labour leaders to guide and control the volunteers and strikers on the 7th November in their activities from 9 o'clock onwards was clearly noticeable. It looks as if, after inciting the workers by their inflammatory speeches within a week of the strike, they conveniently absented themselves. The evidence further shows that when violence was resorted to in front of the office of the Girni Kamgar Union and at certain

other places, some labour leaders were either present or passed by, and took no steps to intervene. It is admitted by Dr. Ambedkar that after 9 a m., after giving directions for carrying on the strike, he left the mill area leaving the strike to look after itself. If he had taken the trouble to go round he would undoubtedly have found that a large number of the mills were working. The volunteers, who are alleged to have worked in the mill area all throughout the day, took no steps to prevent shop-looting, tram-stopping or acts of rowdyism. Indeed the evidence suggests clearly that they took active part in inciting those acts and themselves committed several acts of rowdyism and coerced several shopkeepers into closing their shops. Dr. Ambedkar's volunteers were described by his once co-worker, Mr. Warkerkar, as inflammable material and a stormy element at all times. They are a well-organised body, and, as stated by one of the witnesses before us, but for their active support there would not have been even five per cent. of such success as was achieved by the strikers.

65. As regards the precautionary measures taken by the authorities before the strike, we notice from the evidence on record that the Government policy was defined by the Honourable Mr. Munshi in his statement to the *Associated Press* on the 4th of November 1938 in the following words :—

“ If the object of the proposed demonstration is to show the strength of Labour opinion against this measure, in a peaceful manner, no exception can possibly be taken. The Congress Government has allowed and will continue to allow the fullest latitude to any organised, but peaceful and disciplined demonstration, however hostile it may be. But at the same time the Government is bound to see that those who do not wish to participate in the demonstration and desire to attend to their normal work are given due protection against coercion or intimidation.

Reports, however, are being received that organised efforts are going to be made on November 7th to forcibly prevent workers desiring to go to work from doing so. I would, therefore, appeal to the leaders responsible for organising this demonstration to take effective measures to ensure that their followers conduct themselves peacefully and within the law.”

66. The Commissioner of Police and the different responsible police officers who gave evidence before us also deposed to the policy of Government as outlined in the above statement. They stated that their instructions were to leave alone the strikers and their leaders and permit them to do what they liked, unless and until they found any attempt at breach of the peace or noticed any act of violence. The different police officers clearly stated in their evidence that in accordance with those instructions, whenever they saw trifling acts of rowdyism, they overlooked and ignored them unless specific complaints against individuals were lodged. According to the police officers, groups of people would commit an act of rowdyism and disperse, the whole incident hardly taking a minute or two; before the police officers could reach the spot, the

offenders had already moved on, and under the circumstances it was difficult to catch hold of the offenders or take action to prevent such offence. On the 4th of November the Commissioner of Police had issued an order under section 23 of the Bombay City Police Act prohibiting the public within certain areas from carrying any lethal weapon or lathi or stick or from collecting or carrying stones or other missiles or instruments or means of casting or impelling the same. The areas included E and F Divisions.

67. To assist the police in their work on that day, they had brought to Bombay 13 officers and 300 men from the Ratnagiri, Poona, Surat, Nasik, Kolaba and Satara districts. A Deputy Commissioner was specially put in charge of the southern half of E Division and part of D Division, and another in charge of the northern half of E Division and F Division. Before the 7th November several conferences were held between the Commissioner of Police, the different Deputy Commissioners and Superintendents to determine how and where the number of officers and men available for duty on that day should be stationed. In all, including those who were brought from outside, 76 officers, 260 armed men and 885 unarmed men were on duty on that day. It was pointed out that the police arrangements were made on the footing that although the strike was declared for the 7th November, it was uncertain whether, if trouble arose on that day, it would subside on that day or would continue a few days thereafter. The officers and men were distributed as follows :—

In the D Division—

In the Agripada Section : 5 officers, 20 armed men and 50 unarmed men, with 2 lorries for mobile patrol duty ;

In the Byculla Section : 5 officers, 20 armed men and 60 unarmed men, with 1 lorry for mobile patrol duty ;

In the Nagpada Section : 2 officers and 30 unarmed men.

In the E Division—

At the Kingsway Police Station : 2 officers and 30 unarmed men ;

At the Bhoiwada Police Station : 6 officers, 60 armed men and 100 unarmed men, with 2 lorries for mobile patrol duty ;

At the Kalachowki Police Station : 6 officers, 60 armed men and 100 unarmed men, and 2 lorries for mobile patrol duty.

In the F Division—

At the DeLisle Road Police Station : in the mobile patrol, 3 officers, 30 armed men and 15 unarmed men ; and as fixed posts, 6 officers, 60 armed men and 65 unarmed men. In addition, as foot patrols, 40 unarmed men were detailed. Four motor lorries were kept for the mobile patrol ;

At the Mahim Police Station, there were kept, for mobile patrol duty, 1 officer, 10 armed men and 5 unarmed men, and for fixed posts, 2 officers and 35 unarmed men.

The general arrangement was that at a short distance from each mill gate or in its vicinity and on the main roads parties of 5 or 10 unarmed policemen were posted. Armed men, who ordinarily are kept at the Naigaum Police Station, were stationed at strategic points in parties of 10, under an officer. The mobile patrol was kept with the intention of helping the policemen, armed and unarmed, stationed at different places with temporary assistance as events developed in the course of the day. In addition to the officers who were kept in charge of the forces stationed at different places, a large number of senior officers were moving about throughout the areas under their supervision and in their Divisions and were guiding the police operations on that day. According to the evidence of the Commissioner of Police and the Deputy Commissioners, the number of men available for duty in Bombay on that day was sufficient although the number of officers was not quite adequate. The Commissioner of Police stated that the unarmed constables had not the necessary initiative to take action quickly in the absence of a guiding police officer, and for that reason some of the trifling acts of rowdysm could not be prevented by the police at or near the spot. Apart from this, it appears to be conceded by all witnesses that the policemen and officers who were on duty, did their best to control the situation, as it developed from time to time, with as little force as possible.

68. The Millowners' Association suggested in their statement that the police protection was not adequate. When their representatives were questioned about it, they stated that the police officers and men who were on duty did their best, but that more police should have been stationed at each mill gate to prevent a crowd from collecting in the vicinity. The gathering of a crowd could be prevented under an order made under section 144 of the Criminal Procedure Code. There is room for difference of opinion as to the advisability of such an order under the circumstances attending the declaration of the strike as a demonstration against the passing of the Industrial Disputes Bill. It was suggested by Deputy Commissioner Smith that the promulgation of such an order might have perhaps incited the crowd to break the order with the result that greater violence might have been committed and more casualties might have resulted in consequence. Moreover, bearing in mind the policy of Government as defined in the Honourable Mr. Munshi's statement to the *Associated Press*, it is obvious that the promulgation of such an order would have prevented even the peaceful demonstration which it was intended to allow. No order in fact was promulgated under section 144 of the Criminal Procedure Code. The evidence clearly shows that throughout the day the police acted with the greatest tolerance and restraint. Indeed, it has been the complaint of several shopkeepers and witnesses and even one officer of the Tramway Company that the police acted with greater restraint than the circumstances required and thus failed in preventing acts of rowdysm or damage and in giving adequate protection to law-abiding citizens. Having regard to the fact that Government had issued instructions not to interfere with peaceful demonstrations by the strikers, the police officers, if at all, erred on the side of allowing every latitude to the strikers, short of violent molestation

of and assault on the peaceful citizens and workers who had not joined in the strike and of stoning of mills. According to the evidence of the police officers, they were trying to keep the crowds on the move all the time and this was considered the best way to prevent any serious mischief that day.

69. Questions were put to the Commissioner of Police and the Deputy Commissioners to find out whether, in view of the fact that to the knowledge of the police and the Government the propaganda carried on by the Council of Action advocated the adoption by the strikers of all possible means including violence and coercion, adequate measures could not have been taken before the 7th November to prevent the breaking out of serious disturbances on that day. The Commissioner of Police pointed out in reply that in the ordinary course considerable time elapses in transcribing the speeches, in translating them and the articles appearing in the newspapers, and in putting the same before Government for their consideration. He further stated that the speeches and writings which incited violence increased in intensity and virulence within a week before the 7th November, and that there was not sufficient time to take any effective action under the ordinary law to stop the same, or to take stronger preventive measures to meet the ugly situation which might develop on 7th November.

70. In the course of the evidence it was stated that liquor shops had opened after about 10 a.m. that day even in the E and F Divisions. Deputy Commissioner Smith was asked if this had any connection with the acts of rowdyism or hooliganism which took place thereafter, and he answered in the negative. It was also the opinion of Deputy Commissioner Smith that the rough elements residing in the city did not play any appreciable part in the disturbances, and that no useful purpose would have been served by rounding them up prior to 7th November.

71. Taking into consideration the policy of Government as indicated hereinbefore and the evidence led before us as to the happenings and incidents both before and on 7th November, we are satisfied that consistently with the policy of Government, the authorities took such precautionary measures to meet the situation as could be reasonably foreseen by them.

72. As regards the action taken by the authorities on the day of the strike, it should be noted that meetings held at different places and processions taken out were not interfered with at all excepting when the crowds became very violent. The procession of domestic workers and dock workers, which started from Chowpati after a meeting there, was allowed to proceed on its way without any interference by the police although it committed two or three acts of rowdyism on the way. The large meeting held in the afternoon at Kamgar Maidan, at which the incorrect and misleading statements about the success of the strike were made, as pointed out above, was allowed to disperse without interference.

73. The evidence of the police witnesses shows that at the Elphinstone Mills at 8-30 in the morning and again at about 10 o'clock there were lathi charges to disperse the crowd, which had shown a distinct tendency towards violence. Apart from that, at some other places where police officers noticed attempts at looting or serious obstruction to traffic, some mild lathi charges were made. No witness has come before us to give evidence of having been seriously hurt in any such charge. The record of the K. E. M. Hospital shows that 11 persons had gone to that hospital to receive treatment in respect of injuries alleged by them to have been received from lathis. Only in one case the injured party was detained in the hospital for treatment for one day, while the remaining ten received treatment and were not detained as indoor patients. On a consideration of the general rowdyism and acts of hooliganism perpetrated by the crowds, as summarised above, the extent of injury appears on the whole to be extremely slight, thus showing that the lathi charges were not at all serious.

74. Apart from these steps taken by the police on the day of the strike, incidents in front of two particular mills deserve careful consideration, as there was firing by the police, in which 13 persons received bullet wounds, of whom two died. Taking first the incidents near the Elphinstone Mill, it is necessary clearly to visualise the situation of the mill and its surroundings. The Elphinstone Mill is situated on the Elphinstone Road, and one side of it faces the Tulsi Pipe Line. The Sayani Road and the Elphinstone Road are joined by a *pucca* built bridge, which goes over the drainage channel running along the Tulsi Pipe Line. Proceeding from the Elphinstone Road, along the Tulsi Pipe Line there is a small building to the right, and further on a firewood depot and a small shed in which aerated waters are sold. Next is the tank of the mill. The mill is fenced in by a corrugated iron sheet railing. Just beyond the tank is the spinning-shed, the boiler-house and the engine-room, in front of which is the chimney. Beyond that is the sizing department, and after that is the weaving-shed. The weaving-shed is at a very short distance from the corrugated iron sheet fencing on the Tulsi Pipe Line. Between the Mill boundary and the Tulsi Pipe Line, to the north of the tank, there is open uneven ground, which is full of loose stones of varying sizes. Just beyond the limits of the Elphinstone Mill there is a small foot-bridge (across the drainage channel), which enables the public to go from the Tulsi Pipe Line to the other side, where there are ten David Mill chawls. After crossing that foot-bridge, there is a paved road leading to the said chawls. In between the chawls there are open spaces, through which 5 or 10 people can walk abreast. Proceeding south along the paved passage and on turning westwards from the last chawls, there is a clump of plantain trees, and beyond that is a large open maidan, which is full of long grass. In that maidan and near the plantain trees, there are hundreds of stones of different sizes lying loose.

75. On the 7th November, the Elphinstone Mills started work as usual in the morning, and had approximately the full complement. At about 8 o'clock a crowd collected on the Tulsi Pipe Line and went

across the open uneven ground. It began to throw stones, which broke several window panes of the windows of the sizing and weaving departments. The crowd then broke through the corrugated iron sheet fencing at two places and rushed into the mill compound. On noticing this, the Mill authorities tried to drive them back, and ultimately succeeded by using a water-hose. In the meanwhile, a senior Mill officer telephoned to the DeLisle Road Police Station, where the Commissioner of Police had kept his headquarters for the day. Deputy Commissioner Wilson, who was in charge of this area, Sergeant Kees and 10 armed men were rushed to the place, and they dispersed the crowd by the use of canes. To prevent further mischief Sergeant Kees with his 10 armed men was stationed on the Tulsi Pipe Line, in front of the sizing department of the Mill. As things appeared to be fairly quiet at the time, Deputy Commissioner Wilson left the place. Some time thereafter, the crowd, which had been chased away for the time being, began collecting on the other side of the drainage channel (which is referred to in the evidence as the sluice) in larger numbers and started throwing stones at Sergeant Kees and his party of armed men. The police at first ignored this demonstration, but as the crowd went on increasing and became more truculent, Sergeant Kees took out his revolver, pointed it at the crowd, and asked them to disperse. But that had no effect. The crowd jeered more and the stone-throwing increased. Sergeant Kees thereupon asked the senior officer of the Mill to telephone immediately for further reinforcements. The Mill officers tried to get into touch with the DeLisle Road Police Station, but finding that it was difficult to make their necessity understood or to explain the emergency on the telephone, the senior officer himself motored down at once to the DeLisle Road Police Station. Assistance was then being asked for on behalf of some other mill, but considering the urgency of the situation at the Elphinstone Mill, the Commissioner of Police directed Deputy Commissioner Wilson to proceed immediately to the Elphinstone Mill and promised to send reinforcements as soon as they were available. Soon thereafter Sub-Inspectors Hakim and Manglorekar returned to the DeLisle Road Police Station, and they were ordered forthwith to go to the assistance of Sergeant Kees. Those Sub-Inspectors got into the car of the senior Mill officer, and arrived at the place where Sergeant Kees was stationed, very soon after Deputy Commissioner Wilson had reached there with Sub-Inspector Koregaonkar. The stone-throwing increased considerably on the arrival of this party, and the crowd, which had also gathered by then on the Tulsi Pipe Line, began to jeer and throw stones. The four police officers along with Sergeant Kees immediately gauged the situation. Deputy Commissioner Wilson, believing that he could disperse the crowd with the help of canes which the officers were carrying (just as he had succeeded in doing at 8-30 in the morning), proceeded to do so; he and the other officers drove back those who were on the Tulsi Pipe Line and drove several of them across the small foot-bridge at the farther end. Those officers along with Sergeant Kees then proceeded to chase the crowd away from the foot-bridge and beyond. The crowd receded and

dispersed, some of them going into the David Mill Chawls and the open spaces between them. Without realising what was happening behind them, the five police officers proceeded further and came up to the clump of plantain trees, when they noticed a large crowd to the west of the plantain trees and also in the maidan to the south of those trees. According to the police witnesses, the crowd had by that time increased to about 2,000 people.

76. When the police officers had proceeded a little to the west of the plantain trees, they were very heavily stoned by the crowd in front, and also by people from the chawls. When they turned round to see if they could go back, they found that their way had been cut off, as a crowd had collected there and they were also throwing stones. As a result of the stones which were thrown at these officers, Sub-Inspector Hakim was hit badly on the cheek-bone, near the eye. The other officers were also hit by stones at different places. Deputy Commissioner Wilson, seeing the gravity of the situation and realising that five officers had been surrounded on all sides by a crowd of 2,000 people, who were throwing stones from a distance of about 10 paces only and were closing in upon the Police party, ordered his officers to fire on the crowd. Sixteen rounds were fired in all; Sub-Inspector Koregaonkar fired six, Sub-Inspector Manglorekar four, and Sergeant Kees six. It was only after these 16 rounds were fired that the crowd which was throwing stones began to recede, run helter-skelter, and ultimately dispersed. The shots were fired mostly in the direction of the David Mill Chawls. The Police officers returned back to the Tulsī Pipe Line in front of the Mill.

77. As a result of this firing, two persons were injured by bullets. One of them died; and the other, who was removed to the K. E. M. Hospital, was discharged after 28 days. Out of the police party. Sub-Inspector Hakim and five armed and one unarmed constables were injured by the stones thrown by the crowd.

78. Deputy Commissioner Wilson and Sub-Inspector Koregaonkar, who was with him all the time, have deposed to the incidents which took place at 8-30 a.m. and also at 10 a.m. All the other police officers concerned with those incidents have given evidence corroborating in all details the evidence about the incidents which took place at 10 o'clock. We have examined several of the armed police constables who were included in the party, as also the unarmed police who were on guard near the foot-bridge. There is some conflict in the evidence of these constables as to where they were at the time of the firing. Two of the armed men stated that all the ten or at least some of them had moved across the foot-bridge to the other side and were near the police officers who fired the shots. Two other armed police constables, on the other hand, stated that all of them had remained on the Tulsī Pipe Line in front of the Elphinstone Mill. In fact, the armed police were not ordered to accompany the officers. Seeing that the officers were going over the foot-bridge to chase the crowd, some of the armed men may have followed in support of the officers while the rest remained at their post.

It appears, however, very clear from the evidence of the police officers that even if some of the armed policemen had followed them and crossed the foot-bridge, they were not near enough to be seen by or to help the police officers, and in the confusion of the moment their presence was not noticed by them. As regards the unarmed constable, he also was not sure of the exact place to which the armed men had moved. It is clear that he was not near the officers who fired the shots but was at some distance. Having regard to the size of the crowd and the general confusion, this policeman might not have noticed the relative position of the others. The conflict of evidence under the circumstances does not appear to be unnatural and is wholly immaterial so far as the main and substantial facts with regard to the firing are concerned.

79. In corroboration of the facts narrated by the police witnesses we had before us the evidence of three independent shop-keepers. In addition, two officers of the Elphinstone Mill also gave evidence about the conduct of the crowd. The first Mill officer whom we examined was in charge of all the Sassoon group mills. He stated that he received a telephone communication from the David Mills to the effect that a crowd had gathered there and was throwing stones at the Mill premises and that the situation there had become such as to cause anxiety. He thereupon proceeded to the DeLisle Road Police Station to ask for police help and saw the Commissioner of Police. There he found the time-keeper of the Elphinstone Mill reporting that the situation at the Elphinstone Mill was much worse. The Commissioner of Police thereupon sent Mr. Wilson, the Deputy Commissioner, along with the Mill officer to the Elphinstone Mill. Mr. Wilson was accompanied by Sub-Inspector Koregaonkar. This was at about 8-30 a.m., and we have already dealt with what happened at that hour. The same Mill officer further deposed to his going a second time to the DeLisle Road Police Station for police reinforcements at the suggestion of Sergeant Kees at about 10 o'clock and how Deputy Commissioner Wilson was asked by the Commissioner of Police to go to the Elphinstone Mill again. He further stated that he remained in front of the Mill near the corrugated iron sheet fence when Deputy Commissioner Wilson and the other officers drove the crowd across the foot-bridge and chased them up to the David Mill chawls and that he saw what happened up to the time of the firing and the dispersal of the crowd. He corroborated the evidence of the police officers as to what took place when they were surrounded and the firing was resorted to and was definite that the officers fired in self-defence.

80. The second Mill officer whom we examined was employed in the Elphinstone Mill. He also deposed to the incident which took place at 8 a.m. and the driving back of the crowd which had broken through the corrugated iron sheet fencing. He deposed in detail to the throwing of stones and stated that one jobber was seriously hurt. He deposed to the second attack of the strikers at 10 a.m. and also to the pelting of stones from the direction of the David Mill chawls. He heard the firing. He stated that 17 mill employees were injured by the stone-throwing

resorted to by the crowd. One sizing jobber was seriously hurt and sent to the hospital and did not resume work till several days later.

81. As regards the three independent witnesses, one was an Irani shop-keeper. He had his shop at the corner where the drainage channel crosses the Elphinstone Road and the Sayam Road. He deposed to the throwing of stones by the crowd on the Elphinstone Mill at 8 a.m., and he saw the crowd being moved from the Tulsi Pipe Line across the foot-bridge, over the sluice, to the David Mill chawls. He also stated that thereafter the crowd had started swelling and it threw stones at the sergeant and the armed policemen who were stationed on the Tulsi Pipe Line. He also deposed to the arrival of the police officers at about 10 a.m. and the way in which the crowd was driven back and the throwing of stones from all sides by the crowd on the police officers. His shop was also stoned from the municipal chawls in the rear. The second witness was a butter shop-keeper on the Elphinstone Road near the *pucca* bridge. He deposed to the collection of a crowd of about 500 people at about 8-30 a.m. near the Elphinstone Mill and the arrival of the police. He also deposed to Sergeant Kees and the police being stationed on the side of the Elphinstone Mill. He further deposed to his having seen the firing by the police later on. The third witness was an employee in a bidi shop on the Elphinstone Road near the *pucca* bridge. He deposed to the unruly conduct of the crowd at about 8-30 a.m. when 500 to 600 strikers collected on the Tulsi Pipe Line and broke the fencing of the Elphinstone Mill compound. He deposed to the incidents which resulted in the firing at about 10-30 a.m. in great detail. He corroborated the statements of the police officers in all material respects. The Irani shop-keeper and the employee in the bidi shop impressed us particularly as truthful witnesses. We have been to the premises ourselves and have verified that the three independent witnesses could have seen what they deposed to from the places they stated they were at on the morning of the 7th November.

82. The police officers were questioned why the armed policemen were not ordered to chase away the crowd, and it was pointed out that they could not use their muskets as lathis or sticks. It was suggested by the Commissioner of Police that armed policemen might have warned the crowd which was across the drainage channel to disperse and shown their readiness to fire if their order was disobeyed. It was further stated by him that if the order was disobeyed, they would have had to follow up the order and shoot; otherwise, the consequences would have been very serious. He also pointed out that if they had been forced to shoot the casualties would have been more numerous because a musket has naturally a longer range.

83. On the whole evidence before us, there can be no question that the crowd had not gathered near the Mill for a peaceful purpose and that it cannot be said to have been unarmed inasmuch as it made free use of the stones which were lying about in large numbers. There was no occasion for such a large crowd to gather near the Mill a second time

after the interval of about an hour. They were not holding a meeting nor were they going in procession to demonstrate peacefully against the passing of the Industrial Disputes Bill. Further proof of the intention and readiness of the crowd to cause serious injury and damage is afforded by the fact that large stones were thrown into the Mill premises from a considerable distance, which could have been done only by means of slings which the persons in the crowd must have carried. The evidence of the police officers, the three independent witnesses and the two officers of the Mill leaves no doubt in our minds that the police officers were faced with and surrounded by an angry crowd of about 2,000 in a violent and defiant mood.

84. We have also no hesitation in holding that the police officers adopted the most reasonable course they could in trying to drive away the crowd by chasing them in the first instance. The officers were surrounded on all sides and found that the crowd more particularly from the side of the David Mill chawls was throwing stones at them. Their retreat was completely cut off as they found a crowd had gathered behind them on the side of the plantain trees and the drainage channel and that it was also throwing stones at them. The fact that 16 rounds had to be fired before the crowd dispersed shows that it was in a defiant mood and wanted to overpower the officers. In our opinion, the firing resorted to by the police was entirely in self-defence, and if they had not done so, they would have been in imminent danger of their lives. The attitude and actions of the crowd were solely responsible for the firing. We are of opinion that the ultimate responsibility for the disturbance at the Elphinstone Mill, which resulted in firing and consequent casualties, must rest on the members of the Council of Action, who, by their intensive propaganda, invited the illiterate workers to resort to violence to make the strike a success.

85. The second place where firing was resorted to by the police was near the Spring Mills. It may be useful first to visualise the location and surroundings of the Spring Mills. The main gate of the Spring Mills is on Naigaum Road. The mill occupies a very large area; it has a large compound and the principal mill buildings are situated well inside the compound. The main gate of the mill is on the Naigaum Road. In addition to this gate, which is normally used by the officers alone, there is a side gate at the end of a lane which meets the Naigaum Road 200 yards to the north. The workers ordinarily use this side gate. Between the main gate and the entrance to the lane there are certain staff quarters. Coming out of the side gate of the mill, one passes the compound wall and then on the right-hand side is an open space of ground almost triangular in shape. Beyond this open plot of land, on the east, are some fields. Near the entrance to the lane there is a small soap factory. On the opposite side of the lane entrance on the Naigaum Road there is a Hindu temple of Maruti and adjoining that is a piece of open ground about 60 feet by 35 feet. At the further corner of that plot, there is an opening through which people can pass along a foot-path and reach the Naigaum

Cross Road from behind the municipal huts. To the north of that plot and on the west side of the Naigaum Road are Bombay Development chawls, with open spaces between them. Further up towards the north, the Naigaum Cross Road meets the Naigaum Road. At the junction of Naigaum Road and Naigaum Cross Road there is a small maidan about 100 feet by 140 feet. Proceeding on to the Naigaum Cross Road from the Naigaum Road, there are on the left municipal sheds and between them and the Bombay Development Department chawls there is also an open piece of land. Beyond the municipal huts there is a large plot of land about 250 feet by 190 feet, which was then an open area on which some excavation work was going on. Beyond that are small chawls which are known as Patra chawls. On the right-hand side of the Naigaum Cross Road there are a few small buildings and beyond that is the Kohinoor Mill compound. The Kohinoor Mill has two gates, one a small gate which is opposite the junction of Naigaum Cross Road and another road which runs at right angles to it by the Patra chawl, and the other, the main gate, about 210 feet further on on the Naigaum Cross Road. Opposite the main gate, on the other side of the road, there are buildings, in one of which is a shop of a gram dealer, who gave evidence before us. The Naigaum Cross Road meets the Vincent Road about 100 yards further on. The cross road running at right angles opposite the smaller gate of the Kohinoor Mill passes along the western side of the Patra chawls and the Kohinoor Mill chawls and later on joins the Morbaug Road. Off this road a *kutch*a road runs east between the Patra chawls and the Kohinoor Mill chawls and from the eastern corner of the Kohinoor Mill chawls turns sharply southwards and ultimately meets the Morbaug Road. The Morbaug Road is almost opposite the main gate of the Spring Mills and runs at right angles to the Naigaum Road on the western side thereof. Proceeding from the main gate of the Spring Mill on the Morbaug Road there is an open plot of land on the right, where vegetables are grown. Then there is the compound of the Convent of Jesus and Mary. Beyond that there is another small plot of land, and then comes the *kutch*a road which passes by the Kohinoor Mill chawls, as mentioned above. On the left-hand side of the Morbaug Road there is a large open plot, on which there are two small buildings. One is at the corner of the Naigaum Road and Morbaug Road and the other, a corrugated iron shed, a little further down. On the west of this open ground is a road leading off the Morbaug Road. On the other side of this road and at a distance of about 100 yards from the main gate of the Spring Mill, is a Y.M.C.A. hut, surrounded on all sides by open ground. It is used as a gymnasium principally by persons belonging to the Depressed Classes. Beyond that is the continuation of the *kutch*a road, and then there are five Bombay Development Department chawls occupied by mill workers. These chawls face the Kohinoor Mill chawls across the Morbaug Road. On the east side of the Spring Mill compound there is the Sewri Cross Road. There is a high brick wall enclosing the compound of the Spring Mill. It will thus be seen that the Spring Mill is very well located and difficult to assail.

86. On the 7th of November the Spring Mill began to work as usual with full complement, and there was no disturbance except some picketing in the morning, which was not effective. At about 4 p.m. some stone-throwing was resorted to from the Sewri Cross Road side, but that did not affect the working of the mill, as the main buildings were far away from that road. At about 6 o'clock in the evening the mill closed. Many of the workers were apprehensive that the strikers might attack them on leaving the Mill premises because they had worked the whole day. The Mill officers thought that it was their duty to escort the workers in order that they might reach their homes in safety. They therefore assembled all these workers together and led them out of the Mill premises by the side gate with about 20 Mill clerks and officers at their head. They passed through the side lane and reached the Naigaum Road in front of the Maruti temple. At that time the police force in that area was distributed as follows. There was a party of ten unarmed men near the main gate of the Spring Mill. In front of the Maruti temple, on the Naigaum Road, there was a party of Sergeant Waller and ten armed men. At the junction of Naigaum Road and Naigaum Cross Road there was Sergeant Hallam, who had posted five unarmed men at that junction and had spread out other five unarmed men, including a Havaladar, along the Naigaum Cross Road between the junction of the Naigaum Road and the Naigaum Cross Road and the first gate of the Kohinoor Mill. Sergeant Hallam himself also appears to have been moving about on that road. There was no police party at any point on the Morbaug Road within a distance of about 300 yards from the main gate of the Spring Mill. When the mill workers came out of the side lane, they were faced by a crowd which had collected on the open plot of land near the Maruti temple. Sergeant Waller had spread out his armed men along the west side of Naigaum Main Road. The evidence of Sergeant Waller is that when this procession of workers came out of the lane and had proceeded some distance along Naigaum Road, stones were thrown at them by that crowd. The head of the workers' procession led by the senior Mill officer had by then turned into and proceeded a few yards along the Naigaum Cross Road when they were heavily stoned from the front. The senior Mill officer, therefore, could not notice the stone-throwing by the crowd near the Maruti temple, and Sergeant Waller could not see the stone-throwing at the officer and the workers on the Naigaum Cross Road.

87. Thus there was stone-throwing on the workers both on Naigaum Road and on Naigaum Cross Road. In consequence great confusion prevailed and the Mill officers and workers ran helter-skelter in different directions, some back towards the side lane, some further up on the Naigaum Cross Road, and some further north on the Naigaum Road in the direction of Wadala. A small number of them took shelter in the houses on the right-hand side of the road, and some in the firewood depot on the left. The majority of the workers and the senior Mill officer turned back and entered the side lane with a view to reach and seek safety in the Mill compound. When they had proceeded a few

paces up the lane, a crowd that had collected on the triangular open plot of land next to the soap factory and on the fields behind began to throw stones heavily on them and made it impossible for them to reach the side gate. The Mill officer sought the aid of Sergeant Waller, who at once came to the spot with five armed men. He ordered the crowd to disperse, but that only resulted in increasing the stone-throwing. One of his men was hit on the head, and several workers were injured. He thereupon directed one of his men to fire one round, and that was accordingly done. Apparently no one was injured, but the crowd ceased throwing stones. The workers with their officers then ran into the Mill compound through the side gate.

88. The evidence of Sergeant Waller is substantially corroborated by the Mill officer who escorted the workers out of the Mill and by the police constable who fired the one round at the crowd. From the evidence it is quite clear that the one shot was fired under the orders of Sergeant Waller in defence of the workers, whose position had become dangerous by reason of the throwing of stones on them when they were crowded in the narrow side lane and could not pass through the barrage of stones on to the side gate. It was only as a result of the firing of the shot that the crowd stopped throwing stones, which enabled the workers to reach the side gate of the Mill in safety.

89. There is evidence to show that some workers who had proceeded along the Naigaum Road towards the north in the direction of Wadala were molested and some of them were hurt by stones, but they managed to get away.

90. In the meanwhile, Sub-Inspector Aga, who was stationed at the junction of Vincent Road and Naigaum Cross Road with 5 unarmed men, heard a whistle being blown on the Naigaum Cross Road from the eastern side. So he ran with his men in that direction, and opposite the Kohinoor Mill gate he met the Havaldar of Sergeant Hallam's party, who had blown the whistle. The Havaldar told Sub-Inspector Aga that there was some stoning going on near the Spring Mill. Sub-Inspector Aga, accompanied by his men and the Havaldar, proceeded further to the east towards the Spring Mill, and on coming near the Patra chawls he saw about 20 or 30 men assaulting workers of the Spring Mill. He ran up to those workers with his men and the Havaldar. As soon as the crowd saw them they ran away. The police party proceeded further, and in the maidan adjoining the Patra chawls they saw about 300 or 400 men armed with stones. As soon as they saw Sub-Inspector Aga and his party they started stoning them severely, and Sub-Inspector Aga and his party could not proceed further. They took shelter at the corner of the Patra chawls and for about ten minutes they tried to keep back the crowd. The stoning, however, was continued violently and some of the stones hit the shed and created a lot of noise, so much so that, as Sub-Inspector Aga stated in his evidence, he could not hear his own voice. Then, stoning suddenly started from the rear. Apparently, a section of the crowd had gone round the chawls and had come on to the rear of the police party from the west side and had started

stoning. Sub-Inspector Aga and his party were thus hemmed in from both sides. All the men in his party were injured. Sub-Inspector Aga himself sustained injuries. The crowd who were stoning them were only about 15 to 20 paces away from them. Sub-Inspector Aga took out his revolver and tried to warn them, but to no effect. He thereupon fired two rounds with his revolver. The section of the crowd which was on the east stopped stoning and ran back. Seeing this opportunity, Sub-Inspector Aga dashed back to the road. He had to pass through the crowd on the road and had to fire two more rounds with his revolver to make his way. The party came out on the road, but two constables were found pinned against the wall of the Kohinoor Mill and were hit and injured by the crowd. Sub-Inspector Aga rushed up to them and fired two more rounds to rescue them from the hands of the crowd, which thereupon let go the two constables. The whole crowd was now in front of the police party. At this time Sub-Inspector Aga saw a Parsi gentleman lying on the ground, surrounded by a crowd. One of the crowd had picked up a big stone to hit the Parsi gentleman. Seeing this, Sub-Inspector Aga fired one more round in his direction. The man thereupon dropped the stone, and Sub-Inspector Aga was able to rescue the Parsi gentleman from the hands of the crowd.

91. In the meantime, information had been received at the Kingsway Police Station by Inspector Sawant that Sub-Inspector Aga and his constables were being stoned by the strikers near the Kohinoor Mill and the situation was very tense. Deputy Inspector Wilkinson was with him at the time. They, with five constables, immediately hurried to the scene. On arrival they found that a Parsi gentleman who was proceeding along Naigaum Cross Road had been stoned and injured and they made arrangements for his removal to a hospital. Sub-Inspector Aga also reported to Inspector Sawant that he had to resort to firing to save himself, the constables and a Parsi gentleman. At that time Sergeant Hallam also arrived there, and stones were thrown at the party. Inspector Sawant narrowly escaped being hit. After a few minutes Deputy Inspector Scott of the Bhoiwada Police Station, who had been sent on patrol duty to see the situation near the Spring Mills, came and informed them that while he was coming along Naigaum Cross Road his lorry had been stoned. Inspector Sawant asked Deputy Inspector Scott to inform the superior officers about what had happened.

92. The evidence of Sub-Inspector Aga is corroborated by the police constables who were with him and by the evidence of two independent witnesses. The first was a hawker of grams whose cart was looted earlier in the day and who had come at about 4 p.m. to the shop from which he used to buy grams and which shop is in the building opposite the main gate of the Kohinoor Mill. While he was there he saw on the Naigaum Cross Road the crowd stoning mill workers who were coming along that road. He saw a police officer running from the side of Vincent Road and with the police constables taking shelter near the Patra chawls. He also deposed to the heavy stoning of the police party

by the crowd near the Patra chawls and corroborated the evidence of Sub-Inspector Aga that the firing resorted to by him was in self-defence. This hawker impressed us as a truthful witness. The shopkeeper himself gave evidence. He said that his shop was looted by the crowd and he was, therefore, terrified and hid himself in the loft. From there he could see portions of the Naigaum Cross Road and he has deposed that he saw the stone-throwing by the crowd. To that extent he corroborates the evidence of Sub-Inspector Aga and the other police constables.

93. On the evidence, we are of the opinion that all the shots fired by Sub-Inspector Aga were in self-defence and for the protection of his police party and the Parsi gentleman who was also in danger of his life. The defiant and threatening attitude of the crowd is quite clear from the fact that in spite of the rounds fired by Sub-Inspector Aga, they did not disperse and continued to throw stones. It was only after reinforcements arrived that the crowd dispersed. There is no evidence before us to show whether any and, if so, how many persons were injured as a result of this firing. The whole incident took place between 6 and 6-30 p.m.

94. About 7 o'clock it became quite dark. The mill operatives who had been brought back to the Spring Mill compound could not leave as it was not considered safe for them to do so. They had collected in the compound a little inside near the main gate. At this time it appears that a large crowd came along the Morbaug Road. They rushed at the unarmed police who were standing in front of the main gate and threw stones at them. The constables blew whistles for help, hearing which Sergeant Waller, who was standing at the junction of the lane and Naigaum Main Road, rushed towards the main gate with five of his armed men, leaving the other five near the Maruti temple. When he was at a distance of about 40 yards from the police party he saw that the crowd was throwing stones and that the police were in grave danger. Seeing the armed men coming, the crowd receded on the Morbaug Road, but intensified their stone-throwing. So, Sergeant Waller turned right into the Morbaug Road with five of his armed men, all walking abreast. They walked up towards the crowd, who fell back but continued to throw stones. Sergeant Waller thus drove them up to the Y. M. C. A. hut, when the crowd instead of receding further began advancing upon the police party. When they came within a distance of about 30 yards Sergeant Waller and his men shouted out to them to stop throwing stones and disperse. As the crowd did not take any notice of the order and continued throwing stones and advancing on the police party, Sergeant Waller fired six rounds with his revolver at the crowd. The crowd was checked but for only a few seconds. Apparently, the firing had no effect on the crowd and they recommenced advancing on Sergeant Waller and his men in a threatening and angry manner. Sergeant Waller and his men were forced to go backwards and did so to a distance of about 35 yards. Sergeant Waller could not retreat further without great danger to his men. He, therefore, ordered five of the

armed men to fire one round each in succession with a view to stop the angry crowd. The firing lasted for about two minutes. The crowd retreated about 80 yards or so down to the crossing of the Morbaug Road and the *kachha* road and then divided itself. A section went over to the open ground surrounding the Convent of Jesus and Mary. Another section went into the open space near the Y. M. C. A. hut and a few entered the hut. The bulk of the crowd remained in front of Sergeant Waller and again advanced towards the police party. The stone-throwing went on from all the three sides. The crowd in front advanced within about 40 or 50 yards of the police party. Sergeant Waller then again fired six rounds at them with his revolver. That did not check the crowd which appeared to be more infuriated. Sergeant Waller then ordered three of his armed men to fire. They fired three rounds when Sergeant Waller heard whistles coming from the direction of Kohinoor Mill chawls lower down on the Morbaug Road and saw from a distance some officers running across the *kachha* road with about 20 or 30 policemen. He ordered his men to cease firing and shouted to the officers who came along. The crowd then dispersed.

95. It appears that some time prior to this, these officers and men had been sent under the orders of the Commissioner of Police, to relieve the situation near the Spring Mills, as a result of information given by Deputy Inspector Scott. The first party consisted of Inspector Raje, Sergeant Fergusson and a posse of armed men. They met Inspector Sawant near the Kohinoor Mill. Another party of unarmed men also arrived there in a motor lorry. These police officers and men then started chasing the crowd which had collected in front of the Patra chawls and on the cross road starting in front of the small gate of the Kohinoor Mill and which was throwing stones. The police party tried to comb the Kohinoor Mill chawl area, and came on to the *kachha* road which skirts round the Kohinoor Mill chawls. At that time Sergeant Fergusson, who was in front of this police party, was about 30 yards away from the junction of that road and Morbaug Road. At the corner he saw a group of people. One stone hit him on his wrist with such force that his revolver slipped from his fingers. He then turned round to see where the stone came from, and saw that a man had raised his hands to throw a big tile at him. Sergeant Fergusson took out his revolver and fired one round in that direction. The man threw the tile, but it did not hurt any one. Nor was any one hurt by the firing. But the group of people ran away. In crossing the fields, Inspector Raje struck a stone, fell down and was hurt. He was removed to the compound of the Kohinoor Mill, where he was treated. The party then heard firing from the direction of the Spring Mill gate on the Morbaug Road. Thereupon, they blew whistles to draw the attention of the firing party that police help was coming from that direction. The crowd also saw these officers and men and dispersed as stated above. When the road was cleared, the police party went round the whole area, and they found a man seated on the verandah of a shop on the cross road which starts opposite the small gate of the Kohinoor Mill.

He had been hit by a bullet. He was removed to a hospital and ultimately died.

96. Sergeant Waller has given evidence in detail before us as to the circumstances under which he had to resort to firing. His evidence has been corroborated by the five armed police constables who were with him at the time of firing and the unarmed men who were stationed in front of the main gate of the Spring Mills at the time. The senior Mill officer has also corroborated the evidence of Sergeant Waller as to the situation in front of the main gate at about 7 p.m. Sergeant Waller and the five armed men who followed him were all stoned and hurt; they all pointed out the different places where they had been hit by stones. The unarmed men stationed before the main gate were also hurt. In the firing which took place near the Spring Mill main gate and near the Patra chawls, 11 persons were injured by bullet wounds. One of them, as stated above, ultimately died. We called two persons who were injured by bullets in order to find out if they could depose to the circumstances in which the firing took place. They were unable to depose to those facts, as it was dark, raining and the lighting was poor, and they were at a considerable distance away from the spot where the police officers had to resort to firing.

97. The evidence of all these police officers and men is consistent and clear and without any material discrepancies. Their evidence clearly shows that at 7-15 p.m., Sergeant Waller and his five armed men were so situated that without resorting to firing they could not have saved the situation. In the first place, assistance had to be rendered to the unarmed police who were stationed in front of the main gate and who were faced by a large and violent crowd which appeared to be bent upon storming the main gate and rushing into the mill compound. The arrival of Sergeant Waller and the five armed policemen caused the crowd to recede only a short distance.

98. The facts as narrated hereinbefore clearly show that the object of the crowd which attacked the main gate of the Spring Mills at about 7 p.m. and which threw stones at Sergeant Waller and his armed men persistently was to cause serious injury to them and ultimately to overpower them. The crowd appeared to be infuriated by the fact that the Spring Mills had worked with a full complement the whole day and desired to wreak revenge on the workers and cause damage to the mills. They were in such a defiant mood that they did not pay any heed to the firing by the small party with Sergeant Waller, and but for the arrival of large reinforcements they would undoubtedly have overpowered Sergeant Waller and his men. The crowd had no business whatsoever to gather near the Spring Mills at that late hour and their object was certainly not the pursuit of a peaceful purpose. There is no doubt in our mind, on the whole evidence, that if Sergeant Waller and his men had faltered or hesitated when the crowd made them retreat 35 yards or so or had further retreated in face of the crowd, the result would have been very disastrous: not only would Sergeant Waller and his men have been overpowered, but the mill would have been damaged and the workers

therein very seriously injured. Under very trying circumstances Sergeant Waller acted with considerable restraint and forbearance and resorted to firing only when there was no other way to meet the ugly situation. The firing was due entirely to the defiant mood of the crowd which was prepared to go to any length in attaining its object of wreaking revenge on the workers of the Spring Mills. We are further of opinion that the defiant attitude and the violent action of the crowd were entirely due to their having been incited and inflamed by the speeches and writings of, and the propaganda carried on by, the members of the Council of Action. The workers were given to understand that they should by all means in their power assert the rule of workers on that particular day, that the orders of the police should not be obeyed, even if accompanied by threats of firing and that no workers should be allowed to work on that day. It appears that the strikers felt that the workers of the Spring Mills had flouted the mandate of their leaders and that dire punishment should be meted out to them for doing so.

99. The shot fired by Sergeant Fergusson did not cause any harm, and having regard to the circumstances we are unable to attach any blame to him for having fired it.

100. After the oral evidence was concluded at about 1 p.m. on Wednesday, the 11th January 1939, we made a public announcement that the Committee had closed the taking of evidence. This fact was published in all the English and vernacular newspapers the same evening. We then started discussing the lines on which the report was to be made, and continued the discussion on the morning of Thursday, the 12th January. We started drafting the report on the afternoon of the same day. While we were engaged in drafting the report, two letters, both dated the 12th January and addressed to the Chairman of the Committee, were brought to the Secretary. One was from Dr. Ambedkar, and the other from Mr. D. G. Jadhav of the Independent Labour Party, Khandesh. In his letter Dr. Ambedkar intimated his desire to cross-examine some of the witnesses who had been orally examined by us, and enquired if the Committee was willing to recall them. He intimated that if the Committee was agreeable, he would give the names of the persons he wanted to be recalled. In his letter Mr. Jadhav stated that he was under the impression that as he was a member of the Legislative Assembly and had been hurt, the police would put before the Committee his name as of a person who was conversant with the incident, and that he would be called to give evidence. As he did not receive any intimation asking him to appear before the Committee, he came down to Bombay on the 5th January, and thereafter had been enquiring about the ways and means of approaching the Committee so that his evidence might be taken. Not being able to find out the ways and means, he had addressed the letter to the Chairman of the Committee.

101. We considered both the letters. In our opinion, the desire to cross-examine witnesses shown by Dr. Ambedkar in his letter was not *bona fide*. After we settled the questionnaire, a copy of it was sent to Dr. Ambedkar. He did not send any reply to the same and took no

notice of it. The fact that the Committee was going to take oral evidence from the 3rd January was published in the Press. From the newspaper reports of Dr. Ambedkar's speech at a rally of the Independent Labour Party volunteers held on Sunday, the 8th January, it appears that he made certain observations in respect of the evidence given by several witnesses before us. This shows that he had followed the newspaper reports of the evidence keenly and in detail. The evidence led before us clearly shows that Dr. Ambedkar played a prominent part in organising the strike and was aware of the causes which led to the disturbances. In spite of this, he took no steps to appear before the Committee or to offer to give evidence. The fact that he chose to write this letter after we had intimated publicly that the taking of evidence had come to an end, and after that intimation had been published in all the newspapers, shows very clearly that the motive behind this letter was not a genuine desire to cross-examine witnesses with a view to help the Committee in eliciting the facts but to hamper the work of the Committee and protract its proceedings.

102. The fact that Mr. Jadhav's letter came along with Dr. Ambedkar's is also significant. It is difficult for us to believe that a member of the Legislative Assembly could not ascertain how he could go to the Committee and offer his evidence. He had merely to write to the Secretary or appear before the Committee and state: "I am aware of the facts; I want to be examined." The fact that this letter also came after the public announcement made by us that the evidence had closed, suggests that the underlying motive in this case also was to protract the work of the Committee. If we had acceded to the request of either of these persons, we might have been obliged to recall most of the witnesses and ask them questions in respect of the evidence given by these two persons, or, if they had chosen to lead further evidence, in respect of the evidence thus led. That would have meant the reopening of the whole inquiry and the waste of time and labour so far expended. In our opinion, having regard to the overwhelming documentary and oral evidence which was led before us, and the trend of which must have been known all along to Dr. Ambedkar and the members of his Party, they studiously refrained from coming anywhere near the Committee for reasons which are best known to themselves. This belated application on their part after knowing that the Committee had closed taking evidence, was evidently an attempt to create evidence on which they could base their grievance that the Committee had declined to hear all shades of opinion. We, therefore, declined to accede to their request.

(Signed) H. J. KANIA

(Signed) V. F. TARAPOREWALA.

(Signed) M. C. CHAGLA.

25th January 1939.

APPENDIX A.

QUESTIONNAIRE

- 1 What was the origin of the disturbances which took place on 7th November 1938 ?
- 2 What was the immediate cause of the disturbances on that day ?
- 3 Was the strike of 7th November 1938 responsible for or connected with the disturbances ? If so, how far ?
- 4 Were the disturbances due to the action of the strikers ? If so, to what extent ?
5. Were any persons or bodies other than strikers instrumental in bringing about the disturbances ? If so, how far ?
- 6 On or before the 7th November 1938 what incidents did you see which led to the disturbances of the 7th November ?
- 7 What was the nature and extent of the disturbances which took place on 7th November ? Give full details of the incidents which you saw.
8. How many persons were injured during the disturbances and what was the nature of the injuries ?
9. What was the extent of the damage to property, if any, caused during the disturbances ? Give details.
10. What precautionary measures, if any, were taken by the authorities to prevent any disturbance ?
11. What criticism, if any, have you to make in respect of the precautionary measures taken by the authorities ?
- 12 What action, if any, was taken by the authorities during the strike to prevent or check any disturbance ?
13. What action was taken by the authorities to put down the disturbances which took place on 7th November ?
- 14 What criticism, if any, have you to make in respect of the action taken by the authorities on 7th November ?

APPENDIX B.

LIST OF BODIES AND PERSONS WHO SENT REPLIES TO THE QUESTIONNAIRE

The General Secretary, Girm Kamgar Union, Bombay

The Secretary, Millowners' Association, Bombay

The General Secretary, Bombay Provincial Congress Committee, Bombay

The Secretary, "G" Ward District Congress Committee, Bombay.

The Secretary, Bombay Kamgar Sangh.

The Honorary Managing Secretary, Bombay Grain Dealers' Association

The Bombay Electric Supply and Tramways Co. Ltd.

The Secretary to Government, Home Department

The Commissioner of Police, Bombay.

The Sheriff of Bombay

Mr. G. H. Cooke, M L A.

Mr. Fred J. Curmon, M L A.

Mr. J. P. Joshi, M L A

Mr. D. N. Wandrickar, M L A

Mr. A. Mazarello

Mr. G. G. Pednekar.

Mr. B. V. Warerkar.

Swami Anand, Director and Trustee, Gandhi Ashram, Thana

38 Mill-workers

21 Grain Dealers

43 Other persons

APPENDIX C,

LIST OF WITNESSES EXAMINED BY THE COMMITTEE.

The General Secretary, Girm Kamgar Union.

The Secretary, Bombay Kamgar Sangh.

The General Secretary, Bombay Provincial Congress Committee.

The Secretary, "G" Ward District Congress Committee.

The Honorary Joint Secretary, Bombay Grain Dealers' Association.

Representatives of the Millowners' Association, Bombay.

5 Mill Officers.

The Secretary to Government, Home Department.

The Commissioner of Police, Bombay.

Mr. J. P. Joshi, M.L.A.

Mr. D. N. Wandtekar, M.L.A.

Mr. A. Mazarello

Mr. G. G. Pednekar.

Mr. B. V. Warerkar

Mr. Rustomji Framji, retired Engineer.

9 Members of the staff of the Bombay Electric Supply and Tramways Company Ltd.

11 Grain Dealers

2 Restaurant-keepers.

3 Shop-keepers.

32 Mill-workers.

46 Police Officers.

8 Other persons.

130



Government of Bombay
Excise Department

A Review of the Progress of the
Rural Dry Area Schemes in the
Province of Bombay,

For the quarter ended 30th September 1938

[Price: Anna 1]

BOMBAY

PRINTED AT THE GOVERNMENT CENTRAL PRESS

1938

Obtainable from (1) the Collectors of (a) Breach and Panah Mahals, (b) Anandnagar, (c) Kauras; (2) the Chief Account Officer of Excise, Bombay; and (3) the Superintendent, Government Printing and Stationery, Bombay.

A QUARTERLY REVIEW OF THE PROGRESS OF THE RURAL DRY AREA SCHEMES IN THE PROVINCE OF BOMBAY (FOR THE QUARTER ENDED 30TH SEPTEMBER 1938).

A review of the Rural Dry Area Schemes in the Province of Bombay for the months of April, May and June has already been published and the present review covers the period of three months ending September 1938. It is not necessary to recapitulate all the details regarding the areas to which the schemes apply, or the regulations about import, transport or possession of various kinds of liquor and drugs. It will be recollected that the scheme affects the talukas of Jambusar and Wagra in the Broach and Panch Mahals District, of Newasa and Shevgaon with Pathardi Mahal in the Ahmednagar District, and of Ankola and Kumta in the Kanara District.

The principles of the scheme are that in these areas no licenses are given for the sale of intoxicants, while their import into and possession within these areas is permitted only in very restricted quantities. For instance under the Government Notifications published on 12th July 1938, no one is permitted to import or to possess more than one bottle of country or foreign spirit, or three bottles of toddy or wine, or four bottles of beer.

During the period July to September the progress of the schemes has been well maintained, and far fewer difficulties in administration have been experienced than might have been anticipated.

Owing to the varied characteristics of the three areas chosen, it is perhaps desirable to review the work in each area separately.

(1) Jambusar and Wagra Talukas of the Broach and Panch Mahals District

It may be said that the prohibition of liquor is effective in this area, though there are in a slight degree two exceptions to this. The first is in the north-east part of the Jambusar Taluka where mhowra trees are frequent and where there is a tradition of illicit distillation. A certain number of cases had been detected on this side, but latterly such are few,

and the posting of an Excise Out-post at Veddach is reported to have had a good effect. A case was detected in which a cart-load of distilling material was attached, and the suspect apparently was preparing to start illicit distillation of mhowra liquor on a semi-commercial scale for import into Jambusar town. There now is no reason to think that any such enterprise is in progress or would be likely to succeed.

The other exception has been the activities in Jambusar town of a gang which organised import of liquor, especially from Pipalia shop in Broach Taluka, for supply to approved local customers. The modus operandi appears to have been for one of the organisers to proceed to Pipalia with a Waghri servant or agent, who made his way back to Jambusar with the liquor on foot by bye-roads, while the master returned innocuously by train. It is obviously difficult to deal effectively with such organised effort without a large Excise staff, but since one agent was apprehended near Amod with a suit-case containing 20 pints of spiced liquor, and since one of the principal organisers fell into the custody of the Police over some other matter, matters have much improved. It may be noted that searches in Jambusar town appear to indicate that liquor was consumed as soon as received, and that customers were unwilling to keep liquor in their houses, for fear partly of the Excise Department and partly of local public opinion.

In Wagra and on the eastern side of Jambusar practically no liquor seems to be now drunk, and even its use on occasions of ceremonies and festivals has ceased. It must, however, be noted that this area was not in the past a very heavy drinking one.

As regards drugs, consumption of opium has been habitual in these talukas and up to the end of the quarter under review 467 permits for consumption of opium and 97 permits for consumption of hemp drugs were issued. All the reports received, however, indicate that many persons addicted to the consumption of drugs are curtailing their consumption in order to free themselves of the habit, and it is reported that in the Jambusar Taluka 5 opium permits and 11 hemp drugs permits have been returned by addicts as no longer required, stating that they have given up consumption of the drugs. Similarly some permits have been returned in Wagra. This may be taken as a definitely satisfactory sign, as there are no indications of any appreciable quantities of the opium and hemp being imported from elsewhere.

Some attempts at smuggling hemp drugs have been made, but since a smuggler, seeing Excise activities on the platform, deserted a bag containing 12 tolas of charas in the train at Jambusar Station, and was thereafter rapidly traced by the laundry mark on a garment he had left with the bag, and apprehended, such smuggling appears to have largely stopped.

There has been little assistance given to the Excise Department by the public and little organised activity on the part of Temperance or other Associations, but it is hoped that, with the dry weather, the local Committee at Jambusar will be able to move out to do propaganda among the villages.

The sales at the country spirit shops on the border of this Dry Area during the period under review were 250 proof gallons as compared with 437 proof gallons sold during the first quarter, April to June, and with 849 proof gallons sold at the border shops and at shops within these talukas during the second quarter, July to September, of last year. These figures indicate a reduction of about 43 per cent. in the consumption of country liquor in this quarter compared with the first three months of the experiment and of 75 per cent. compared with that of last year. The comparison is not of course exact as probably some of the previous custom has been transferred to shops in Baroda State, for which no figures are available, but the improvement seems definite. The sales of ganja, bhang and opium at the border shops and shops at the taluka headquarters were 18 seers of ganja, about 1 seer of bhang and 29 seers of opium as compared with 15 seers of ganja, 1 seer of bhang and 30 seers of opium during the first quarter of this year, and 34 seers of ganja, 3 seers of bhang and 81 seers of opium at the taluka and border shops during the second quarter of 1937-38.

The number of cases detected during the second quarter of the year have been contrasted below with those detected during the first quarter of this year and second quarter of the last year :—

—	Illicit distillation.	Illicit Import	Others	Opium	Total.
July-September 1938 ..	6	3	5	..	14
April-June 1938 ..	1	6		14	21
July-September 1937 ..	8	..			8

From the reports of local Officers it appears that the experiment is definitely welcomed by the great majority of inhabitants, who are in favour of the stopping of consumption of drink and of drugs. It is not yet however possible to say whether any appreciable economic improvement has resulted.

*(2) Newasa and Shevgaon Talukas with Pathardi Mahal
of the Ahmednagar District.*

This area has never consumed any very large quantity of liquor and, as stated in the last review, it seems clear that prohibition of liquor is quite effective. Though a bottle of country liquor may lawfully be brought in by anyone for his own use, and though perhaps an occasional cleaner on a motor bus may bring a bottle to sell on the quiet, very little appears to be so imported, and there is no indication that either import or consumption is more than negligible. In view of the small quantity of liquor consumed in the past, the cessation of consumption in this area can have made little difference to the economic condition of the inhabitants.

As regards drugs the position is different. There always has been a fair quantity of hemp drug smoking in this area, and during the quarter under review 29 permits for consumption of hemp drugs on medical certificate were issued, bringing the total number of the permits up to the end of the quarter to 118. Whereas in the past consumers from His Exalted Highness the Nizam's State have been accustomed to obtain their supplies from British territory, as the quality of the drugs was better, now consumers in British territory who do not take out permits for consumption, purchase their supplies from the shops across the State border. Such purchase within the legal limits seems to be found by addicts less troublesome and less expensive than visiting the taluka headquarter town to obtain a permit and then buying the drug in prescribed quantities at a higher price. The consumption by non-permit holders is however on a comparatively small scale and largely surreptitious. Such consumption need not be regarded as a serious problem, and, so long as the drugs are available across the border, it is almost impossible in a sparsely populated area entirely to prevent it. It may be anticipated however with the increased difficulty of supply and the gradual demise of the older addicts, hemp drug consumption will certainly decrease in the future.

As regards opium there seems no doubt that its administration to infants, which was very prevalent in this tract, has now been very largely stopped. Enquiries show that, though the local inhabitants were at first disturbed at the physiological effects of the sudden stoppage of the drug on infants accustomed to it, they now generally recognise that the practice was not of benefit to the children, and, though a certain amount of opium is brought in from outside and its administration to children has not entirely ceased, yet Government's action in stopping its sale is on the whole appreciated by the inhabitants, including the women-folk.

On the other hand, opium smoking is, in a small degree, prevalent in parts of this area and will need watching. At Budhegaon, an assembly of seven persons of whom three were permit holders, was discovered smoking opium, while a brother of the house-owner had gone to Nizam's State for further supply. This latter individual returned while the house was under search and attempted to assault the Excise Officer with an axe. It is probable, however, that the administration of the Opium Smoking Act which was put into force from 3rd June 1938 will deal with this problem.

The total sales at the country spirit shops on the border of this Rural Dry Area from 1st July to 30th September were 210 proof gallons against (i) 214 proof gallons during the first quarter of this year and (ii) 253 proof gallons at the border shops and shops within the talukas during the corresponding period of the preceding year. The sales of drugs (including opium) at the border and taluka headquarter shops during the period under review were about 60 seers of ganja, 5 seers of bhang and 28 seers of opium as compared with 51 seers of ganja, 9 seers of bhang and 24 seers of opium during the last quarter of the year and 119 seers of ganja, 5 seers of bhang and 77 seers of opium at the border and taluka shops during the corresponding period of the preceding year.

The number of cases detected during this and the previous quarter of the year are contrasted below:—

	Liquor cases.		Drugs cases.		
	Illicit Importation	Others.	Hemp drugs.	Opium.	Total.
July-September 1938	1	3	14	6	24
April-June 1938	2	..	1	3	6
July-September 1937	..	..	.	..	..

On the whole, one can say that in this rural and abstemious portion of the Province the experiment is already a success.

(3) *Ankola and Kumta Talukas in the Kanara District.*

The Dry Area in the Kanara District presents a different problem. As pointed out in the last review, there are a number of castes and classes on the sea coast who hitherto have been accustomed to drink comparatively heavily, especially of toddy, and who both have facilities for smuggling Goa liquor and are not averse to the trouble and expense of importing liquor in licit quantities from shops outside the Dry Area. It also seems likely that the stopping of the licit supplies of toddy and the publicity which must attend illicit toddy tapping have diverted to country liquor some of the demand formerly filled by toddy.

It is reported that a number of persons who live within easy distance of liquor shops outside the Dry Area are accustomed to resort to them at intervals, and to drink there, and thereafter each person brings home, as he may lawfully do, a bottle of liquor. It was found that two, and even three, persons would go on a single bicycle to such a shop and return each bringing a bottle, and in consequence of the danger of this practice to other traffic, the District Magistrate has had to prohibit more than one person riding the same bicycle. It is even reported that a certain cobbler bought a bicycle especially to enable him to visit the nearest country liquor shop which was 28 miles away from his home, though it may safely be asserted that very few other persons will go to such exertion.

Sales of country liquor at the Haldipur shop which is about five miles from Kumta town, though on the other side of the Badgani River, for the quarter under review compared with those during the first quarter of the current year and second quarter of the last year, are as follows :—

July-September 1938	..	207	proof gallons.
April-June 1938	..	279	do.
July-September 1937	..	13	do.

The difference between this year and last is probably entirely due to the custom of Kumta town and of coastal villages in

the Dry Area being diverted to Haldipur. It need not however perhaps be regarded with anxiety as the shop can for the next year be closed or moved to a greater distance, and meanwhile it perhaps acts as a safety valve during the beginning of the scheme in that it prevents smuggling difficult to discover.

During the period now under review, owing to the monsoon, import by sea of Goa liquor was not so easy and it is suspected that a good deal of the stock previously imported and buried has been exhausted, which may account for some of the heavy purchases at outside shops.

There seems to be a perceptible resentment felt against the experiment among the castes and communities on the coast who were accustomed to drink liquor, and a disinclination to exertion, based on the plea that they cannot work hard unless they get their usual stimulant of toddy. Tea, brewed very strong, is being tried by some in place of liquor, but apparently is not found adequate. On the other hand the stopping of expenditure upon toddy so long as smuggled or imported liquor does not take its place, must undoubtedly be economically beneficial. There are already some signs of this and it may be expected that in a comparatively short period most of the fisher folk and others will have adjusted themselves to new conditions. It is however clear that in this tract for some time hence the Excise Department will have to be extremely vigilant.

In the inland parts of the Kanara Dry Area there seems to be practically no consumption of liquor or toddy, and as yet no signs of illicit distillation.

During the quarter 2 permits for the consumption of opium, and 4 permits for the consumption of hemp drugs were issued, bringing the total number up to 4 and 22 respectively. The consumption under permit of these drugs in this area is very small and it is probable that the mendicant hemp drugs addicts, who frequent places such as Gokarn, bring their supplies with them. One case of the illicit cultivation of ganja plant was discovered.

The sales of country spirit and foreign liquor at the shops on the border of the Kumta-Ankola Dry Area and of hemp drugs and opium at the border shops and shops at the taluka headquarters during the second quarter of the current year

compare with those of the first quarter and those of last year including the now Dry Area as follows :—

—	Country spirit L P Gls	Foreign spirit L P Gls.	Wines B Gls	Beer B Gls	Ganja Seers	Opium Seers
July-September 1938.	313	31	15	19	45	3
April-June 1938	410	27	17	356	42	2½
July-September 1937	763	30	12	205	68	3

The figures for July-September 1937 and 1938 indicate no diversion of consumption in the Dry Area to foreign spirits, wines or beer which is satisfactory

The following figures show the number of cases detected during the quarter under review as compared with those detected during the first quarter of the current year and the second quarter of the last year .—

—	Liquor cases.		Toddy.	Hemp drug.	Total.
	Illicit importa- tion	Others			
April to June 1938	4	1	5	3	13
July to September 1938	5	1	..		6
July to September 1937	2	1	.		3

Ankola and Kumta Congress Committees have continued to afford very valuable assistance to the Excise Department in the giving of information and in the detection of offences, and have also undertaken propaganda work in the villages. But a strong and sustained effort to educate the fishermen and coast dwellers in the benefit of the scheme is necessary if progress is to be made rapidly on this side,

It is not yet possible to assess the economic benefit which the scheme has conferred on the inhabitants of the Dry Area, but this should be more apparent by the next review.

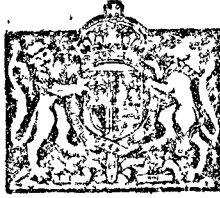
The Excise Officers and men in the Rural Dry Areas have worked very well and in full co-operation with the public. The special staff in the Dry Areas is entirely a skeleton intelligence organisation and the increased number of cases detected in this second quarter indicates that it is functioning efficiently. As stated in the last review, however, it seems probable that a larger force will have to be employed on part of Kanara if control is to be ensured.

To summarise the general position on these Rural Dry Areas during the period July to September it may be said that progress everywhere is being maintained and much valuable information secured for the eventual introduction of Total Prohibition. It must not be inferred from the examples of infringements of the law, successful or unsuccessful, referred to in this review, that such occurrences are frequent, or on a large scale. Rather it may be said that they are so few that in a review of three months' work it is possible thus to refer to individual cases

H. F. KNIGHT,

Bombay, 17th October 1938.

Commissioner of Excise.



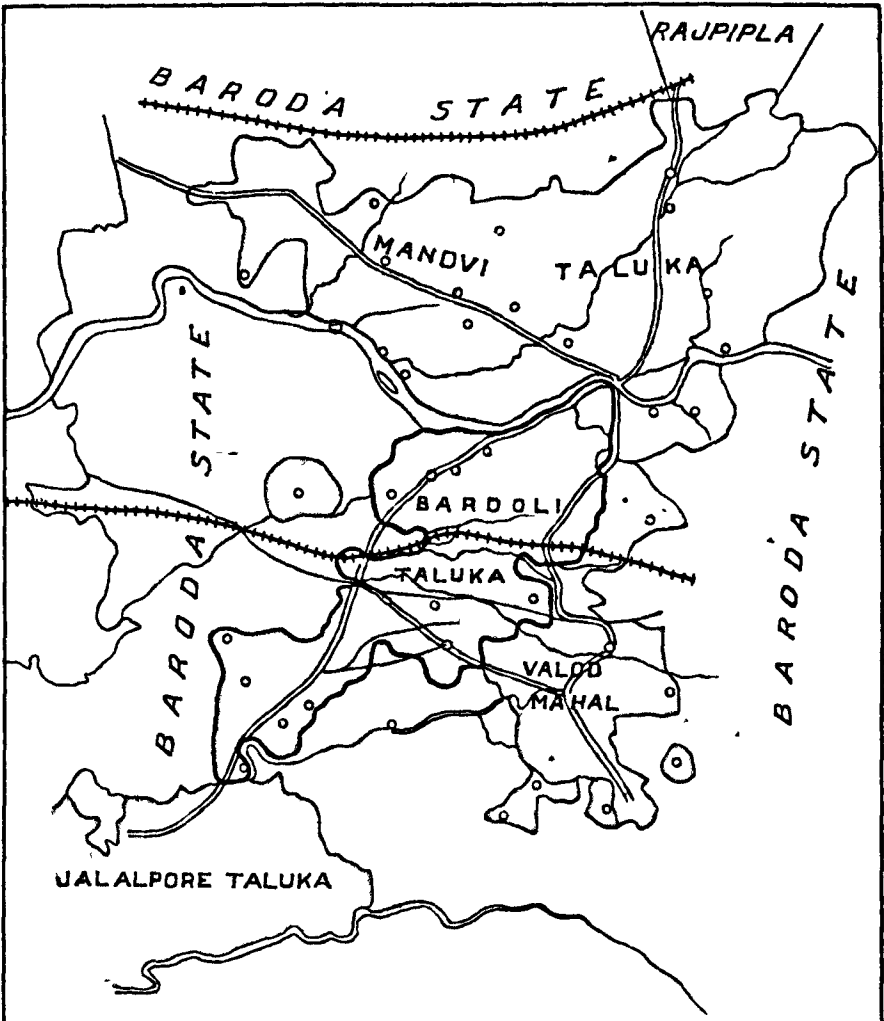
Review of the Progress of the
Total Prohibition Scheme
in Bardoli Taluka and part of the Mandvi
Taluka in Surat District from 15th February
to 31st October 1938



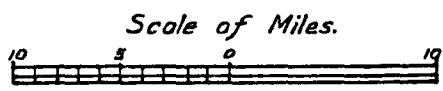
BOMBAY
PRINTED AT THE GOVERNMENT CENTRAL PRESS
1939

Obtainable from the Superintendent, Government Printing and Stationery,
Bombay, or through the High Commissioner for India, India House,
Aldwych, London, W.C.2, or through any recognized Bookseller

Price—Anna 1 or 1½



- Mandvi Taluka.
- Bardoli Taluka (including Valod Mahal.)
- Jalalpure Taluka.
- Bardoli Total Prohibition Area.



- 1

REVIEW OF THE PROGRESS OF THE TOTAL PROHIBITION SCHEME IN BARDOLI TALUKA AND PART OF THE MANDVI TALUKA IN SURAT DISTRICT FOR THE PERIOD FROM 15TH FEBRUARY TO 31ST OCTOBER 1938.

The session of the Indian National Congress was held at Haripura in Bardoli Taluka from 19th to 21st February 1938 and in pursuance of the policy of prohibition, the Government of Bombay decided to close, with effect from the 15th of February, all country liquor, foreign liquor, opium and hemp drugs shops situated in the Bardoli Taluka and thereafter as soon as practicable to declare Total Prohibition therein.

2. As the Excise licenses (excepting toddy) run for 12 months from 1st April, compensation was granted under section 32-A of the Abkari Act, of Rs. 4,500 to twenty-nine licensees for the closure of 23 country liquor, 1 foreign liquor, 2 hemp drugs and 3 opium shops for the period from 15th February to 31st March 1938.

3. From 1st April 1938 no licenses were given for the sale of country liquor, foreign liquor, opium and hemp drugs within the Bardoli Taluka and a certain area of Mandvi Taluka. As the toddy licenses had already been given up to the end of July 1938, these were allowed to continue until that date.

4. The Bardoli Taluka lies in the East of the Surat District. On the West and South it is bounded by the territory of His Highness the Gaekwar of Baroda, on the north it is separated from the Mandvi Taluka by the river Tapti, and on the east it is bounded by the Valod Mahal and by a small part of Mandvi Taluka south of the river Tapti. To secure a convenient administrative boundary on the North-east of Bardoli, that part of the Mandvi Taluka which lies to the west of Madhi-Mandvi road, consisting of 5 villages, has been included in the area to which restrictions are applied. (For statistical purposes in this Review this small area is excluded, as past figures for it are not readily available.)

5. The area of the Bardoli Taluka is 147 square miles and the population was 48,646 at the 1931 census.

6. Prior to 15th February 1938 there were in the Taluka—

- 22 Country liquor shops,
- 16 Toddy shops,
- 76 Tree-foot booths,
- 1 Foreign liquor,
- 2 Hemp drugs, and
- 3 Opium shops

and the per capita consumption was—

Country liquor	...	...	9·3 l. p. drams.
Foreign liquor—			
Spirits	..	...	0·03 dram.
Beer	...	...	0·09 do.
Opium	...	...	0·03 Tola.
Hemp drugs—			
Ganja	..	...	0·03 „
Bhang	...	...	0·01 „

respectively compared with the Presidency averages of —

Country liquor	...	...	2·8 l. p. drams.
Foreign liquor—			
Spirits	...	...	0·04 dram.
Wines	...	...	0·08 „
Beer	...	...	2·05 drams.
Opium	...	...	0·06 Tola.
Hemp drugs—			
Ganja	...	...	0·11 „
Bhang	...	..	0·03 „

The figures of toddy are not given as the recorded statistics of consumption of this drink are not reliable.

7. In the eastern side of the Bardoli Taluka a large number of mhowra trees can provide a base for illicit distillation and throughout the area toddy trees are plentiful. Though the country liquor consumption was higher than the average for the Presidency, the main alcoholic drink in the past was toddy, which was largely drunk by the agricultural labouring classes, though in the rains when toddy is not available country liquor, to some extent, took its place.

8. The fact that the Taluka is very largely surrounded by Baroda territory presents a problem for the enforcement of any excise restrictions. There are within a distance of 4 miles of the border of Bardoli Taluka some 40 country liquor and 25 toddy shops in Baroda territory.

9. The progress towards Total Prohibition was by stages. From the 15th of February there were no country liquor, foreign liquor, hemp drugs or opium shops open in the area, but no restriction was placed on the import, transport, or possession of any intoxicants beyond those in force elsewhere in the rest of the Presidency, and any person desirous of consuming drink or drugs could bring in what he required in the ordinary quantities. Public opinion, however, generally regarded the closure of the shops as the introduction of Prohibition, and few persons were willing to transport into the "No License Area" either liquor or drugs, but preferred to go outside it, if they wanted to obtain these. Some resorted to toddy which was available in the area till the end of July 1938.

10. An indication of the effect can be obtained by comparison of the consumption of liquor and drugs in Bardoli Taluka and the surrounding area for comparative periods for 1937 and 1938. (Comparative statement sub-joined) :—

Taluka.	Country spirit in P. Gs	Foreign liquor.			Drugs.			No of trees licensed to be tapped.
		Spirits.	Wines.	Beer.	Ganja.	Bhang	Opium.	
<i>15th February 1937 to 31st July 1937—</i>								
Bardoli Total Prohibition area.	4440-1	21 16	...	73 0	8 44	4 24	10 26	2,066
Border shops	2067-2	...	..	.	3 33	1 37	2 70	1,606
	6507-3	21 16	.	73 0	11 77	5 61	13 16	3,672
<i>15th February 1938 to 31st July 1938—</i>								
Bardoli Total Prohibition area.	...	.	.	..	..	...	...	3,045
Border shops	2255 9	...	...	...	3 72	1 46	4 21	1,484
	2255 9	...	..	...	3 72	1 46	4 21	4,529

For proper appreciation of the effect of the Prohibition measures, it is necessary to take into consideration not only

the recorded consumption within the "No Licence Area" but the consumption for shops outside that area sufficiently accessible to consumers within the "No License Area" to obtain their requirements from such shops. In the statement above, account has been taken of the sales at British Excise shops situated in Mandvi Taluka and Valod Mahal, which are easy of access to some of the inhabitants of parts of Bardoli Taluka.

Of course, to make the comparison definite, it would be necessary to have statistics of similar shops in the territory of His Highness the Gaekwar of Baroda. These figures are not available, but from some figures supplied by the courtesy of the Baroda authorities it appears that there has been generally speaking little or no increase in sales at State shops.

If after the closure of shops in Bardoli Taluka it were found that the sales at border shops did not increase, it would suggest that the former custom in the "No License Area" was not being transferred to shops outside it. The figures however show a very slight increase, which may be taken to be purchase for consumption by the inhabitants of the "No License Area". The figures, however, clearly indicate that any such purchases can be but a very small fraction of the former consumption in Bardoli Taluka.

11. The following table shows the comparative statistics of the number of cases detected in the area from 15th February to 31st July of the current and previous years:—

Period	Liquor.				Totdy.		Hemp Drugs.	Opium	Total.	
	Illicit distilla- tion.	Illicit import or possession		Other.	Total	Illicit tap- ping				Other
		Licit liquor.	Illicit liquor.							
15th February 1937 to 31st July 1937.	2	1	2	4	9	.	1	..	..	10
15th February 1938 to 31st July 1938.	1	7	16	...	24	..	1	1	..	26

12. On August 1st, 1938, Total Prohibition was applied to the area comprising the Bardoli Taluka and the small portion of the Mandvi Taluka mentioned above. The

Honourable Dr. M. D. D. Gilder, B.A., M.D., B.S. (London), F.R.C.S., F.C.P.S., Minister of Health, visited Bardoli on that date, when a large meeting was held and a procession was taken through the streets of Bardoli with great enthusiasm among those present.

13. The necessary notifications to apply Total Prohibition were issued in the official Gazette dated 1st August 1938 (*Bombay Government Gazette* Extraordinary, Part IV-A, pages 1360 to 1366).

14. The main principles of the Total Prohibition orders are—

(1) No country liquor, toddy, wines, spirits, beer, opium or hemp drugs in any quantity whatever may be imported into, or transported or possessed within the area by any person.

- There are, however, certain exceptions.

(a) Intoxicants in possession of passengers travelling through the area by trains which do not stop within it are not affected; but a passenger travelling by a train which does stop within the Bardoli Prohibition Area may not have in his possession (i.e. with him and not in his registered luggage) any such articles.

(b) Such articles may be carried by train through the area if booked as railway parcel, goods or registered luggage from and to stations outside the Area.

(c) If covered by an Excise pass, intoxicants can be conveyed by road through the Total Prohibition Area to places outside it.

(d) Import, export and transport on behalf of Government is permitted.

(e) Hospitals and dispensaries recognised by Government and Registered Medical Practitioners or persons specially authorised may import, export, or transport such intoxicants provided an Excise pass is obtained.

(f) Wine held under an authority for sacramental purposes is permitted.

(2) (i) Drakshasavas and other Asavas containing spirit, (ii) spirituous preparations and tinctures, and (iii) denatured spirit are permitted to be imported or transported or possessed in small quantities, the first two

under a prescription from a local Registered Medical Practitioner or practitioner approved by the Collector.

(3) Medicated wines, Drakshasavas, etc., and brandy can only be sold by licensed chemists on medical prescription, or dispensed by Registered or other approved medical practitioners to their own patients.

(4) The sale of ganja, bhang and opium to the public is prohibited, but persons addicted to these drugs and producing a certificate from a Registered Medical Practitioner can be granted permits to purchase the drug from the Bardoli Government Drugs Depot in quantities recommended provided these do not exceed :—

			At one time.	During a month.
Opium	...	...	$\frac{3}{4}$ tola.	$7\frac{1}{2}$ tolas
Ganja	...	...	3 tolas.	15 tolas.
Bhang	...	...	6 tolas.	15 tolas.

The fee for the permit is annas 8. No permits are issued for children.

(5) Licenses for the possession and use of rectified spirit in arts and industries and for medical and scientific purposes are issued.

(6) Licenses for the sale of denatured spirit are granted and licenses for its possession in excess of the prescribed free limit are issued at the discretion of the Collector for arts and industries, etc.

(7) No licenses for tapping of trees for the drawing of toddy are granted.

Provision has been made for the grant of tapping licenses, if necessary, to draw toddy for the manufacture of Gul.

15. The Total Prohibition scheme in Bardoli may be distinguished both from the Dry Area experiment in progress at present in the Broach, Ahmednagar and Kanara Districts and from that in Ahmedabad City. In none of these areas is the sale of alcohol permitted, and the sale of drugs is only permitted in controlled quantities to addicts to whom permits have been given. In the Rural Dry Areas, there is no prohibition of any person bringing in and possessing without a license a certain limited quantity of any kind of liquor or drugs, but possession above these

quantities is illegal. In Ahmedabad City, however, no person may possess any quantity of either liquor or drugs unless he has a license. He can obtain, if approved by the Prohibition Advisory Committee, a permit for possession of a month's supply of liquor, calculated in terms of units of which the maximum is 4 bottles for country liquor and 6 bottles for foreign spirit. No one without a permit may bring drink or drugs into the Ahmedabad Dry Area.

In Bardoli no person may bring in any drugs nor may he bring in any form of alcoholic beverage or have it in his possession within the area, except for the few exceptions mentioned above.

16. With the introduction of the Total Prohibition Area scheme in Bardoli, drug addicts cannot obtain their supplies from outside, and arrangements have, therefore, been made for the issue of drugs from a Government depôt to such of the addicts as have obtained permits. So far 94 permits for the consumption of opium and 7 for ganja have been issued. The quantities of opium and hemp drugs issued to the permit holders amounted to one seer and six tolas of opium and 33 tolas of ganja at the close of October.

17. The sub-joined statement shows the sales of liquor and drugs and the number of trees tapped between the 1st of August and 31st October in 1937 and 1938 in the Total Prohibition Area and the sales at seven country spirit, two opium and two hemp drugs shops and trees tapped for six toddy shops of this Government bordering on that area :—

Taluka.	Country spirit in P Gs.	Foreign liquor.		
		Spirits	Wines	Beer.
<i>1st August 1937 to 31st October 1937.</i>				
Bardoli Total Prohibition Area ..	3264 9	6 36	....	23 40
Border shops	2092 8	.. ..	... ..	..
	5257 7	6 36	... ..	23 40
<i>1st August 1938 to 31st October 1938.</i>				
Bardoli Total Prohibition Area ..	....	.. ..	....	.. ..
Border shops	1617 1	..	... ..	.. ..
	1617 1	.. ..	... ..	....

Taluka.	Drugs.			No. of trees licensed to be tapped.
	Ganja.	Bhang.	Opium.	
<i>1st August 1937 to 31st October 1937.</i>				
Bardoli Total Prohibition Area ..	5 39	0 45	6 23	1,969
Border shops	2 30	0 39	2 36	2,324
	7 59	1 3	8 64	4,313
<i>1st August 1938 to 31st October 1938.</i>				
Bardoli Total Prohibition Area ..	0 34	.....	1 6	...
Border shops	2 18	0 17	2 24	2,692
	2 25	0 17	2 30	2,692

18. From reports received the scheme is working very satisfactorily. Though persons habituated to the consumption of intoxicants, who live near the borders of the Taluka, still to some extent obtain their requirements from outside shops, public opinion and the efforts of the Excise Department have reduced this to a comparatively small proportion of the former consumption, and in the interior of the Taluka where no shops are accessible, consumption seems to have entirely ceased. It has to be admitted, however, that the recent Divali Holidays saw an increased movement over the border, but not to such a degree as to cause anxiety from the prohibition point of view.

19. Some communities such as the Chodhras have, on occasion, imposed caste penalties on those who drink, and an instance is given of the Dubla Panch of Allu village which fined their caste Panch of Vankaner village Rs. 50, when one of its members was convicted of illicit distillation, and cut off social relations till the fine was paid.

20. The Excise restrictions are reinforced by public opinion, which among the more advanced is very definitely against the consumption of intoxicants, and in consequence those others who still consume them avoid publicity or recognition.

21. The general public showed very little interest in encouraging the experiment, between its inauguration by the

Honourable Minister on the 1st of August and the meeting held on 18th October 1938 by Mr. Vallabhbhai Patel to encourage local efforts for Prohibition. Thereafter shops in Valod Mahal were picketed by volunteers from Bardoli Samiti during the Divali Holidays with a view to discourage persons going out of Bardoli Prohibition Area to get drink and arrangements were set on foot for the formation of local Vigilance Committees throughout the Taluka. It is hoped that by the formation of these Committees, more interest will be aroused among the villagers. At present the Excise Department receives little help locally in its activities, and in one instance the attitude of the villagers was definitely discouraging.

22. It appears that for some time past a dispute has been going on between the cultivating land owners and their agricultural labourers, which has resulted in the latter being very short of ready money and therefore not able, even if they wished, to spend much on drink and drugs.

23. It is not yet possible to say whether the preliminary closure of shops or the introduction of Total Prohibition has had any obvious effect on the economic well-being of the inhabitants, though it clearly must have mitigated to some extent the effects of other depression.

24. The question of reduction or rationing of Baroda State shops surrounding the Bardoli Taluka has been discussed with the Excise Commissioner of Baroda and it is hoped that with effect from 1st April 1939 His Highness the Gaekwar of Baroda's Government will be able to show practical sympathy with the experiment of the Government of Bombay.

25. Administratively, for the enforcement of Prohibition the Taluka has been divided into 3 charges, each under an Excise Sub-Inspector with a party of Petty Officers and constables and the whole under the supervision of an Excise Assistant Inspector. The officers are expected to move almost continuously throughout their charges to make inquiries in villages, to direct illicit distillation and tapping, to watch the roads into the Taluka from British and State territory, to check suspected traffic and the like. To check smuggling four road posts on the main roads leading into the taluka have been opened at Supa, Vankaner, Surali and Balda, and a small Excise staff posted at Railway Stations

falling within the Total Prohibition Area, viz. Bardoli, Timbarwa and Madhi. As occasion may arise for examination of women travellers women constables have been appointed at the Road posts and railway stations.

26. As far as information in possession of Government goes, these measures are effective.

27. The following table shows the number of cases detected during the quarter ended 31st October 1938 as compared with those detected during the same period of last year :—

Period.	Illicit Distillation.	Liquor.			
		Illicit import or possession.		Other.	Total.
		Illicit liquor.	Illicit liquor.		
1st August 1937 to 31st October 1937 ..	1	1	1	..	3
1st August 1938 to 31st October 1938 ...	....	3	10	..	13

Period	Toddy.		Hemp Drugs.	Opium.	Total.
	Illicit tapping.	Other.			
1st August 1937 to 31st October 1937	1	..	....	4
1st August 1938 to 31st October 1938	1	4	12	30

28. The relations of the Excise staff and the public have been harmonious and contact has been maintained all through with the Bardoli Congress Committee.

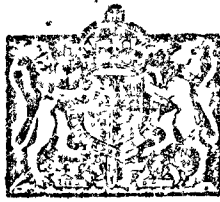
29. It will be seen from paragraphs 10 and 17 above that on the introduction of the Total Prohibition Area scheme the sales at the border shops showed further decreases. Further, the comparison of the figures of cases detected before and after the introduction of the Total Prohibition Area scheme (*vide* paragraphs 11 and 27) indicate

that with the exception of opium cases there has been a reduction recorded in the number of cases detected.

30. On the whole the experiment of Total Prohibition in Bardoli and the five villages of Mandvi may at present be definitely said to be successful and Government have under consideration its extension to Valod Mahal. But there still remains a need for more non-official activity in educating public opinion.

Bombay, 28th November 1938.

H. F. KNIGHT,
Commissioner of Excise.



Government of Bombay
Excise Department

A Review of the Progress of the
Rural Dry Area Schemes in the
Province of Bombay

For the quarter ended 31st December 1938

[Price—Anna 1]

BOMBAY

PRINTED AT THE GOVERNMENT CENTRAL PRESS

1939

Obtainable from (1) the Collectors of (a) Broach and Paucot Mahals, (b) Ahmednagar, (c) Kanara; (2) the Chief Account Officer of Finance, Bombay, and (3) the Superintendent, Government Printing and Stationery, Bombay.

REVIEW OF THE PROGRESS OF THE RURAL DRY AREA
SCHEMES FOR THE QUARTER ENDED
31ST DECEMBER 1938.

This is the third quarterly Review of the Progress of the Rural Dry Area Schemes started by Government of Bombay with effect from 1st April 1938 in the Talukas of Jambusar and Wagra in the Broach and Panch Mahals District, of Newasa and Shevgaon with Pathardi Mahal in the Ahmednagar District and of Ankola and Kumta in the Kanara District.

As in the two previous Reviews, the progress in each area will be considered separately.

(1) *Jambusar and Wagra Talukas of the Broach and Panch Mahals District*—The situation regarding consumption of liquor continued to be satisfactory. As is permissible under the rules, a certain amount was brought into the area for personal consumption from shops such as Pipalia, Palej, and Bhadbhut in the Broach Taluka, Dhuvasen and Cambay in Cambay State, and Masar Road and Tegwa in the Baroda State territory. But organised import for sale to others which at one time threatened to cause trouble seems now to be rare.

The north-eastern part of the Jambusar Taluka, which in the past was known for illicit distillation, was brought under control by placing an Excise out-post at Veddach. This coupled with the poor mhowra crop in 1938 has led to decrease in illicit distillation, only 2 unimportant cases being detected.

As explained in the previous review, under the Dry Area Scheme it must not be assumed that because no liquor is sold in the two talukas, therefore none is consumed there. The import of a single bottle for personal consumption is permissible, and so to see the real effect of the scheme account must be taken of any increase in sales at the shops outside of, but reasonably accessible from, the Dry Area. The eastern border of Jambusar and Wagra Talukas is Baroda State territory and no figures of consumption for shops on this side are available. But the sales at the country spirit shops at Pipalia, Palej and Bhadbhut in Broach District which border the Dry Area give some indication of the diversion of the custom of the Dry Areas to the shops outside. During the first quarter (April to June) 437 gallons* of country liquor were sold, during the second quarter (July to September) 250 gallons, and during the third quarter, that under review, 341 gallons, i.e., a total of 1,028 gallons. During the Corresponding period of the last year the sales of liquor in the now Dry Areas were 2,357 gallons and those at these border shops were 999 gallons, in all 3,356 gallons. Assuming other things being equal, from this it may be inferred that

* Throughout the Review "gallon" with reference to country liquor represents L.P. (Lond. Proof) gallon.

the consumption of liquor in the Dry Areas during the first 3 quarters of this year has been about 29 gallons, i.e., a reduction of about 98 per cent. in consumption.

The increase in sales at the border shops to 341 gallons during the quarter over the 250 gallons during the second need not give cause for anxiety as it is common experience that consumption increases when the harvest is in.

The hemp drugs and opium situation on the whole appears distinctly hopeful. During this quarter 13 opium permits and 2 ganja permits were issued bringing the total issued from the beginning to 476 opium permits and 93 hemp drugs permits.

Of these, 73 opium permits were surrendered by the holders as no longer required and of the 93 ganja and 8 bhanga permits 22 and 6 were respectively cancelled.

The quantities of drugs which may be sold to a permit holder monthly were maintained at those hitherto fixed, viz.:

Opium	7½ Tolas.
Ganja	15 "
Bhanga	15 "

and the following quantities were actually sold:—

—	Ganja.	Bhanga.	Opium.
	Srs. Tolas.	Srs. Tolas.	Srs. Tolas.
April-June, 1938	7 2	0 34	10 26
July-September, 1938	11 45	0 34	17 13
October-December, 1938	11 75	0 35	15 70
Total in seers (rounded) ..	30½	1½	43½

In the same way as liquor, small quantities of drugs may be licitly imported for personal consumption, and so the amount sold to permit holders at the two taluka shops do not represent the total quantity of the drugs consumed in the area. On the lines adopted for considering the consumption of country liquor, taking the border shops into account the following figures are relevant:—

—	Ganja.	Bhanga.	Opium.
	Srs. Tolas.	Srs. Tolas.	Srs. Tolas.
April-June, 1938	15 38	1 24	29 53
July-September, 1938	17 77	0 61	28 62
October-December, 1938	19 26	1 21	28 47
Total ..	52 61	3 26	87 2

	Ganja.		Bhang		Opium.	
	Srs.	Tolas	Srs.	Tolas	Srs.	Tolas
April-June, 1937	41	23	5	73	94	17
July-September, 1937 . .	34	12	3	33	81	40
October-December, 1937	31	36	3	36	79	10
Total in seers (in round figures) ..	107		13		255	

In this district the main problem is that of opium, and even allowing for the import of a certain amount of the drug from Indian States, the reduction in consumption indicated above seems definitely satisfactory, and this is borne out by the fact that 73 addicts voluntarily surrendered their permits, as they had freed themselves of the opium eating habit.

The following are the sales of denatured spirit in the two talukas for the periods noted below :—

From—	Gls.	Drs.
1st October 1938 to 31st December 1938 ..	97	24
1st October 1937 to 31st December 1937 ..	84	40
1st April 1938 to 31st December 1938 ..	282	40
1st April 1937 to 31st December 1937 ..	254	24

The small increase in the sale of denatured spirit does not appear to be more than may be accounted for by the usual increase in the use of Primus stoves and Petromax lamps. Though it is reported that in Jambusar town some of the poorer classes have resorted to drinking denatured spirit on account of the difficulty of obtaining liquor, no cases of actual rendering of denatured spirit fit for potable purposes came to light.

The number of cases detected during the quarter are contrasted below with those detected during the first and second quarters and the corresponding period of the last year :—

	Illicit Distillation.	Illicit import of liquor.	Others.	Opium.	Hemp Drugs.	Total.
April-June, 1938 ..	1	6	..	14	..	21
July-September, 1938 ..	6	3	5	..	..	14
October-December, 1938 ..	2	..	2	1	..	5
April-June, 1937 ..	4	3	3	..	..	10
July-September, 1937 ..	8	..	..	..	..	8
October-December, 1937 ..	..	..	..	..	..	..

There were no cases of illicit tapping of toddy trees or illicit sale of toddy during the period under review.

So far little has been done by local temperance associations or by the public in the way of propaganda for temperance or prohibition. An interesting development, however, is that some of the Bhils in certain areas of Jambusar Taluka are reported to have become Arya Samajists and have taken a vow to abstain from liquor. Speaking generally it is as yet too soon to judge the moral or economic effects of the scheme throughout the two talukas but there is no reason to doubt that these are definitely beneficial.

The Collector of Broach and Panch Mahals states: "Consumption of liquor is greatly curtailed. Even the opium addicts have been trying their best either to give up the habit or to reduce the dose. Use of liquor was restricted to only a fraction of the population. But the most remarkable change has been seen in respect of public festivities and marriage and funeral ceremonies and parties. Drinking on those occasions was generally common; but due to the dry regime there is great saving in expenditure on these occasions and a cleaner and more orderly atmosphere. The dry experiment is greatly appreciated by the public."

(2) *Newasa and Shevgaon Talukas with Pathardi Mahal.*—In 1821 Mount Stuart Elphinstone wrote in his Report on "The Territories conquered from the Paishwa"—"Drunkness, the peculiar vice of the lower orders, is almost unknown in the Mahratta Country," and as indicated in the two previous Reviews the inhabitants of this area have never been large consumers of liquor; ganja and opium smoking however have been common and the administration of opium to children prevails. Opium and ganja eating also prevails.

The eastern portion of the Dry Area covering an area of about 160 square miles touches the border of the territory of the H.E.H. the Nizam. Within this State territory there are 50 Excise shops easily accessible from the Dry Area:—

Country liquor	..	..	..	9
Toddy	..	..	..	5
Opium	..	..	..	20
Hemp Drugs	..	..	..	16

It does not appear that there is any appreciable smuggling of liquor from shops in H.E.H. the Nizam's territory into the Dry Areas, nor that more than very few of the inhabitants cross the border to drink there. (This is probably assisted by the flavour of the State liquor not being agreeable to the taste of consumers in British territory.)

Such a satisfactory position does not, however, obtain in the matter of hemp drugs and opium, as State shops are easily accessible along the whole eastern side of the Dry Area. Persons addicted to these drugs find

it easier to cross the border and bring back with them small quantities of the drugs not exceeding the limits of possession without a permit, viz. :—

Opium	.	..	.. $\frac{1}{4}$ th of a tola
Bhang	..	..	.. 2 tolas
Ganja	..	..	.. $\frac{1}{2}$ tola

rather than to secure a medical certificate, on the strength of that to obtain from the Mamlatdar or Mahalkari (as the case may be) an addict's permit, and then frequently to travel a considerable number of miles to the Taluka headquarters to obtain under the permit their modicum of the drug.

Even if the proposal to prohibit entirely the possession of hemp drugs and opium except under addict's permits should be introduced shortly, it is improbable that the illicit import of these drugs can be fully controlled even with an increased staff and negotiations are being undertaken with the H.E.H. the Nizam's State to reduce or withdraw its border shops.

A further danger which will be accentuated in future is the possibility of smuggling ganja from those villages in the Ahmednagar District where ganja is permitted to be grown under Excise supervision for supply to licensed wholesale dealers, and in future more stringent guarding methods will undoubtedly have to be employed over this ganja crop when ready for harvest.

The sales of country spirit at the shops on the border of the Dry Area during the quarter were 306 gallons as compared with 214 gallons and 210 gallons sold during the first and second quarters, and 285 gallons sold at the border shops and shops in the Dry Area during October, November and December 1933. The gradual increase in sales as compared with the sales during the last two quarters can be attributed to the cold season during which there is usually an increase in consumption of liquor. As regards the small increase of 21 gallons over the last year's corresponding period this was probably due to the extension of the area under sugarcane plantation this year and consequent increase in the earnings of the labouring classes.

Six ganja permits, 1 bhang permit and 11 opium permits were issued during the quarter giving a total of 121 ganja permits, 2 bhang permits and 109 opium permits. It is stated that 8 permit holders have left off the habit of opium smoking.

The quantities of drugs sold to permit holders during this and the two previous quarters were :—

Quarter.	Ganja.	Bhang.	Opium.
	Srs. Tolas.	Srs. Tolas.	Srs. Tolas.
April-June, 1938	11 14	0 23	3 60
July-September, 1938	20 12	0 26	6 50
October-December, 1938	21 70	0 38	7 8
Total (rounded)	53½	1	17½

On the lines adopted for considering the consumption of country liquor, taking the border shops into account the following figures are relevant :—

—	Ganja.	Bhang.	Opium.
	Srs. Tolas	Srs. Tolas	Srs. Tolas.
April-June, 1938	51 9	8 42	23 48
July-September, 1938	60 66	5 13	28 41
October-December, 1938	62 28	5 50	28 28
Total (rounded)	174½	19½	80½
April-June, 1937	120 77	14 46	73 52
July-September, 1937	118 60	6 17	77 31
October-December, 1937	117 22	4 59	80 13
Total (rounded)	357	24½	231½

It would not, however, be safe to accept these figures as indicating the real decrease in consumption, as there appears reason to think that the import of opium and Hemp Drugs from Nizam's State has increased since the introduction of the dry area scheme and therefore the real reduction may be considerably less.

The sales of denatured spirit during the quarter and up-to-date and those for the corresponding period of the last year were :—

	Gls.	Drs.
From 1st October 1938 to 31st December 1938..	13	16
From 1st October 1937 to 31st December 1937 ..	6	..
From 1st April 1938 to 31st December 1938 ..	34	24
From 1st April 1937 to 31st December 1937 ..	22	40

The number of cases detected during the quarter and the preceding two quarters are compared below with those for the corresponding period of the last year :—

	Illicit distillation.	Illicit import or possession	Others	Toddy.	H Ds	Opium	Total.
April-June, 1938	2	..	..	1	3	6
July-September, 1938	1	3	..	14	6	24
October-December, 1938	1	.	1	3	5	10
April-June, 1937
July-September, 1937
October-December, 1937

It will be observed from these figures that the main difficulty of the Excise Department in enforcing the regulations is in regard to the opium and hemp drugs and that as far as can be seen the question of liquor and toddy is not serious.

The great majority of the inhabitants of the dry area are cultivators mainly illiterate and struggling with a none too fertile soil. They have hitherto shown no interest in any temperance movement and, though it is said that the practice of giving opium to children whilst their mothers are at work has been given up, Government does not feel certain on the point.

The educated classes are comparatively few and as yet have shown no interest in the working of the Dry Area scheme. There are several Christian missions in this area, but their work for temperance is of course mainly concerned with their own adherents.

The Collector of Ahmednagar writes :—“It is very difficult to say at this stage if and to what extent there has been a real economic improvement in the conditions of the drinking classes since the inception of the Dry Area Scheme. It appears that what little the people saved is spent on other things such as tea, etc. Further as the drinking classes are not generally given loans by money-lenders it cannot be stated whether there were repayments of such loans by the drinking classes”.

(3) *Kumta and Ankola Talukas.*—In the report quoted above Mount Stuart Elphinstone, comparing the Deccan and the Carnatic, writes of the latter "the other vices are not more rare, and drunkenness is common in addition". This perhaps emphasises the difference between the Ahmednagar Dry Area and the Kanara Dry Area. In the former liquor is no problem, while in the latter it is the chief difficulty. Many of the inhabitants along the coast of Ankola and Kumta are accustomed to consume liquor and toddy and show no diffidence in visiting shops outside the dry area, to obtain their requirements, even though these have to be transported in limited quantities distributed among individuals. Though the Kumta and Ankola Congress Prohibition Committees have been doing good work in organising public opinion in favour of Total Prohibition and in giving information to Excise Department, it can hardly yet be said that prohibition propaganda amongst the coastal villages is sufficient. Much more propaganda work is needed in the coastal belt.

The sales of country spirit, and foreign liquor, at shops* on the border* of the Dry Area during the quarter are compared below with those for the second and first quarters of the current year and the corresponding period of the last year. The last year's figures include the sales at the shops within the present Dry Area :—

	C. L. L. P. G.	F. L. (Spirits) Bulk Gallons.	Wines B. Ga.	Beer B. Ga.
April-June, 1938	410	27	17	356
July-September, 1938	313	31	15	199
October-December, 1938	394	48	25	337
October-December, 1937	863	32	26	354

The increase in sales of foreign liquor is attributed to the larger number of visitors and tourists to Karwar and the "Jog Falls". These places being outside the Dry Area, the increase has little to do with the introduction of the Dry Area measures.

No new drug permits were issued during the quarter. Out of the 22 ganja permits issued, four were withdrawn or cancelled. The total number of opium permits granted by the end of December 1938 was only four. No permits for the possession and use of bhang were granted.

*The following are deemed to be border shops for the purposes of the Review.

C. L. Shops.—Chendye (Karwar Taluka), Arbail (Yellapur Taluka), Haldipur (Honawar Taluka).

F. L. Shops.—"Off" shops at Karwar and Sirsi and one Hotel at Karwar.

The quantity of drugs issued to permit holders during the quarter under review and the two previous quarters were :—

Quarter.	Ganja		Bhang	Opium.
	Srs. Tolas	Srs. Tolas.	Srs. Tolas.	Srs. Tolas.
April-June, 1938	4	60		0 22
July-September, 1938	7	55	..	0 35
October-December, 1938	4	35		0 13
Total	16	70	....	0 70

The sales of drugs in, and on the border* of, the Dry* Area during the three quarters of 1938 and for the corresponding periods of the previous year were :—

	Ganja.		Bhang.	Opium.
	Srs. Tolas	Srs. Tolas.	Srs. Tolas.	Srs. Tolas.
April-June, 1938	41	58	. .	2 44
July-September, 1938	45	58	0 0	2 73
October-December, 1938	45	14	....	3 16
Total	132	50	0 0	8 53
April-June, 1937	68	79	0 10	3 21
July-September, 1937	67	76	....	3 23
October-December, 1937	65	51	....	3 41
Total	202	46	0 10	10 5

The sales of denatured spirit for the 9 months ended December 1938 as compared with the corresponding period of the last year were :—

From	Gallons.	Drams.
1st October 1938 to 31st December 1938 ..	101	16
1st October 1937 to 31st December 1937 ..	117	16
1st April 1938 to 31st December 1938 ..	229	16
1st April 1937 to 31st December 1937 ..	318	16

*The following drugs shops are treated as border shops for the purposes of the Review :—

Ganja shops.—Karwar, Yellapur, Sirsi and Honawar.

Opium shops.—Karwar, Yellapur, Sirsi and Honawar.

The following table shows the number of cases detected during the first, second and third quarters of the current year together with the figures for the corresponding period of the last year :—

From	Liquor.	Toddy.	Hemp Drugs.	Opium.
1st April 1938 to 30th June 1938 ..	6	1	..	..
1st July 1938 to 30th September 1938 ..	5	5	3	..
1st October 1938 to 31st December 1938	1	..	..	..
1st April 1937 to 30th June 1937 ..	1	..	..	..
1st July 1937 to 30th September 1937 ..	3	..	..	..
1st October 1937 to 31st December 1937	..	..	..	..

Any fisherman can go out to sea at any time in the course of his business, and it is not difficult to obtain liquor from some country craft going up or down the coast from places where liquor is available, especially if coming from Goa where liquor is cheap. Under such circumstances it is to be expected that efforts will certainly be made to smuggle in liquor, and, with the skeleton intelligence staff with which the dry areas are at present worked, an effective patrol of all the sea coast is quite impossible. To give an example of such smuggling, early in December information was received by the Excise that a supply of liquor was likely to be brought in by a country craft. A watch was kept, and at about 8 p.m. a fishing boat with no lights showing, was seen approaching the Keni Bunder in Ankola Taluka. Unfortunately the smugglers' accomplices on shore had got information of the presence of the Excise, and whistled a warning to the occupants of the boat. The latter instead of bringing the boat to land anchored it some way out, and swam ashore. With the help of the Customs Department the boat was searched and an empty liquor bottle was found in it. It seems that the occupants had disposed of the liquor either by throwing it overboard or by taking it "in board", on receiving the warning from the shore. As it is not an offence to enter a dry area after taking a drink, no legal action for an Excise offence was possible against the fishermen concerned. The quantity however could not have been large if all of it was taken in board after the warning. They were however dealt with by the Salt Department for plying a boat without lights and without port clearance.

The Collector of Kanara writes :—

"As regards improvement in the economic condition of the drinking classes since the inauguration of the Scheme, I do not think that any appreciable change has taken place, though it cannot be gain said that on the whole the poor labourers get full meals and lead a better life. It is however disquieting that in some places within the Dry area it is alleged that the labouring classes cannot earn as much as they used

to do either because their efficiency has decreased owing to the absence of a stimulant ; or is said to have been decreased by the employers, who are apt to seize every excuse to offer a reduced rate of daily wages. Another argument which has been used towards the same effect is that the labouring classes have no longer to spend on their drinks.”

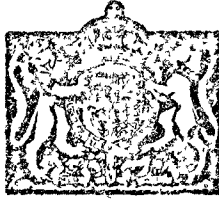
The Excise staff in the Dry Areas worked very well during the quarter under report in collecting intelligence regarding infractions of the regulations and in seeing that regulations were observed.

Non-official assistance was small except in Ankola and Kumta where as mentioned above, the Congress Prohibition Committees showed commendable zeal and enthusiasm. It is clear however that real success must depend on non-official effort far more than on official propaganda by the Excise Department.

On the whole, the period from October to December showed encouraging results and provided much valuable information on which to work out the schemes for the contemplated extension of the dry areas to practically the whole of the districts of Broach, Ahmednagar and Kanara during the ensuing year.

Bombay, 25th March 1939.

H. F. KNIGHT,
Commissioner of Excise.



Government of Bombay

Report

by the

Hon'ble Mr. Justice R. S. Broomfield, I.C.S.,

on the

Firing by the Bombay City Police at the
Chhota Qabrastan on the 1st August, 1939



BOMBAY

PRINTED AT THE GOVERNMENT CENTRAL PRESS

Obtainable from the Superintendent, Government Printing and Stationery,
Bombay, or through the High Commissioner for India, India House,
Aldwych, London, W.C.2, or through any recognized Bookseller

Price—Annas 6 or 8d.

1940

**REPORT BY THE HONOURABLE Mr. JUSTICE R. S. BROOM-
FIELD, I.C.S., ON THE FIRING BY THE BOMBAY CITY
POLICE AT THE CHHOTA QABRASTAN ON THE
1st AUGUST 1939.**

1. *Terms of reference.*—Government Resolution in the Home Department (Political) No. S.D. 2709 dated 12th August 1939 stated that on the afternoon of the 1st of August 1939 a procession of Muslims was led through the City of Bombay, in the course of controlling which the Police opened fire which resulted in injuries to several persons. I was appointed to inquire and report on the following matters :—(a) the circumstances which led to the firing by the Police on that occasion, and (b) whether the firing was justified or not.

2. *Procedure and parties.*—After an informal discussion with representatives of Government, the Muslim Propaganda Committee and the Bombay Provincial Muslim League on 18th August, for the purpose of settling procedure, the hearing of evidence began on the 25th September. The Advocate General and the Public Prosecutor appeared for Government and Mr. K. A. Somjee for Sir Currimbhoy Ebrahim and the Muslim Propaganda Committee. Messrs. Hatteea and Peerbhoy watched the proceedings on behalf of the Bombay Provincial Muslim League. Thirty-three witnesses were examined on behalf of Government, including all the principal police officials on duty in connection with the procession. Six witnesses were examined on behalf of Sir Currimbhoy and the Muslim Propaganda Committee, including Sir Currimbhoy himself and the Secretary of the Committee. Three additional witnesses were examined at my instance, viz., Inspector Shiraze, a C.I.D. officer who was present in the Chhota Qabrastan, and two Mahomedan volunteers who were injured by bullets. In a communique published in several English and vernacular newspapers all persons having knowledge of facts relevant to the inquiry, and not otherwise summoned, were invited to give evidence. There was no response to this invitation, and it may be assumed therefore that all the available evidence of any value was placed before me. Before proceeding to record evidence I inspected the scene of the firing and the more important points on the route of the procession, in the presence of representatives of all concerned. The inquiry concluded on 5th October.

3. *Preliminary facts.*—Before dealing with the events of 1st August, a few preliminary facts must be mentioned. In April 1939 Government imposed a new tax, the Urban Immoveable Property Tax, on the owners of lands and buildings in Bombay. This is an unpopular impost, especially among Mahomedans, who as they invest their money largely in landed property, are particularly hard hit by it. A Committee was formed under the Chairmanship of Sir Currimbhoy Ebrahim to organise

opposition to the tax, which is alleged to be both oppressive and illegal. As a part of this propaganda it was proposed that there should be a procession to Government House on 1st August followed by a meeting on Chaupati Sands. This proposal was not feasible, for the reasons among others that His Excellency the Governor was not to be in Bombay on that date and also it was the Tilak Anniversary Day and Chaupati Sands were not available. It was agreed, after consultation between Sir Currimbhoy and the Commissioner of Police, that the protest meeting should be held in the Chhota Qabrastan, a large enclosure in Grant Road near the Northbrook Gardens, and that the procession should march to it through the Mahomedan quarters of the City. The Commissioner of Police suggested that either 31st July or 2nd August would be a more suitable date than 1st August, which, besides being the Tilak Anniversary, was also to be the occasion of Congress functions and processions in celebration of the introduction of Prohibition. Sir Currimbhoy, however, held out for the 1st August as that had been declared a public holiday, and permission was accorded for the procession on that day. Two alternative routes were proposed by the Commissioner, and the Muslim Propaganda Committee accepted the longer route which was as follows:—Mahomedali Road to Crawford Market, Carnac Road, Abdul Rehman Street, Pydhoni, Banian Road, Ghogari Mohalla, Ismail Curtay Road, New Kazi Street, Null Bazaar, Chimna Butcher Street, Grant Road, Chhota Qabrastan. The route is marked on the map Exhibit A.

4. *Start of the procession.*—The place of assembly was an open space near the Mandvi Post Office in Mahomedali Road. People began to muster from early afternoon. Estimates of the numbers vary from 2000 to 5000. About 3000 is as near as one can get. The matter is not important because as soon as the procession started (soon after 2-30 p.m.) several thousands of people who were waiting in Mahomedali Road joined in, either in front or behind or wherever they could get. Sir Currimbhoy and other prominent members of the Muslim Propaganda Committee took their places at the head of the procession proper. Near them was a green flag supported on metal poles, for carrying which special permission was obtained, as the Commissioner had prohibited the carrying of sticks or any kind of weapon. There was another green flag elsewhere in the procession, and Sir Currimbhoy gave orders that it should be abandoned. There is some reason to doubt whether this order was obeyed, but the matter has no significance.

5. *Mahomedan Volunteers.*—Arrangements had been made by the Muslim Propaganda Committee for a contingent of about 200 Mahomedan volunteers to accompany the procession and keep order. It was frankly conceded by the Advocate General on behalf of Government, and clearly appeared also from the evidence, that these volunteers did very good work and gave invaluable assistance to the police, not only in controlling the procession itself, but also in dealing with the clashes which occurred at various points of the route between the crowds of Mahomedans in advance of the procession and the Hindu crowds.

6. *Police arrangements.*—The police arrangements in connection with the procession were as follows. Deputy Commissioner Wilson was in general charge of all police dispositions on the 1st August. Superintendent Lyons was in general charge of the procession as far as Sandhurst Road and Superintendent Rao Saheb Achrekar from there on. Ten officers and 120 men under the command of Inspector Chaudhari were detailed to accompany the procession. At the start in Mahomedali Road there was a cordon of police in the middle of the street to keep the procession to the left and leave the rest of the street clear of traffic. After Crawford Market the size of the procession and the crowd marching in front of it became so great that Abdul Rehman Street had to be cleared of all traffic. Inspector Taylor with Sub-Inspector Pathan and a posse of constables went ahead to perform this duty.

7. *Police posts on the route.*—At the junction of Abdul Rehman Street and Masjid Bunder Road (point E in the map Exhibit A) there was a guard of 3 officers and 25 men. At Pydhoni Police Station (point F) there was a fire section, that is 10 armed constables. These guards were posted because at those points the route of the procession approached the predominantly Hindu localities Mumbadevi and Kalbadevi. At the Null Bazar Chowki (point H) there was a fire section under an officer. At point L, where the procession was to débouch from Chumna Butcher Street on to Grant Road, Inspector Tawde was posted with 5 officers and 20 constables. At Two Tanks, which is the junction of Duncan Road and Grant Road, there was a fire section under Sub-Inspector Pinto. Sub-Inspector Newlands had 2 fire sections and 5 unarmed constables under his command at the Police Chowky opposite Chhota Qabrastan. Lastly Sub-Inspector Ismail with a fire section was posted at 5th Kamatipura Lane to the north of the Chhota Qabrastan.

8. *Difficulty caused by the crowd in front of the procession.*—The course of events necessitated several changes in these preliminary arrangements. The original idea was that Sub-Inspector Sami with 10 constables should march at the head of the procession. As people waiting by the side of the road fell in and marched in front, attempts were made from time to time to push this police force forward in order to keep the procession as a compact body under the control of the police and the leaders and volunteers. But the crowds in front were not amenable to discipline, and as they constantly increased in numbers and by the time Abdul Rehman Street was reached were at least 3000 strong, the idea of the vanguard had to be given up. From that time onwards the advance crowd and the procession moved in a more or less contiguous mass, with the leaders somewhere in the middle. The police escort and volunteers were mostly with the procession proper but some of them pushed their way forward. This crowd in front was joined in Grant Road by some thousands more (it is impossible to estimate the numbers with any accuracy) who assembled at various points on the route, especially Erskine Road, Null Bazar and Sandhurst Road, to await the procession, and then made their way into Grant Road ahead of it.

9. *Attempt to break the police cordon at junction of Abdul Rehman Street and Masjid Bunder Road.*—As it was found hopeless to attempt to control the crowd ahead of the procession, it became necessary to strengthen the police at points of danger on the route. The guard at point E was reinforced by some of the procession escort and a cordon was drawn across the junction on the Mumbadevi side. A crowd of Hindus had gathered there, apparently only to watch the procession, but their presence excited the Mahomedans, some of whom attempted to break the cordon. The police drove away the Hindus and the Mahomedans were persuaded to continue on the route of the procession. But Superintendent Lyons and the other police officers who were present there all agree that the situation was critical for a time and serious trouble was only averted by the assistance which the Mahomedan volunteers rendered to the police.

10. *Attempt to break the cordon at Pydhoni.*—Much the same thing happened at Pydhoni (point F). There was a Hindu crowd near the Jain temple there. A cordon was drawn across Kalbadevi Road which was reinforced by men under Inspectors Taylor and Chaudhari, sent ahead from point E. Deputy Commissioner Simmons, who was at this point, says that the Mahomedan crowd at the head of the procession was very boisterous and attempted to break the cordon and get at the Hindus. However the police were in greater force here and the danger was averted with less difficulty.

11. *Position at Null Bazar. Reinforcement of police posts.*—In the neighbourhood of Null Bazar large crowds had collected before the arrival of the procession. Deputy Commissioner Wilson who was present, says there was something very unusual about the atmosphere, an obvious air of tension. The whole place was packed with people and he saw Gandhi caps being thrown in the air. Not liking the look of things he sent for two more fire sections from head quarters and also brought a fire section from Null Bazaar Chowki and reinforcements of unarmed police. A strong cordon was drawn across Bapu Khote Street and Erakine Road, and when the procession arrived it was diverted to the east of Null Bazar to keep it further away from the Hindu locality. After it had passed the extra police requisitioned were sent to reinforce the guards at Two Tanks and Northbrook Gardens.

12. *Position at Sandhurst Road.*—Deputy Commissioner Simmons, who had proceeded from Pydhoni to Sandhurst Road, found large crowds there awaiting the procession. There were Hindus near the Round Temple and Mahomedans on the Null Bazar side. The latter were very excited and shouting slogans. He also saw some Gandhi caps being burnt. There was a good deal of that sort of horse play. Superintendent Lyons says that one of the burning caps fell near him and when he stamped out the fire the crowd resented it, though some old Mahomedans supported him. Inspector Hewson, crossing Sandhurst Road ahead of the procession, saw a tram car stopped at the corner of Duncan Road and Gandhi caps taken away from two of the passengers.

Inspector Chaudhari, who was with the procession itself or rather at the head of the crowd in front, also speaks of large crowds of Mahomedans throwing white caps in the air in Sandhurst Road and says that one fell on his helmet in Chimna Butcher Street. There also one of the caps was burnt and he stamped out the fire. However, though Deputy Commissioner Simmons says things looked ugly for a time, nothing serious occurred at Sandhurst Road.

13. *Procession halted on approaching Grant Road. Information received of trouble at Kumbharwada Street.*—When the crowd ahead of the procession reached point L at the junction of Chimna Butcher Street and Grant Road, there was a halt and a final attempt was made to form a compact procession and get the leaders and the flag to the front. It appears that the crowd immediately in front of the leaders was not so dense as it had been, presumably because many of them had made their way into Grant Road by other routes. When the green flag was nearing the junction Inspector Achrekar moved on again. Soon after information was received that there had been a clash between Hindus and Mahomedans at Kumbharwada and stone-throwing. Orders were given for some of the police escort and some of Inspector Tawde's men to go forward, and Superintendent Achrekar, Inspectors Tawde and Chaudhari and other officers also proceeded in the direction of the disturbance.

14 *Incident at Two Tanks.*—At Two Tanks Sub-Inspector Pinto had been on duty with his fire section from 6 a.m. At about 4-15 another fire section came in a lorry. Deputy Commissioner Wilson and Inspector Hewson also arrived. A large crowd of Mahomedans had collected waiting for the procession, and shortly after the arrival of the extra police the crowd ahead of the procession passed by, an excited crowd, according to Sub-Inspector Pinto, throwing umbrellas, caps and shoes into the air. When these people reached the end of the next street, Kumbharwada Street, many of them stampeded back again, as the result, it appears, of stone-throwing by a Hindu crowd which had collected there. They ran into Duncan Road, where they were joined by other Mahomedans from Bara Imam Road, and attempted to get into the Hindu quarter via Durgadevi Street. (It should be noted that west of Duncan Road the streets leading into Grant Road are almost entirely inhabited by Hindus). Sub-Inspector Pinto took his fire section to the junction of Durgadevi Street and Duncan Road and succeeded in driving the Mahomedans back towards Two Tanks. After this trouble was averted he took his men to Kumbharwada Street.

15. *Clash between Mahomedans and Hindus at Kumbharwada Street.*—Deputy Commissioner Wilson had already gone there. He found the Mahomedans throwing stones into Kumbharwada Street and on turning into the street he saw a crowd of Hindus advancing towards Grant Road and throwing stones at the Mahomedans. He drew his revolver and the Hindu crowd retreated and remained standing. Sub-Inspector Pinto and Inspector Hewson came shortly after from Two Tanks and

a cordon was formed across the end of Kumbharwada Street. Volunteers assisted in pacifying the Mahomedans and the stone-throwing ceased. It was pretty serious while it lasted. Mr. Wilson was hit twice and 2 or 3 constables also received injuries. The police officers who came on in advance of the procession found the place littered with stones, bricks and pieces of glass. There are some indications in the evidence that it was the Hindus who started the stone-throwing, but it cannot be said that there is any proof of that.

16. *Disturbance at Northbrook Street. Attempt to break cordon and stoning of the police.*—About the same time a similar clash between Mahomedan and Hindu crowds took place at Northbrook Street, which is the next street to Kumbharwada Street in the direction of Chhota Qabrastan. Sub-Inspector Newlands, who, as I have mentioned, was posted at Chhota Qabrastan with 2 fire sections and 5 *lathi* constables, moved his force to the scene of this trouble. He says there was a crowd of several hundred Hindus coming along Northbrook Street and stoning the Mahomedan crowd in Grant Road. The Mahomedans were retaliating. He placed his armed men across the end of Northbrook Street to prevent the Mahomedans entering it. The latter made a determined attempt to rush this cordon, which was only stopped by an order to the armed police to fix bayonets. Thwarted in their attempt to get at the Hindus the Mahomedans turned their anger against the police, abusing them, calling them “congress touts”, spitting at them and stoning them continually. Two of the constables were hit in the face by bricks and Sub-Inspector Newlands was several times hit by stones. When the trouble was at its height Inspector Hewson arrived from Two Tanks. He was hit on the shoulder by a large stone and knocked down. Sub-Inspector Newlands says he saw a Pathan in the crowd pick up a stone with both hands and throw it at Hewson, who was only 2 or 3 feet away. Newlands forced his way through the crowd, cleared a space round Hewson and enabled him to get up. Both officers had their revolvers in their hands and Newlands asked if he should fire, but Hewson said no. Eventually the Mahomedans were induced to move on towards Chhota Qabrastan.

17. *Disturbance in Northbrook Gardens.*—In the meantime a disturbance had broken out in Northbrook Gardens, which adjoin Northbrook Street on the west. This seems to have been started by some hundreds of Hindus getting into the garden on the far (south) side and gesticulating and challenging the Mahomedans who were on the road. There were at first not many of these latter and Sub-Inspector Sami, who came along ahead of the procession, was able to get between them and the railing of the garden and move them on. But when the procession arrived the Hindus began running across the garden and throwing stones, and a large part of the procession crowd turned aside and swarmed over the railings into the garden. Sub-Inspector Greig, who was with the procession at this point, says that when he entered the garden some Pathans spat at him and abused him. But he and Inspector Hewson (who had come there from Northbrook Street) with

the assistance of Mahomedan volunteers got the procession crowd back into Grant Road. The police officers—Hewson, Greig and Sami—then cleared the Hindu crowd out of the garden, and away from a heap of road metal which they had been using as ammunition, into Kumbharwada. Sub-Inspector Greig was hit several times and on one occasion knocked down by stones thrown by the Hindus.

18. *Stoning of tram cars and ill-treatment of Hindu passengers.*—The disorderly character of the Mahomedan crowd ahead of the procession is evidenced by the fact that stones were thrown at several tram cars passing along Grant Road between 4 and 4-30 p.m. Windows were smashed and people on the cars injured, fortunately not seriously. When the cars stopped they were boarded by Pathans and other Mahomedans who molested the Hindu passengers. One of them who gave evidence said that he was robbed of his rings and silver waistband. The most serious outrage took place quite close to the Chhota Qabrastan and only shortly before the incidents at that place which are next to be described. Two up-country Hindus were dragged or pushed out of a tram car, savagely beaten and left lying senseless and bleeding in the road. Mr. Katrak, a witness for the Muslim Propaganda Committee, describes the attack on one of these men, and says that even after he fell down unconscious he was stoned by 3 or 4 Mahomedans. It is possible, of course, that this brutality was the work of *badmashes* who had nothing to do with the procession and merely took advantage of a convenient opportunity of acting after their kind. It is satisfactory to be able to say that there were a number of Mahomedans present who protested, and that some Hindu ladies who were in the tram car were escorted to a place of safety.

19. *Events at Chhota Qabrastan. Sub-Inspector Ismail's evidence.*—I now come to events at the Chhota Qabrastan and begin with the story given in evidence by Sub-Inspector Ismail, the police officer primarily concerned. He was stationed, as I have said, at 5th Lane, Kamatipura, with a fire section of 10 men. At about 4-15 p.m. he received information that the police were in difficulties in the neighbourhood of Chhota Qabrastan. He and his men ran down Trimbak Parashram Street to Grant Road, being joined on the way by Police Naik Babu Raoji (P. N. 3068D) and some constables. When he got to the junction he found on his left, i.e. on the side of Northbrook Gardens, "a seething mass of humanity". In other words the whole road was full of people. On the far side of the gardens he saw Sub-Inspector Sami chasing a crowd of Hindus. On his right there were sightseers on the road and footpaths, and he saw two Hindus lying unconscious and bleeding. (These were evidently the victims of the attack on the tram car.) After giving orders for their being removed to hospital he was proceeding in the direction of Northbrook Gardens, to help Sub-Inspector Sami, when part of the crowd on that side surrounded him, abusing, and throwing stones. Seeing a man getting ready to throw a stone at him he arrested him and put him in charge of the armed police. This infuriated the mob, who demanded the release of the man and roughly handled the Sub-Inspector.

20. *Mob attacks the police.*—At that moment Sub-Inspector Sami came up. The two officers tried to persuade the mob not to attack them, but they grew more abusive and violent. Stones were being thrown all the time. Sub-Inspector Ismail was hit several times, once in the face just below his right eye, and one of the armed constables was also hit. The crowd round the police at this time was 2 or 3 hundred strong. They were very menacing and kept on rushing at the two officers, throwing stones at them and manhandling them. Stones were also being thrown by people on the footpath in front of the Chhota Qabrastan and from inside, where a large crowd had collected. The two officers tried to drive the crowd back with their sticks, but were only able to clear a space round the police chowky, which is opposite the Chhota Qabrastan near the junction of Trimbak Parashram Street and Grant Road. The armed guard had been stationed on the footpath near the chowky, because, as Sub-Inspector Ismail says, if they got mixed up in the crowd they might lose their arms.

21. *The police open fire.*—Both officers repeatedly warned the people pressing in upon them that if they persisted in attacking them and stoning them they would have to fire. No notice was taken of these warnings. Attacks then began to be made on the unarmed constables who were scattered about in the crowd. Fists, umbrellas and stones were freely used. A particularly savage attack was made on Police Naik Babu Raoji. His lathi had been snatched away and he was being mercilessly beaten with it. Sub-Inspector Ismail says he saw one of the rioters with a stone in his hand trying to hit the Naik in the face with it. Thinking the Naik's life was in danger he drew his revolver and fired at the man. The crowd surged back, but immediately returned to the attack. He then fired 4 more rounds into the thick of the mob round the Naik. Sub-Inspector Sami opened fire at the same time. Inspector Hewson then ran up and also fired. Sub-Inspector Ismail says that he saw one of the rioters about to attack the Inspector from behind with a big stone and thereupon to save that officers' life he fired 5 rounds "rapid" with a private revolver which he carried as well as his service revolver. As the stone-throwing still continued from all directions, he ordered the armed guard to fire one round, and then a second round. Inspector Tawde and Sub-Inspector Savant then came up. They also fired, and the cumulative effect of all this firing brought the mob under control and they dispersed in all directions.

22. *Evidence of Sub-Inspector Sami and Inspector Hewson.*—Sub-Inspector Sami in his evidence supports Sub-Inspector Ismail in all material particulars. He fired 6 rounds with his revolver in the direction of the wall of the Chhota Qabrastan where the crowd was collected throwing stones. He was himself hit several times on various parts of the body. Inspector Hewson was just inside the Northbrook Gardens when he heard the sound of firing. In order to get to Chhota Qabrastan he had to make his way through an enormous crowd. (It may be mentioned at this stage that the crowd ahead of the procession reached Chhota Qabrastan and entered at the main gate, which is on

Grant Road, soon after the firing commenced, and the procession itself arrived before the end of the firing and entered Chhota Qabrastan by the eastern gate in Trimbak Parashram Street.) When he reached the place where Sub-Inspectors Ismail and Sami were Inspector Hewson says they and the police with them were being heavily stoned. He saw one constable deprived of his baton and another knocked down senseless by a stone. There was a shower of stones from all sides, especially from Chhota Qabrastan. Believing that all their lives were in danger he fired 3 rounds with his revolver.

23. *Evidence of Inspector Tawde and Deputy Inspector Savant.*—When Inspector Tawde heard the firing he was on the other side of Northbrook Gardens towards Kumbharwada and it took him some time to get to Chhota Qabrastan. When he got there he found the police being attacked by a very menacing crowd, which it was impossible to drive back, and as all their lives were endangered by the stone throwing he saw no alternative but to fire. He fired 4 rounds. Deputy Inspector Savant was with the procession near Kumbharwada Street when he heard the first shot. He rushed forward, and finding that Hewson, Tawde, Sami and Ismail and the constables with them were all being stoned from the direction of Chhota Qabrastan, and believing that they were “in imminent danger of being killed”, he fired 2 rounds. He was himself twice hit by stones.

24. *Evidence of other policemen.*—The evidence of the officers about the firing and what led to it is supported by Police Naik Babu Raoji and by three of the armed guard, viz. P. C. John Peter the Havildar, P. C. Ramchandra, who was hit on the shoulder by a stone, and P. C. Rahim Dnd, the man who fired two rounds. The Naik's story is that he got into a victoria to take the two injured Hindus to hospital and was dragged out of it by a crowd of Mahomedans, who deprived him of his weapons, pulled him along by his belt and beat him with fists, umbrellas and stones. He says he was injured on the right eye and had two of his ribs broken. (According to the medical evidence only one rib was actually broken, but he had a number of contusions on various parts of the body and was in hospital for 3 weeks) Police constable John Peter says he personally saw one of the rioters pick up a stone and throw it at Sub-Inspector Ismail from a distance of a few paces, hitting him below the eye.

25. *Time and duration of firing.*—The police officers and men actually concerned are naturally not in a position to say exactly at what time the firing commenced or how long it lasted. However, this can be determined with some approach to accuracy. A C.I.D. officer, Inspector Shirazi, was waiting in the compound of Chhota Qabrastan to report the proceedings of the meeting. He is in a position to know and is fairly positive that the first shot was fired about 4-30 p.m. It seems quite clear that it cannot have been later than that, for the meeting began about 10 minutes before 5 p.m., and before that, not only had the firing ceased, but the people outside Chhota Qabrastan had been pacified and persuaded to come in. The first shot may possibly have been

a little before 4-30, but not more than a minute or two before, since the evidence of Sub-Inspector Sami and other police officers shows that the disturbance in the Northbrook Gardens was over when the firing was first heard. Four-thirty as the time of commencement of the firing fits in with the evidence of Mr. Katrak, a witness for the Muslim Propaganda Committee, about whom I shall have something to say later. But he must be wrong in saying that it lasted for 20 minutes. It seems impossible that it can have lasted more than 10 minutes at the outside.

26. *Number of rounds fired and casualties.*—According to the police witnesses 27 rounds were fired in all, viz. 10 by Ismail, 6 by Sami, 3 by Hewson, 4 by Tawde, 2 by Savant and 2 by the armed constable. This figure must, I think, be accepted as accurate. Mr. Katrak's estimate of about 50 shots I consider quite unreliable. Nine people were injured by bullets, all Mahomedans and including two young volunteers, who appear to have been engaged in persuading the crowd at the head of the procession to enter Chhota Qabrastan by the main gate. The total number of casualties among the public in connection with the procession was 34, 27 Mahomedans and 7 Hindus. The former number includes the 9 who were shot. Many, in fact the majority, of the casualties occurred at places other than Chhota Qabrastan and some of the Mahomedans were doubtless hit by stones thrown by the Hindus and *vice versa*. Fortunately there were no fatal injuries. The police fired low and nearly all the bullet wounds were in the leg. Casualties among the police numbered 27, 7 officers and 19 men. In addition to Naik Babu Raoji, whose case has already been mentioned, 12 constables, suffering from contusions, were detained in hospital for periods varying from 2 to 12 days. The others were treated as out-patients. The police officers injured by stones were Sub-Inspector Ismail, Sub-Inspector Sami, Inspector Hewson, Inspector Chaudhari, Sub-Inspector Greig, Deputy Commissioner Wilson and Inspector Sheikh Hussein. The first two were hit at Chhota Qabrastan. Sub-Inspector Ismail had contusions on the right cheek and right eye-lid and abrasions on both thighs. Sub-Inspector Sami had a contusion on the left shoulder and a wheel mark on the left hand. The injuries were dressed in the hospital but none of the officers had to remain as an in-patient.

27. *Procession arrives at Chhota Qabrastan, holds a meeting and disperses.*—As I have said, the procession arrived at Chhota Qabrastan while the firing was still going on. The time of arrival, according to Sir Currimbhoy and the Secretary of the Muslim Propaganda Committee, was about 4-30 p.m. It was probably a few minutes after that. The procession, which from opposite Northbrook Gardens had proceeded at a run, was diverted up Trimbak Parashram Street to enter by the eastern gate and so avoid the trouble on Grant Road. When the leaders reached the place of meeting on the north side of the compound a bullet whizzed past Sir Currimbhoy. The Secretary says that he saw Sub-Inspector Ismail, through a gap in the wall on the south side, and that he was in the road firing in the direction of Chhota Qabrastan,

But the witness was a matter of 80 yards or so from the place where the Sub-Inspector was, and it is doubtful if he can have recognised him. Soon after Inspector Chaudhari and Deputy Commissioner Wilson came into the compound, and after some conversation with them and after insisting that there should be no more firing, Sir Currimbhoy went out and spoke to the people outside. With the assistance of the volunteers they were induced to go in. The meeting was held rather hurriedly, and resolutions passed. The crowds then dispersed and there was no further trouble. It may be mentioned, however, as showing the burden that is thrown upon the police on occasions of this kind, that many officers and men who had been on duty from the early morning, remained at their posts all night.

28. *Case for the Muslim Propaganda Committee as to events other than those at Chhota Qabrastan.*—It is unnecessary, I think, to discuss in detail the evidence relating to events prior to what happened at Chhota Qabrastan. The narrative I have given is based on the evidence of numerous witnesses, police officers and others, which on essential points has not been challenged. The argument on behalf of the Muslim Propaganda Committee has been directed to showing, not that things did not occur as stated, but that there was no hostility on the part of the Mahomedans against the police. The Hindus, it is said, provoked them by throwing stones and they merely retaliated. Injuries to the police must have been caused by the Hindus, or if by the Mahomedans, then only by accident. In any case, it is contended, the disorderly elements in the crowd were kept under control without serious difficulty, and there was no question of personal damage to the police. This point of view it is necessary to examine.

29. *Behaviour of the procession proper.*—It was conceded by the Advocate General in his opening address that the procession proper, that is the portion of it which marched behind the leaders and the green flag, was not guilty of any serious disorder. This is in accordance with the evidence. It may have been partly due, no doubt, to the fact that the bulk of the police escort and the volunteers were concentrated there. But that point need not be stressed too much. The processionists were in an angry mood, and their loudly expressed resentment against the Property Tax had a definitely communal character, owing to the fact that it had been imposed by a Congress Government. They shouted slogans of an abusive and often indecent character about Hindus in general and Congress Ministers in particular. But they did not resort to actual violence, except in the one instance when a part of the procession broke away and rushed into Northbrook Gardens. Even then a small force of police, with the assistance of the volunteers, got them back into the road without great difficulty. In view of what Sub-Inspector Greig and other police officers have said about the demeanour of some members of the procession towards them, it is impossible to acquit them of all hostility against the police. It appears in fact that there was a fairly general feeling of resentment at the idea that the police were acting on behalf of the Government,

which was identified with the Congress, and treating the Mahomedans roughly in the process. But so far as the procession proper is concerned this feeling was not dangerous.

30. *Behaviour of the crowds ahead of the procession.*—But a mass demonstration of this kind in the City of Bombay is like a snowball. It grows in size as it rolls along, and just as a snowball is apt to gather dirt as well as snow, so a procession like this attracts to itself all sorts of unruly and even criminal elements. The evidence makes it abundantly clear that the crowds ahead of the procession, which in course of time came to be as large as or even larger than the procession itself, were completely out of control and in a dangerously excited and truculent mood. This “howling mob”, as Inspector Taylor describes it quite early in the proceedings, came very near to rioting at points E and F, and became definitely riotous at Two Tanks, Kumbharwada and Northbrook Street. At these places only the most strenuous exertions of the police prevented a very serious communal clash.

31. *Hostility to the police.*—Provocation was undoubtedly given by Hindu crowds. It is possible, as I have said, that it was the Hindus who first started throwing stones. It is possible, also, that the Mahomedans would not have attacked the police had they not thwarted their attempts to get at the Hindus. But of course the police had to do their duty and there is no gainsaying that they were deliberately and heavily attacked for doing it. Mr. Somjee laid much stress on the fact that Superintendent Achrekar and Inspector Chaudhari have both stated, that though the behaviour and temper of the crowd was such that there was a risk of the police being overpowered with very serious results, they saw no signs of hostility to the police and were not anxious about their personal safety. But these officers did not reach the scene of the principal disturbances until they were nearly over. Sub-Inspector Newlands and Inspector Hewson tell a very different story, and I am quite satisfied that large numbers of the crowd ahead of the procession were definitely and actively hostile to the police. It is important to remember that this hostile crowd was approaching Chhota Qabrastan just about the time when Sub-Inspector Ismail and his men arrived there. They passed right by the police chowky and entered by the southern gate while the firing was going on. It is probable, therefore, that the crowd with which that officer had to deal included many of the people who had tried to rush the cordon at Northbrook Street and stoned the police there.

32. *Police said to have fired in self-defence.*—From the account I have given of the evidence of the police officers at Chhota Qabrastan it will be clear that their case is that they fired in self-defence, because they apprehended that their lives and the lives of their men were in danger, and saw no other effective means of putting a stop to the attacks being made upon them. It was impossible not to be impressed by the weight of evidence in support of this story as witness after witness came forward to depose to it. The evidence is clear, emphatic and on all material points consistent. Mr. Somjee maintained that in an enquiry of this

kind the burden of proof is on the police and that the statements of Police officers and constables to the effect that they were justified in firing on a mob should not be accepted without corroboration. That would be going too far. The witnesses produced on behalf of Government have undoubtedly made out a *prima facie* case. It remains to be considered whether there are any good reasons for not accepting it.

33. *Evidence of Mr. Katrak.*—The principal witness on behalf of the Muslim Propaganda Committee is Mr. D. A. Katrak, a young Parsee business man who claims to have witnessed the firing from the balcony of a Parsee Club situated on the first floor of a building opposite the southern gate of Chhota Qabrastan. He reached that place about 4 p.m. and the substance of his story is as follows. About 20 minutes after he got there a tram which stopped close to him was stoned and boarded by some Mahomedans, though others tried to prevent it. Some Hindu ladies were escorted to safety by the law-abiding Mahomedans, but a Hindu passenger was beaten and stoned till he fell bleeding profusely and unconscious. Another tram car was stopped and turned back the way it had come without being seriously damaged. Soon after that an Indian police officer and 3 constables arrived. The injured Hindu (the witness only mentions one) was put in a victoria. There was a good deal of confusion and some sort of scuffle among the Mahomedans themselves and between some of them and the constables. Witness could not see exactly what was happening, but stones began to be thrown by people on the foot-path on his side of the road. There was a bigger crowd watching from the opposite footpath by the wall of Chhota Qabrastan, but they were not doing anything.

34. *Mr. Katrak's evidence as to the firing.*—Then he heard a shot and the crowd near him ran helter-skelter. Soon after he saw the Indian officer firing in the direction of Chhota Qabrastan and the people there began throwing stones. His account of what happened after that is confusing and he has contradicted himself rather, but he claims apparently to have seen a second Indian officer firing, and later on, after a large crowd had arrived and entered the southern gate of Chhota Qabrastan, further firing by about 7 police officers, including 4 or 5 Europeans. At one time, he says, the first Indian officer went close up to the wall of Chhota Qabrastan and fired deliberately over it. He admits that stones were repeatedly thrown at the police, both by the crowd on his side of the road and by people on the footpath opposite and in Chhota Qabrastan. He also admits that the stone-throwing continued in spite of the firing. But he alleges that it was not very serious, and he has repeatedly asserted that the police were firing at people who were running away.

35. *Mr. Katrak's evidence continued.*—I cite two passages from my notes which give a good idea of the nature of his evidence. "The officer I saw (Sub-Inspector Ismail is apparently meant) was firing at people who were just running away. There was no crowd near him. He was never at any moment surrounded by a crowd. I could not see any stones being thrown at him at that time. The road was full of running people. There was a clear space of 15 yards round the officer when the

crowd began to run." "The first two Indian officers were firing at people running away. The other seven continued to fire after the people were running away. The people at whom they fired were running away when they fired. I mean that most of them were running away. Some of them were still standing and throwing stones. In spite of the fact that most of them ran away the stone-throwing continued. After the firing stopped the crowd would come closer again. This happened once or twice. None of the officers I saw was in any sort of danger. The stone-throwing was not very intense and besides the stones came from a distance."

36. *Reasons for distrusting this evidence.*—The first question to be considered in connection with Mr. Katrak's evidence is whether he was really in a position to see what he claims to have seen. As he admits, and as I have personally verified, there is a tree of some size on the right of the building from which he was looking on. This effectively blocked his view of the police chowky and the footpath in front of it, and also of the junction of Grant Road and Trimbak Parashram Street by which the crowd in front of the procession was advancing on Chhota Qabrastan. He says nothing about Sub-Inspector Ismail's armed guard, or of the arrest of one of the rioters, for the excellent reason that he could not see these things. But if he could not see the chowky or the cross-roads the question arises whether he can have had a clear view of any of the firing. The places from which the police officers say they fired are marked with the letters Q to U in the map Exhibit A-1. Q-1 may perhaps have been visible to Mr. Katrak. The other places cannot have been visible. It was not put to the police officers in cross-examination that the scene of the firing was further to the west than the places marked. Mr. Katrak puts it much further to the west, in fact in front of the building adjoining the Parsee Club on the right. But I am not prepared to accept his evidence on this point.

37. *Criticism of Mr. Katrak's evidence.*—If it is doubtful—and it certainly is—whether this witness could see enough to enable him to appreciate the situation properly, no importance can be attached to his assertions that the police were not in any serious danger and that they fired at people who were merely running away. When firing took place the crowd ran, and as, to a person looking on from the balcony of the Parsee Club, the sound of the firing and the consequent stampede would seem to be practically simultaneous, there may have been room for an honest mistake as to what was happening. But I am bound to say that the impression made upon me by Mr. Katrak's evidence was, not that he was an honest witness, misled owing to the limitations of his field of view, but that he was deliberately drawing on his imagination and distorting the facts. There can be no doubt that he is exaggerating as to the number of shots fired, the number of officers who fired and the duration of the firing. I cannot believe his statement about Sub-Inspector Ismail going on to the opposite footpath and firing over the wall of Chhota Qabrastan. No question was put to Sub-Inspector Ismail about this, although the "proof" of Mr. Katrak's evidence was in the hands

of Sir Currimbhoy's Solicitors several days before the inquiry began. It looks rather like an attempt to make this police officer responsible for the bullet which passed so close to Sir Currimbhoy. (I should say, though there is no evidence about it, that this was probably one of the shots fired by the armed constable, which would naturally carry farther than a revolver bullet. Or, of course, it may have been a ricochet). Even supposing we had no other evidence I do not consider that Mr. Katrak's story could be accepted as a reasonable account of what occurred, and it cannot be said to throw any serious doubt on the account given by the police witnesses. On the other hand it is significant that the witness admits that the police were attacked, and that the attacks continued in spite of the firing.

38. *Evidence of Mr. Patel.*—Another witness for the Muslim Propaganda Committee, Ibrahim Janmahomed Patel, a timber merchant, was with the procession at the beginning and then went ahead to Chhota Qabrastan to make arrangements for the meeting. While he was there he was told there had been a *maramari*, and going towards the municipal office (at the corner of Trimbak Parashram Street) he found two injured Mahomedans who said they had been beaten by the Police. He attended to them, and then looked after two lady passengers in a tram car which had stopped near Chhota Qabrastan. After that he noticed two injured Hindus lying on the tram lines, and assisted in putting them in a victoria, along with a constable. Then he says he heard the police shouting that stones were being thrown from a small lane opposite Chhota Qabrastan. There was a *lathi* charge, the people on the footpath all ran into the lane, and a police officer fired down it. The witness took refuge in a godown at the corner of the lane. After a while he came out and saw ten unarmed police near the police chowky. There were two or three officers with them, one of whom was Sub-Inspector Ismail and one a European. Some of the officers fired 6 or 7 shots in the direction of people on the footpath in front of Chhota Qabrastan. He states, that though the police said that stones were being thrown, he did not himself see a single stone thrown either from Chhota Qabrastan or anywhere else.

39. *Criticism of Mr. Patel's evidence.*—Mr. Patel saw no armed police (until all the firing was over) and did not see Sub-Inspector Ismail arrest anybody. Evidently then he was no better situated than Mr. Katrak to see what caused the police to fire in the first instance. He is very vague in what he says about the firing. He is the only witness in the case who says anything about firing down a lane opposite Chhota Qabrastan or about any incident near that lane. No questions about this were put to any of the police witnesses in cross-examination. If his assertion that he did not see a single stone thrown is true, it can only be because he remained in the godown where he took shelter much longer than he says he did. The stone-throwing is admitted even by Mr. Katrak, and both Sir Currimbhoy and the Secretary of the Muslim Propaganda Committee say that they saw some people throwing stones from inside Chhota Qabrastan when they arrived with the procession. I cannot attach much importance to the evidence of this witness either,

40. *Evidence of Maulana Habib ul Haq.*—Maulana Habib ul Haq, the only other witness for the Muslim Propaganda Committee whose evidence need be referred to, was one of the leaders of the procession, but he went ahead of it from Two Tanks. He helped the police to clear the Northbrook Gardens of the processionists who had gone there, and heard the sound of firing when he was in the corner of the garden. From that place he says he saw a police constable standing in front of the chowky fire one or two shots, in the direction of Chhota Qabrastan. There were some injured people on the footpath by Chhota Qabrastan but no crowd either there or on the road, and no stones were being thrown at the constable at that time. Witness then proceeded towards Chhota Qabrastan with some police officers. A stone came from inside, whereupon he and the police drew back. Another stone came, and then an Indian officer fired three or four rounds "rapid", although no one was near him when he fired. Inspectors Hewson and Chaudhari were telling the people near the wall not to throw stones. Witness asked the latter why the police were firing outside Chhota Qabrastan when the stones were coming from inside. The Inspector told him to stop the stone-throwing and he would stop the firing. He then climbed over the wall into Chhota Qabrastan and witness followed. People inside complained that it was "tyranny", because the Mahomedans were being both stoned by the Hindus and shot at by the police.

41. *Criticism of this evidence.*—It appeared to me that the evidence of this witness was affected by a similar sense of grievance, not altogether unnatural but all the same unreasonable. Disturbances such an occurred on the occasion of this procession cannot be controlled by patting people gently on the back. The police had frequently to use force and it was inevitable that many people in the crowd, not themselves rioting or disposed to riot, should have been pushed about and hustled and even injured. But that has little or nothing to do with the firing at Chhota Qabrastan. There at any rate it is quite clear that there were no Hindus throwing stones. The only people throwing stones were the Mahomedans and they were throwing them at the police. I doubt very much whether the Maulana could see what was going on at all clearly. He admits that he was in a confused state of mind. Admittedly also he was not there at the beginning. The firing by the armed constable was towards the end of the affair. The procession proper had reached Chhota Qabrastan when the witness got there and he admits that there was a huge crowd filling the whole of the road. It is proved by other evidence that the crowd ahead of the procession had passed by the chowky and gone in at the southern gate. The witness's statement that the constable and the officer whom he saw fire were standing in the open quite unmolested, cannot be accepted. Incidentally it may be mentioned that the only officer who says anything about firing "rapid" is Sub-Inspector Ismail. The Maulana says that the man he saw fire was not Sub-Inspector Ismail but may have been Sub-Inspector Sami. Anyhow the officer, whoever it was, fired, according to him, at a blank wall in such a way that nobody could be hurt. As I have said, I doubt if the witness could really see, but if that did happen the question of justification for the firing could hardly arise.

42. *Arguments on behalf of the Muslim Propaganda Committee.*—Mr. Somjee, in his concluding address on behalf of the Muslim Propaganda Committee, did not—or so it appeared to me—lay very much stress on the evidence of his own witnesses. He seemed to be not disinclined to admit that the attack upon the police Naik justified the use of firearms in the first instance. But he contended that the subsequent firing at any rate was not justified as the police were no longer in serious danger. He suggested that Sub-Inspector Ismail, who is a junior officer, became panicky and lost his head, and he contrasted his conduct with that of Inspector Hewson at Northbrook Gardens. The description of the stone throwing, he said, must be greatly exaggerated, for the supply of stones was limited and none of the police at Chhota Qabrastan, except the Naik, was seriously hurt. The police witnesses had also exaggerated the numbers of the crowd opposed to them. Whatever justification for firing there might have been in the beginning, it became indiscriminate and excessive, and the real object of it was not to save the lives of the police, which were not really in danger, but to subdue and disperse the crowd. In that connection Mr. Somjee relied on some references to the occurrence in the Police Station Diaries. While admitting that there were “a few *mawalis*” acting in a disorderly manner, Mr. Somjee contended that the majority of the crowd which was fired at only wanted to get out of the way, and were unable to do so as they were too tightly packed to escape. The fact that Inspector Chaudhari when he arrived at Chhota Qabrastan, was able to climb over the wall and stop the stone-throwing, and the fact that Sir Currimbhoy and the other leaders pacified the crowd in a short time, were said to indicate that the disorder might have been controlled by less violent means.

43. *The arguments considered.*—I have given these arguments the fullest consideration, and I can find very little substance in them. It is true that Sub-Inspector Ismail has only 3½ years’ service, but he was joined almost from the beginning by Sub-Inspector Sami, and the fact that Inspector Hewson, who decided against firing at Northbrook Street, himself thought it necessary to fire at Chhota Qabrastan, shows that the situation at the latter place was much more dangerous. The mob had no weapons other than stones, and that is certainly a point of importance. But there were plenty of stones available in Chhota Qabrastan and the Northbrook Gardens. A fair-sized basketful of stones and brickbats, found lying at the scene of the firing, was collected and produced. No doubt this would not have sufficed for a continuous shower of stones lasting several minutes, but it is not to be supposed that all or nearly all the missiles were collected. It is true that, with the exception of the Naik, the police were not seriously hurt. Police Constable Ramchandra, one of the armed guard, was in hospital for four days. The injuries to Sub-Inspector Ismail and Sub-Inspector Sami merely required to be dressed. Inspector Tawde and Deputy Inspector Savant were hit but not injured, and Inspector Hewson was not hit at all (at Chhota Qabrastan). But the right of private defence would have very little value if one had to wait until one was seriously injured before exercising it.

44. *Further discussion of the arguments on behalf of the Muslim Propaganda Committee.*—The argument that there was no large crowd round the police party is inconsistent with the other argument that the crowd was so dense that it could not get out of the way of the firing. But I think there is some misunderstanding about this point. It is not alleged that the crowd which rushed at the police at the chowky and roughly handled them was a very dense crowd. It was a matter of hundreds, not thousands. Sub-Inspector Ismail says “two or three hundred or more”. But stones were also being thrown from Chhota Qabrastan, where admittedly a large crowd collected, and from the junction of Grant Road and Trimbak Parashram Street, which, as the procession approached, became a mass of people. As I have already said, the crowd advancing from that direction must have contained many of those who had been rioting at other places. The suggestion that the rioting was confined to “a few *marwalis*” is, I think, absurd. On the other hand there is no force in the argument that the police fired on people who were unable to escape. There was never anything to prevent people going into Chhota Qabrastan or passing along Grant Road to the west.

45. *The same continued. Entries in Police Diaries.*—The Police Station Diaries contain fairly full reports of the day’s proceedings by Inspector Chaudhari and Sub-Inspector Ismail; a report by Inspector Tawde mentioning that he fired four rounds “in connection with disturbances involving an attack by a mob on the police”; and brief notes of telephone messages from Deputy Inspector Savant and Sub-Inspector Sami stating that firing had to be resorted to in order to disperse the crowd. Sub-Inspector Ismail’s report, which is the most important, does not differ in any material respect from his evidence, except that it does not mention the firing of his private revolver. That, no doubt, is a rather remarkable omission, which he explains by saying that he was dizzy as the result of his injury. He reported the matter to his superior officer next morning. The notes about the telephone reports are too brief to have any value. But there is no inconsistency in saying that the police fired to disperse the mob, or to subdue the mob. Some of the officers who fired have stated in evidence that they did so with that object, and also to protect themselves. The two things are obviously connected. As for Inspector Chaudhari climbing over the wall, the rioting was practically over by that time, the firing having been effective. It seems to me fantastic to suggest, in view of the evidence as a whole, that the disturbance could have been quelled merely by soft speeches.

46. *Conclusion. Police version of facts substantially true.*—I have come to the conclusion that the police version of the occurrences at Chhota Qabrastan must be accepted as substantially true. I was, on the whole, very favourably impressed with the way in which the evidence was given. I have not, of course, overlooked the fact that the principal witnesses, having been themselves concerned in the firing, are in a sense on the defensive, or the possibility that *esprit de corps* may have coloured the evidence of other police witnesses. I am prepared to admit, even, that there may have been a certain amount of exaggeration. The

crowd may have grown a little denser and the shower of stones a little heavier in the interval between the 1st August and the end of September. But in its essential aspects I see no reason to believe that the picture is overdrawn. It is no exaggeration to say that Sub-Inspectors Ismail and Sami, and the small party of police with them, were faced with an extremely menacing and dangerous situation, and the probability, not only of very serious and even fatal injury to themselves, but of the mob escaping entirely from police control, with results that might have been appalling. The critical character of the situation continued after the arrival of Inspector Hewson and the other two officers and until the firing had the effect of stopping the attacks on the police.

47. *Summary of circumstances leading to the firing.*—A complete answer to the first part of the terms of reference must be looked for in the report as a whole. Putting the matter in the briefest possible way, the salient facts may be said to be the Mahomedan procession, the disorderly Mahomedan crowd in front of the procession, the attacks by Hindu crowds on the Mahomedans, and the attacks by Mahomedans on the police. I have given credit to the organisers of the procession, and to the Mahomedan volunteers, for the steps taken to control the main body, which on the whole were successful. The fact remains that the assembly and march of a procession of that kind, in the atmosphere prevailing on the 1st August, involved considerable risk. Apart from any question of politics, and looking at the matter simply as one of cause and effect, the procession must be regarded as having contributed, indirectly no doubt, to what happened at Chhota Qabrastan. The undisciplined and ultimately riotous crowds of Mahomedans which gathered ahead of the procession were responsible for the actual disorders, culminating in attacks on the police which in the end could only be suppressed by resort to firearms. The Hindus had nothing directly to do with the attack on the police at Chhota Qabrastan but the conduct of Hindu crowds in stoning the Mahomedans at Kumbharwada and elsewhere naturally had the effect of infurlating the latter, and must therefore be put down as one of the factors materially contributing to the catastrophe.

48. *The question of justification. Private defence.*—The answer to the second part of the terms of reference—whether the firing was justified or not—naturally depends on the circumstances I have described. Section 97 of the Indian Penal Code gives every person a right, subject to the restrictions contained in section 99, to defend his own body and the body of any other person against any offence affecting the human body. Section 99, so far as it is relevant to the present case, provides that the right of private defence in no case extends to the inflicting of more harm than it is necessary to inflict for the purpose of defence. The extent of the right is defined in sections 100 and 101. For our purposes it is sufficient to say that it extends to the causing of any harm, even death, to the assailant, in the case of an assault which may reasonably cause the apprehension that death or grievous hurt will otherwise be the consequence of the assault; and to the causing of any harm other than death in other cases.

49. *The same continued.*—It is important to note that the exercise of the right of private defence is not made to depend on proof of the actual existence of danger to life or danger of grievous hurt, but on the existence of a reasonable apprehension of such danger. The Courts have frequently held, moreover, that the law does not require that men suddenly called upon to defend themselves should weigh the arguments for and against a particular line of action in “golden scales”. I may quote that Mr. Justice Ratigan said in *Niamat Khan v. Emperor* (1883 P. R. 17 of 1883). “Allowance must be made for the excitement of the moment, and for the feelings which such excitement would endanger in the minds of persons placed in the position of the prisoners. It is therefore quite possible that what may now appear to us, sitting in the serene atmosphere of a Court of Justice, to have been an insufficient cause for the exercise of such means of self-defence as were adopted by the prisoners, may yet have seemed to them at the moment to have been absolutely necessary for the purpose of self-defence.” In the present case I am not prepared to say that there was in actual fact no danger of the police being fatally injured, still less that there was no room for a reasonable apprehension of a fatal injury. But even if I am wrong as to that, the least that can be said is that the officers concerned had a reasonable apprehension that grievous hurt might be caused to them and to their men, unless they used their firearms. Naik Babu Raoji had in fact received injuries amounting to grievous hurt before the firing began. A reasonable apprehension of grievous hurt may, as I have said, justify even the killing of the assailant.

50. *Right to use force to suppress a riot*—Although the Advocate General based his case primarily on the law of private defence, it may be as well to point out that the law permits the use of force, and if necessary the use of firearms, to disperse a riotous mob, even though the police are not in any personal danger. Mr. Somjee appeared to contend that firing at the mob, with the object of dispersing it, or with the object of putting an end to the rioting, would not be lawful without the order of a Magistrate. But that is an old fallacy, which was repudiated more than a century ago by Chief Justice Tindal in his charge to the Grand Jury after the Bristol Riots. He said: “By the common law every private person may lawfully endeavour, by his own authority, and without any warrant or sanction of the Magistrate, to suppress a riot by every means in his power. He may disperse, or assist in dispersing, those who are assembled; he may stay those who are engaged in it from executing their purpose; he may stop and prevent others whom he shall see coming up from joining the rest; and not only has he the authority, but it is his bounden duty as a good subject of the King, to perform this to the utmost of his ability.” This principle is recognised by the Criminal Procedure Code and by section 40 of the Bombay City Police Act. It is true that the latter section gives the power to disperse an unlawful assembly by force to an officer in charge of a section, that is an Inspector. The officers at Chhota Qabrastan at the beginning of the firing were Sub-Inspectors only. But it is provided in section 3 (c) of the Act that “officer in charge of a section” shall include the next senior officer when the Inspector is absent; and moreover two Inspectors were present at the later stages of the firing.

51. *Finding that firing was justified, and not excessive.*—It may be lawful, then, to use force either in self-defence or to suppress a riot. In either case the degree of force which may be used depends on the circumstances. No greater force must be used than is necessary for the purpose of self-defence, or for the purpose of suppressing the riot, having regard, of course, to the nature of the riot and the danger to be apprehended from it. The questions in the present case are, was it necessary to use firearms at all, and if so was the use made of them excessive? I answer the first question in the affirmative and the second in the negative. My reasons will, I think, sufficiently appear from what I have said already. The two Sub-Inspectors had no force of unarmed police sufficient to suppress the rioting by the use of *lathis* or otherwise. The armed police under the circumstances were practically useless. A bayonet charge, as Sub-Inspector Ismail says, would probably have resulted in far more serious casualties. All possible means of controlling the crowd appear to have been adopted before firing, and due warning was given. Once firing is opened it must be made effective. A desultory shot or two, not followed up, will only aggravate a dangerous mob. The officers fired low, so as to inflict as little harm as possible. They used their revolvers for the most part, and not the rifles of the armed police, from the same motive. That the firing was not indiscriminate is shown by the fact that Inspectors Hewson and Tawde and Sub-Inspector Savant only fired a few rounds each.

52. *Firing justified, in spite of the fact that innocent persons were injured*—I may say a few words in conclusion on the subject of the injuries caused by the firing to inoffensive persons, namely, the two volunteers. Firing under the circumstances, whether in self-defence or to suppress a riot, must mean in practice firing at the mob. It is impossible as a rule to pick out individual assailants. One of the obvious disadvantages of the use of firearms is that innocent by-standers may be wounded or killed. But if the firing is otherwise lawful, it does not become unlawful by reason of this fact. Section 106 of the Penal Code expressly negatives liability on account of harm caused to innocent persons in the exercise of the right of private defence against an assault which reasonably causes the apprehension of death.

53. *The same continued*—This matter is dealt with succinctly in the Report of the Featherstone Riot Commission (cited in Mayne's Criminal Law at page 99). After stating that the justification for the firing (by the troops in that case) depended on two conditions—"Was what they did necessary, and no more than was necessary, to put a stop to or prevent felonious crime? In doing it, did they exercise all ordinary skill and caution, so as to do no more harm than could be reasonably avoided?" the Commissioners went on to say:

"If these two conditions are made out, the fact that innocent people have suffered does not involve the troops in legal responsibility. A guilty ringleader, who under such conditions, is shot dead, dies by justifiable homicide. An innocent person killed under such conditions,

where no negligence has occurred, dies by an accidental death. The legal reason is not that the innocent person has to thank himself for what has happened, for it is conceivable (though not often likely) that he may have been unconscious of any danger, and innocent of all imprudence. The reason is, that the soldier who fired has done nothing except what was his strict legal duty."

Where the firing is in self-defence, and not to suppress a riot, it will be a case of a legal right rather than a legal duty. But the principle, I apprehend, must be the same. There is, of course, no difference between the case of soldiers and policemen in this respect.

(Signed) R. S. BROOMFIELD.

12th October 1939.

*Statement giving explanation of the points marked in Appendix I
re : Police Firing at Chhota Qabrastan on 1st August 1939*

- A.—Starting point of the Muslim procession near Mandvi Post Office.
- B.—Breaking of the Police cordon by the processionists.
- C.—Re-adjustment of police arrangements to prevent Muslims from going ahead of the main procession.
- D.—Place where the Muslims in front of the procession, who were excited and rowdy, were stopped and closed up with the main procession.
- E.—Police cordon at Masjid Bunder Road and Abdul Rehman Street to separate the rush at the Hindu mob on account of excitement.
- F.—Police cordon at Pydhoni junction to prevent the excited Muslims rushing at the crowd of Hindus near Jain Temple.
- G.—Place where the processionists against the Police rule passed through Ali Umar Street and Masjid Street and then came along Kazi Street when persuaded by the Police.
- H.—Sandhurst Road—Null Bazaar, where Gandhi caps were burnt by Muslims.
- I.—Cordon placed to prevent Muslims from having a clash with Hindus collected on the road.
- J.—Place where a coloured Gandhi cap fell on Inspector Chowdhary's helmet.
- K.—Place (Junction of Chimna Butcher Street and Khara Tank Road) where a Gandhi cap was burnt.
- L.—Place where a crowd of Muslims which formed the vanguard of the procession was stopped to clear and allow traffic to pass on to Grant Road.
- M.—Place from where stones were thrown on the vanguard of the procession from Kumbharwada Street.
- N.—Place where stones were exchanged between the Hindus and the Muslim crowd which formed the vanguard of the procession.
- O.—Portion between Trimbak Parshram Street and the Gate of Chhota Qabrastan on Grant Road, where stones thrown by Muslims at the Police and where firing took place.
- P.—Chhota Qabrastan.

*Statement giving explanation of the points marked in Appendix II
re : Police Firing at Chhota Qabrastan on 1st August 1939.*

- Q.—Place from where Sub-Inspector Ismail opened fire .
 Q-1.—Place from where Sub-Inspector Ismail opened fire.
 R.—Place from where Inspector Hewson opened fire.
 S —Place from where Inspector Tawde opened fire.
 T —Place from where Deputy Inspector Sawant opened fire.
 U.—Place from where Sub-Inspector Sami opened fire.
 V.—Place where Sub-Inspector Newlands was posted with Fire Section.

Note.—Arrow Mark indicates the direction to which the officers opened fire,

APPENDIX III

The total expenditure incurred on the Inquiry is as follows :—

	Rs.
(1) Salaries	3,109
(2) Legal expenses	7,750
(3) Cost of printing 900 copies of the Report	246
Total ..	<u>11,105</u>