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**Financial Problems of Indian States  
under Federation**

# Financial Problems of Indian States under Federation

*By*

**SAHIBZADA A. WAJID KHAN**

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## PREFACE

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*To*

Lieut.-General His Highness Farzand-i-Khas Daulat-i-Inglishia  
Mansur-uz-Zaman Amir-ul-Umara  
Maharajadhiraj Raj Rajeshwar Sri Maharaja-i-Rajgan,  
BHUPINDRA SINGH MOHINDER BAHADUR,  
Yadu Vanshavatans Bhatti Kul Bhushan,  
G.C.S.I., G.C.I.E., G.C.V.O., G.B.E., A.D.C., LL.D.,  
Maharajadhiraj of Patiala,

whose brilliant leadership  
during the most critical period in the history of  
the Indian States has been of inestimable value  
to the Princes and whose continued guidance  
gives assurance for the successful attainment of  
objects conducive to the greatest wellbeing of the  
Indian States and the Motherland.

## ERRATA

| <i>Page</i> | <i>Line</i> |   |
|-------------|-------------|---|
| 7           | 9           | <i>for expansions read expansion.</i>   |
| 17          | 20          | <i>for Mandi States read Mandi State.</i>   |
| 61          | 2           | <i>for Federation read Federations.</i>   |
| 67          | 22          | <i>for this will only serve in a rough manner read this will serve to show in a rough manner.</i> |
| 69          | 20          | <i>for On March, 1935, read On March 31, 1935.</i>  |
| 82          | 16          | <i>for said read sad.</i>   |
| 90          | 13          | <i>for 3 crores read 3.00 crores.</i>   |
|             | 14          | <i>.73 ,, 2.73 ,,</i>   |
| 103         | 8           | <i>for functions and that read functions, that.</i>   |
| 111         | 17          | <i>for right read sight.</i>  |
| 114         | 20          | <i>for Government of India Bill read Government of India Act.</i>                                 |
| 119         | 31          | <i>for positions read position.</i>   |
| 151         | 34          | <i>for 149 read 152.</i>  |
| 176         |             | <i>Footnote † for Vide read Ibid.</i>   |

## PREFACE

Dr. Wajid Khan has written an interesting and opportune book on an aspect of Indian Federal Finance, which has received less than its fair share of attention. The financial problems of the Indian States have many special characteristics, which distinguish them from the financial problems of British India, whether Central or Provincial. Now that the Government of India Act has become law, the practical task of finding solutions for all these problems within a larger unity, will absorb a great part of the energies of Indian politicians and economists in the next few years. In this new era of transition both goodwill and knowledge will be needed in large measure. Dr. Wajid Khan presents both facts and a point of view, which the builders of the New India, the Indian leaders themselves, will do well to examine.

There is, no doubt, much that is controversial in this study. But only through free controversy can political truth be generated and political health maintained. I have had the pleasure of supervising Dr. Wajid Khan's work at the London School of Economics but I do not take responsibility for his opinions on disputed questions. I believe, however, that his book will stimulate thought and discussion, and will contribute to a better understanding of important elements in the Indian financial situation. It is excellently written

and will hold the reader's attention. No other book hitherto published covers quite the same field and wherever Public Finance is studied, and especially Indian Public Finance, this book should find a place in any adequate bibliography.

HUGH DALTON.

*29th August, 1935.*

## AUTHOR'S PREFACE

The scope of this book is described in the Introductory Chapter. So far as I am aware, nothing of a comprehensive character has so far been published setting forth the particular point of view of the Indian States on the financial aspects of an All-India Federation. I originally intended to limit my examination to the scheme of Reforms contained in the White Paper of the 15th March, 1933. But the publication of the Government of India Bill, during the course of my work and its enactment, shortly before the book was sent to the press, has made it possible to analyse the final proposals of His Majesty's Government in the light of the outstanding claims and the special rights and privileges of the Indian States.

In my presentation of the facts, I have relied, as far as possible, on original sources. I have also taken the liberty of utilising my knowledge of the records of the Secretariat of Chamber of Princes, gained while I was acting as Secretary to His Highness the Chancellor of the Chamber of Princes. At a certain point in my enquiries I returned to India in order to collect, on the spot, some essential information which was not available in England. Most of this was pedestrian work and even then I could study only a few typical cases. There is need for a greater collective effort by the States, which number over 200, and whose relations with

the British Government extend over a period of more than a hundred years, if the problem is to be presented in all its bearings. But I hope that in spite of its imperfections, this study will help, to some extent, to clarify the standpoint of the Indian States which has so far been grossly misunderstood in British India and elsewhere.

I am thankful to the efficient staffs of the British Museum and the India Office for their ready help in providing me with books and documents needed for my research, and my deepest debt of gratitude is due to Dr. Hugh Dalton of the London School of Economics for his valuable suggestions and the personal interest he has taken in my work.

A. WAJID KHAN.

The London School of Economics  
and Political Science.

*9th September, 1935.*

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## APPENDIX A

### NOTE ON TREATIES, SANADS AND ENGAGEMENTS

The relations of the Indian States with the British Government are defined by their treaties, sanads and engagements. Their political status differs from case to case according to the terms of these documents.

Of the total number of States, forty have treaties with the British Government. The phraseology of the earlier treaties suggests that the deeds were executed between two powers standing on an equal footing. In the treaties concluded in and after 1818, however, the phrase "subordinate co-operation" is met with. For example, article 3 of the treaty with the Nawab of Bhopal, concluded in 1818, lays down that :

"The Nawab of Bhopal and his heirs and successors will act in subordinate co-operation with the British Government and will not have any connection with other Chiefs and States."

Sanad, in Indian political parlance, means the grant or recognition by the Crown of certain rights and privileges to be enjoyed by the Ruler of a State. A sanad is not necessarily unilateral and is commonly recognised to have the force of a treaty. For example, in the preamble of the sanad granted to His Highness the Maharaja of Patiala, in 1860, it has been specially mentioned that it was presented "by way of treaty."

An engagement is a deed executed by the Ruler of a State, binding himself, his heirs and successors in respect of certain obligations towards the British Government.

Below we give one typical specimen of each of these documents.

- (i) Treaty with the Nizam of Hyderabad—1800.
- (ii) Sanad granted to the Maharaja of Patiala—1860.
- (iii) Engagement of the Raja of Pannah—1811.

## (i) TREATY WITH THE NIZAM—1800.\*

Treaty of Perpetual and General Defensive Alliance between the Honourable the English East India Company and His Highness the Nawab Nizam-ool-Moolk Asuph Jah Bahadoor, Soubadar of Deccan, his children, heirs and successors, settled by Captain James Achilles Kirkpatrick, Resident at the Court of His Highness, by virtue of the powers delegated to him by the Most Noble Richard, Marquis Wellesley, Knight of the Most Illustrious Order of St. Patrick, one of His Britannic Majesty's Most Honourable Privy Council, Governor-General in Council, appointed by the Honourable the Court of Directors of the said Honourable Company to direct and control all their affairs in the East Indies, and Governor-General in Council of all the British Possessions in the East Indies.

Whereas, by the blessing of God, an intimate friendship and union have firmly subsisted for a length of time between the Honourable English East India Company and His Highness the Nawab Nizam-ool-Moolk Asuph Jah Bahadoor, and have been cemented and strengthened by several Treaties of alliance, to the mutual and manifest advantage of both powers, who, with uninterrupted harmony and concord having equally shared the fatigues and dangers of war and the blessings of peace, are, in fact, become one and the same in interest, policy, friendship, and honour. The powers aforesaid averting to the complexion of the times have determined on principles of precaution and foresight and with a view to the effectual preservation of constant peace and tranquillity, to enter into a general defensive alliance, for the complete and reciprocal protection of their respective territories, together with those of their several allies and dependants, against the unprovoked aggressions or unjust encroachments of all or of any enemies whatever.

*Article 1*

The peace, union and friendship so long subsisting between the two States shall be perpetual; the friends and enemies of either shall be the friends and enemies of both, and the contracting parties agree that all the former Treaties and agreements between the two States now in force and not contrary to the tenor of this engagement shall be confirmed by it.

\* Aitchison's Treaties, 1929 edition, Vol. IX, pages 62-68.

*Article 2*

If any power or State whatever shall commit any act of unprovoked hostility or aggression against either of the contracting parties, or against their respective dependents or allies, and, after due representations, shall refuse to enter into amicable explanation; or shall deny the just satisfaction or indemnity which the contracting parties shall have required, then the contracting parties will proceed to concert and prosecute such further measures as the case shall appear to demand.

For the more distinct explanation of the true intent and effect of the agreement, the Governor-General in Council, on behalf of the Honourable Company, hereby declares that the British Government will never permit any power or State whatever to commit with impunity any act of unprovoked hostility or aggression against the rights or territories of His Highness the Nizam, but will at all times maintain and defend the same, in the same manner as the rights and territories of the Honourable Company are now maintained and defended.

*Article 3*

With a view to fulfil this Treaty of general defence and protection, His Highness the Nawab Asuph Jah agrees that two battalions of sepoy and one regiment of cavalry, with a due proportion of guns and artillery men shall be added in perpetuity to the present permanent subsidiary force of six battalions of sepoy, of one thousand firelocks each, and one regiment of cavalry, five hundred strong (with their proportion of guns and artillery men), so that the whole subsidiary force furnished by the Honourable East India Company to His Highness shall henceforward consist of eight battalions of sepoy (or eight thousand firelocks) and two regiments of cavalry (or one thousand horse) with their requisite complement of guns, European artillery men, lascars, and pioneers, fully equipped with warlike stores and ammunition, which force is to be stationed in perpetuity in His Highness's territory.

*Article 4*

The pay of the above-mentioned additional force shall be calculated at the rate of the pay of the existing subsidiary force, and shall commence from the day of the entrance of the said force into His Highness's territories.

*Article 5*

For the regular payment of the whole expense of the said augmented subsidiary force (consisting of eight thousand infantry, one thousand cavalry, and their usual proportion of artillery) His Highness the Nawab Asuph Jah hereby assigns and cedes to the Honourable the East India Company, in perpetuity all the territories acquired by His Highness, under the Treaty of Seringapatam on the 18th March, 1792, and also all the territories acquired by His Highness under the Treaty of Mysore on the 22nd June, 1799, according to the Schedule annexed to this Treaty.

*Article 6*

Certain of the territories ceded by the foregoing Article to the Honourable Company being inconvenient, from their situation to the northward of the river Toombuddrah, His Highness the Nawab Asuph Jah, for the purpose of rendering the boundary line of the Honourable Company's possessions a good and well-defined one, agrees to retain the districts in question, namely Copul, Gujjunderghur and others (as marked in the annexed schedule) in his own possession; and in lieu thereof assigns and cedes in full and in perpetuity to the Honourable Company the district of Adoni, together with whatever other territory His Highness may be possessed of, or is dependent on His Highness's Government, to the south of the Toombuddrah, or to the south of the Kistmah, below the junction of those two rivers.

*Article 7*

The territories to be assigned and ceded to the Honourable Company by the fifth Article, or in consequence of the exchange stipulated in the sixth Article, shall be subject to the exclusive management and authority of the said Company and of their officers.

*Article 8*

Whereas the actual produce of a considerable portion of the districts ceded to the Honourable Company by Article five is ascertained and acknowledged to be greatly inferior to their nominal value, as specified in the Schedule annexed to this Treaty, and the said districts cannot be expected for a long course of years to reach to their said nominal value; and

whereas differences might hereafter arise between the contracting parties with respect to the real value of the same and the friendship and harmony happily subsisting between the contracting parties be disturbed by discussion relating to the adjustment of accounts of the produce and value of the said districts ; in order to preclude all causes of any such future difference or discussion between the two States, the said East India Company agrees to accept the said districts (with the reservation stated in the sixth Article) as a full and complete satisfaction for all demands on account of the pay and charges of the said subsidiary force ; and therefore to whatever extent or for whatever length of time the actual produce of the said districts shall prove inadequate to the amount of the subsidy payable by His Highness on account of the said subsidiary force, no demands shall ever be made by the Honourable Company upon the Treasury of His Highness on account of any such deficiency or on account of any failure in the revenues of the said districts, arising from unfavourable seasons, from calamity of war, or any other cause. His Highness the Nizam, on his part, with the same friendly views hereby renounces all claim to any arrears or balance which may be due to him from the said districts at the period of their cession to the Honourable Company, and also to any eventual excess in the produce of the said districts, beyond the amount of the subsidy payable by His Highness on account of the said subsidiary force ; the true intention and meaning of this Article being that the cession of the said districts and the exchange stipulated in the sixth Article shall be considered as a final close and termination of accounts between the contracting parties with respect to the charges of the said subsidiary force.

*Article 9*

After the conclusion of this Treaty, and as soon as the British Resident shall signify to His Highness Asuph Jah that the Honourable Company's officers are prepared to take charge of the districts ceded by the fifth Article, His Highness will immediately issue the necessary perwannahs or orders to his officers to deliver over charge of the same to the officers of the Company ; and it is hereby stipulated and agreed that all collections made by His Highness's officers subsequent to the date of the said perwannahs or orders, and before the officers of the Company shall have taken charge of the said

districts, shall be carried to the account of the Honourable Company.

*Article 10*

All forts situated within the districts to be ceded as aforesaid shall be delivered to the officers of the Honourable Company with the said districts ; and His Highness the Nawab Asuph Jah engages that the said forts shall be delivered to the Honourable Company as nearly as possible in the same state as that in which His Highness received them.

*Article 11*

His Highness the Nawab Asuph Jah will continue to pay, the subsidy of the former subsidiary force and also that of the additional troops from his treasury in the same manner as hitherto observed until the Honourable East India Company's officers shall have obtained complete possession from His Highness's officers of the country ceded to the said Company by the fifth Article. The Company will not claim any payments of subsidy from His Highnesses treasury after their officers shall have obtained possession of the said districts from the officers of His Highness.

*Article 12*

The contracting parties will employ all practicable means of conciliation to prevent the calamity of war ; and for that purpose will at all times be ready to enter into amicable explanations with other States and to cultivate and improve the general relations of peace and amity with all the powers of India, according to the true spirit and tenor of this defensive Treaty. But if a war should unfortunately break out between the contracting parties and any other power whatever, then His Highness the Nawab Asuph Jah engages that, with the reserve of two battalions of sepoy which are to remain near His Highness's person, the residue of the British subsidiary force (consisting of six battalions of sepoy and two regiments of cavalry with artillery) joined by six thousand infantry and nine thousand horse of His Highness's own troops, and making together an army of twelve thousand infantry and ten thousand cavalry, with their requisite train of artillery, and warlike stores of every kind, shall be immediately put in motion for the purpose of opposing the enemy ; and His Highness

likewise engages to employ every further effort in his power for the purpose of bringing into the field as speedily as possible the whole force which he may be able to supply from his dominions ; with a view to effectual prosecution and speedy termination of the said war, the Honourable Company in the same manner engage on their part, in this case, to employ in active operations against the enemy the largest force which they may be able to furnish over and above the said subsidiary force.

*Article 13*

Whenever war shall appear probable His Highness the Nawab Asuph Jah engages to collect as many banjarahs as possible, and to store as much grain as may be practicable in his frontier garrisons.

*Article 14*

Grain and all other articles of consumption and provision, and all sorts of materials for wearing apparel, together with the necessary quantity of cattle, horses and camels required for the use of the subsidiary force, shall, in proportion to its present augmentation be, as heretofore, entirely exempted from duties.

*Article 15*

As by the present Treaty the union and friendship of the two States are so firmly cemented as that they may be considered as one and the same, His Highness the Nizam engages neither to commence nor to pursue in future any negotiations with any other power whatever without giving previous notice, and entering into mutual consultation with the Honourable East India Company's Government, and the Honourable Company's Government on their part hereby declare that they have no manner of concern with any of His Highness's children, relations, subjects or servants with respect to whom His Highness is absolute.

*Article 16*

As by the present Treaty of general defensive alliance, mutual defence and protection against all enemies are established, His Highness the Nawab Asuph Jah consequently engages never to commit any act of hostility or aggression against any power whatever ; and in the event of any differ-

ences arising whatever adjustment of them the Company's Government, weighing matters in the scale of truth and justice, may determine shall meet with full approbation and acquiescence.

*Article 17*

By the present Treaty of general defensive alliance, the ties of union, by the blessing of God, are drawn so close that the friends of one party will be henceforward considered as the friends of the other, and the enemies of the one party as the enemies of the other ; it is therefore hereby agreed that if in the future the Shorapore or Gudwall zemindars, or any other subjects or dependents of His Highness's Government should withhold the payment of the Circar's just claims upon them, or excite rebellion or disturbance, the subsidiary force, or such proportion thereof as may be requisite, after the reality of the offence shall be duly ascertained, shall be ready, in concert with His Highness's own troops, to reduce all such offenders to obedience. And the interests of the two States being now in every respect identified, it is further mutually agreed that if disturbances shall at any time break out in the districts ceded to the Honourable Company by this Treaty, His Highness the Nawab Asuph Jah shall permit such a proportion of the subsidiary troops as may be requisite to be employed in quelling the same within the said districts. If disturbances shall at any time break out in any part of His Highness's dominions contiguous to the Company's frontier, to which it might be inconvenient to detach any proportion of the subsidiary troops, the British Government in like manner if required by His Highness the Nawab Asuph Jah, shall direct such proportion of the troops of the Company as may be most conveniently stationed for the purpose to assist in quelling the said disturbances within His Highness's dominions.

*Article 18*

Whereas, by the favour of Providence, a perfect union, harmony and concord, have long and firmly subsisted between the Honourable East India Company, His Highness the Nawab Asuph Jah, His Highness the Peishwa Rao Pundit Prudhan, and Rajah Raghojee Bhooslah, therefore should His Highness Rao Pundit Prudhan and Rajah Raghojee Bhooslah, or either of them express the desire to participate in the benefits of the present defensive alliance, which is

calculated to strengthen and perpetuate the foundations of general tranquillity, the contracting parties will readily admit both or either of the said powers to be members of the present alliance, on such terms and conditions as shall appear just and expedient to the contracting parties.

*Article 19*

The contracting parties being actuated by a sincere desire to promote and maintain general tranquillity, will admit Dowlut Rao Sindia to be a party to the present Treaty whenever he shall satisfy the contracting parties of his disposition to cultivate the relations of peace and amity with both States, and shall give such securities, for the maintenance of tranquillity as shall appear to the contracting parties to be sufficient.

*Article 20*

This treaty, consisting of twenty Articles, being this day settled by Captain James Achilles Kirkpatrick, with the Nawab Asuph Jah Bahadoor, Captain Kirkpatrick has delivered one copy thereof in English and Persian, signed and sealed by himself, to the said Nawab, who, on his part, has also delivered one copy of the same, duly executed by himself; and Captain Kirkpatrick, by virtue of special authority given to him on that behalf by the Most Noble the Governor-General in Council, hereby declares the said Treaty to be in full force from the date hereof, and engages to procure and deliver to His Highness in the space of thirty days a copy of the same from the Governor-General in Council, in every respect the counterpart of that executed by himself; and on the delivery of such copy the Treaty executed by Captain Kirkpatrick shall be returned; but the additional subsidiary force specified in the third Article shall be immediately required by His Highness the Nizam and furnished by the Honourable Company, and all the other Articles shall be in full force from this time.

Signed, sealed and exchanged at Hyderabad on the 12th October, Anno Domini 1800, or 22nd Jemmadec-ul-Awul, Anno Hegiree 1215.

J. A. KIRKPATRICK,  
Resident.

*His Highness's Mark.*

*His Highness's Seals.*

The Schedule annexed to this Treaty gives a list of Talooks acquired by the Treaty of Seringapatam, those acquired by the Treaty of Mysore and of districts situated north of the Toombaddrah which under Article IV of the Treaty remain with His Highness the Nizam.

(ii) SANAD GRANTED TO THE MAHARAJA OF  
PATIALA—1860

Translation of a Sanad regarding possession of territory granted to the Maharaja of Patiala, by His Excellency the Viceroy and Governor-General of India, dated the 5th May, 1860.

Whereas since the day of the rise of the sun of the everlasting British Empire and supremacy in this country of India, the acts of loyalty and devotion to Government of Farzand-i-Khas-i-Daulat-i-Ingliscia, Mansur-i-Zaman, Amir-ul-Umara, Maharaja Dhiraj, Rajesar Sri Maharaja Rajagan Naraindar Singh Mahindar Bahadur and ancestors and predecessors of the said Maharaja on occasions of War and battle, etc., have fully become conspicuous; accordingly as a reward for these good services and aid and assistance with troops and supplies, etc., they have always been distinguished and exalted by the powerful British Government by being granted territory and titles and raised in degrees of honour and dignity. Particularly in the year 1857 A.D. during the days of the insurrection and mutiny of wretched persons the Maharaja Sahib Mahindar Bahadur rendered and displayed worthy and conspicuous services which surpassed his previous achievements. Therefore, in recognition of such approved services, the powerful British Government, by way of Royal favour and kindness, has conferred on the Maharaja Sahib Mahindar Bahadur, some territory and additional title for generation after generation and descendent after descendent. The Maharaja Sahib Bahadur has applied for a renewal of the sanad regarding his ancestral territory as well as that granted to him previously and now by the powerful Government. In view of this His Excellency the Viceroy and Governor-General is pleased to approve of the grant of the present sanad by way of treaty with the conditions entered below as a memorable document :

*Clause I*

According to the list annexed to this Sanad, the Maharaja Sahib Bahadur and his successors will, in the present, and future time, exercise sovereignty, with peace of mind and in perfect security, in accordance with ancient custom, over his ancestral possessions and the dominions bestowed on him by the British Government and consider the territory granted to him by the British Government in recognition of his good services as his ancestral territory with all powers and rights, internal and external. All powers great and small, administrative and criminal and in respect of the produce of revenue, etc., will, as heretofore, remain permanently vested in the power and control of the Maharaja Sahib Bahadur, and his successors generation after generation and descendent after descendent, in present and in future for ever and in perpetuity; and (his) brothers, zaildars, Chararumians (persons entitled to a fourth share), feudatories, Jagirdars and dependents will, according to old custom, obey the orders and commands of the Maharaja Sahib Bahadur and his successors.

*Clause II*

The powerful British Government will not demand or exact anything on account of nazarana, land revenue, administrative or criminal cesses, compensation on account of troops, etc., or on any other plea whatever, in the present or the future, from the Maharaja Sahib Bahadur, his successors, dependents, brothers, Zaildars, Jagirdars, Charaums or feudatories except as provided in Clause III.

*Clause III*

As an additional Royal favour and having regard to the loyalty and devotion of the Maharaja Sahib Mahindar Bahadur the powerful Government desires that his territory should always remain under the sovereignty of his family. Therefore the power of adoption is granted for ever to the said Maharaja Sahib and his successors so that in case there is no lineal descendant they may, for the purpose of perpetuating the line of Chiefship, adopt a successor, according to their own choice from among the descendants of the Phulkian family. The powerful Government cordially accepts and agrees to this. The powerful Government also

grants permission that in case—may God forbid—the Maharaja or the masnad should die suddenly, without leaving a lineal descendant or an adopted successor, the Raja Sahib of Jind and the Raja Sahib of Nabha, in concert with the Commissioner Sahib Bahadur, may select a successor from among the Phulkian family and place him on the masnad. In that case nazarana to the extent of one-third of the income of the State for one year will be paid into the treasury of the British Government by the Patiala State.

#### *Clause IV*

In the year 1847, an agreement regarding the infliction of capital punishment after reference to the Commissioner Sahib Bahadur and the prevention of female infanticide, sati and slavery, etc., was obtained from the said Maharaja Sahib. That is now cancelled, and absolute power by all means regarding the infliction of capital punishment, etc., in his territory, according to old customs, is granted to the Maharaja Sahib Mahindar Bahadur and his successors. Similarly, with regard to punishing subjects of the powerful British Government, committing crime and apprehended in the territory of the Patiala State, the Maharaja Sahib Mahindar Bahadur and his successors are granted power in accordance with the provisions of the despatch No. 3, dated 1st June, 1836, from the Honourable Court of Directors at the capital, London. The Maharaja Sahib Bahadur will exert himself by every possible means in promoting the welfare of his people and the happiness of his subjects and redressing the grievances of the oppressed and injured in the proper way. He will prevent in his territory female infanticide, sati and slavery, which are opposed to the principles of justice and equity towards the people, in accordance with the provisions of the former sanad. In the event of any person at any time committing the above mentioned prohibited crimes without the knowledge of the officials of the Maharaja Sahib Bahadur, the latter will inflict deterrent punishment on him.

#### *Clause V*

The Maharaja Sahib and his successors will never fail in their faithful and devoted obedience to the Empress, Queen of England, and her successors.

*Clause VI*

If at any time any hostile troops with mischievous intention should appear in his neighbourhood from any side or direction, the Maharaja Sahib Bahadur will along with his existing force sincerely and loyally co-operate with the English in repelling them in accordance with past practice. He will exert himself, to the utmost of his resources, in providing supplies, grains, etc., and transport according to the requisitions of British officers.

*Clause VII*

Complaints against the Maharaja Sahib from his subjects, Maufidars, Jagidarrs, dependents, brothers and servants, etc., will on no account be listened to by the powerful British Government.

*Clause VIII*

With regard to internal management and the affairs of brothers, household and relatives, the rules and arrangements made by the Maharaja Sahib Mahindar Bahadur will stand and always be respected and not interfered with by the powerful British Government.

*Clause IX*

On the occasion of the construction and repairs of roads in his territory, the Maharaja Sahib Bahadur will, in accordance with the written communication of the Commissioner Sahib Bahadur, arrange from his own territory, through Kardars and officials of Parganas, according to former custom, for the materials required, on payment; and at the time of the construction of a railroad or other roads, the Maharaja Sahib Bahadur will concede, free of charge, land that comes under the roads in the same way as he has done for the Imperial road.

*Clause X*

The Maharaja Sahib Bahadur will always pursue the course of obedience and loyalty to the powerful Government who will likewise continue to uphold his honour, respect, rank and dignity in the manner it is done at present.

(The annexure gives a list of ancestral territories of His Highness the Maharaja of Patiala and of those bestowed by the British Government).

From Aitchison's Treaties—1929 edition,  
Vol. I, pages 161-165.

## (iii) ENGAGEMENT OF THE RAJAH OF PANNAH—1811

*Article 1*

I hereby promise and bind myself on no occasion to unite with external or internal enemies of the Honourable Company in Bundelcund, and to be ever obedient and submissive to the will and commands of the British Government in all things.

*Article 2*

If anyone of my children, brothers, or relations, excite, sedition or disturbance in the British territories or possessions or the territories or possessions of any of the chiefs in allegiance to the British Government, I engage to do everything in my power to prevent and to restrain them ; and in the case of their persisting in such conduct, I engage to unite my force with the British troops in the punishment and suppression of such persons.

*Article 3*

If any of the subjects of the British Government shall fly, and take refuge in my territories, on application from the officers of the British Government, I will deliver them up to the British Government.

*Article 4*

I further engage that I will never harbour or give protection in my country to persons accused or suspected of robbery or theft ; that if a robbery be committed, or the property of merchants or travellers be stolen in any of the villages subject to my authority, I will render the inhabitants of that village responsible for the restitution, or value of the property stolen or robbed, or for the seizure and delivery of the thieves or robbers ; and in general, that murderers and all other persons amenable to the criminal jurisdiction of the British Government for crimes committed in the British possessions, who may take refuge in my districts, shall be immediately seized and handed over to the British authority in Bundelcund.

*Article 5*

If any of the surrounding chiefs rebel against the British authority, although they be my near relations, I engage to

abstain from any manner of friendly intercourse with such chiefs, and not to harbour or give protection in my country to them or any of their relations.

*Article 6*

I engage not to enter into quarrels or disputes with any chief who is obedient or submissive to the British Government, and if at any time a quarrel or dispute arise between me and any of the other dependents of the British Government, in either case I promise to submit the cause of such dispute for the decision of the British Government.

*Article 7*

I engage to guard all the passes through the Ghats under my authority, so as to prevent marauders, plunderers, and ill-disposed persons, from ascending or descending the Ghats, or from entering the British territories through any of those passes, and if any neighbouring Chief or Leader should meditate an incursion into the British territory through my possessions, or those of the Chiefs in allegiance thereto, I engage to furnish the Officers of the British Government with information of the circumstances before his approach to the neighbourhood of my territory, and to exert my utmost efforts to obstruct his progress.

*Article 8*

Whenever the British troops shall have occasion to ascend the Ghats through any of the passes subject to my authority, I agree not only not to obstruct or impede their progress, but to depute respectable and intelligent persons to conduct them by the most convenient route, and to furnish them with the necessary supplies so long as they remain within or in the vicinity of my possessions.

*Article 9*

Whereas Gopal Sing and Rao Himmut Sing of Murrcahad, and Zalim Sing of Burdwaho and Puddum Sing of Shingah, and Gotee Jumadar, and Manickjee of Mabut Gowha, have rebelled against the British Government, are guilty of marauding and plundering in the territories of that Government, I hereby declare that I will never have any intercourse with

the above mentioned rebels ; but, on the contrary, whenever I shall hear of any of their joint or separate depredation in the territories of the British Government, or any of its dependents, I engage to attack the aggressor or aggressors, and to the utmost of my power punish them, and in the event of any of them being seized, I engage to deliver them up to the British Government.

*Article 10*

Whereas between me and the Rajahs and Chiefs of Bundelcund there existed many disputed claims concerning many villages, which disputes have been adjusted and settled by the decision of the British Government, and as now there is no disputed point or cause of difference remaining, I hereby therefore declare and promise, that hereafter I will not dispute or quarrel with any Rajah or Chief on account of any village or lands. If any Rajah or Chief shall dispute or quarrel with me on account of any village or lands claimed, I engage to submit the same to the British Government, and to abide by its decision, and not to dispute or quarrel about the point myself.

*Article 11*

I engage that one of my confidential servants shall always be in attendance as a vakeel on the Officer of the British Government in this province for the purpose of executing his orders, and in the event of such vakeel being from any reason disapproved of by the said Officer, I agree immediately to appoint another in his stead.

22nd March, 1811.

From Aitchinson's Treaties,  
Vol. V, pages 116-117.

## APPENDIX B

List of Federal and Provincial Subjects as given in the  
Seventh Schedule of the Government of India Act.

### LIST I

#### FEDERAL LEGISLATIVE LIST

1. His Majesty's naval, military and air forces borne on the Indian establishment and any other armed force raised in India by the Crown, not being forces raised for employment in Indian States or military or armed police maintained by Provincial Governments; any armed forces which are not forces of His Majesty, but are attached to or operating with any of His Majesty's naval, military or air forces borne on the Indian establishment; central intelligence bureau; preventive detention in British India for reasons of State connected with defence, external affairs, or the discharge of the functions of the Crown in its relations with Indian States.
2. Naval, military and air force works; local self-government in cantonment areas (not being cantonment areas of Indian State troops), the regulation of house accommodation in such areas, and, within British India, the delimitation of such areas.
3. External affairs; the implementing of treaties and agreements with other countries; extradition, including the surrender of criminals and accused persons to parts of His Majesty's dominions outside India.
4. Ecclesiastical affairs, including European cemeteries.
5. Currency, coinage and legal tender.
6. Public debt of the Federation.
7. Posts and telegraphs, including telephones, wireless, broadcasting, and other like forms of communication; Post Office Savings Bank.

8. Federal Public Services and Federal Public Service Commission.

9. Federal pensions, that is to say, pensions payable by the Federation or out of Federal revenue.

10. Works, lands and buildings vested in or in the possession of His Majesty for the purposes of the Federation (not being naval, military or air force works), but as regards property situate in a Province subject always to Provincial legislation, save in so far as Federal law otherwise provides, and, as regards property in a Federated State held by virtue of any lease or agreement with that State, subject to the terms of that lease or agreement.

11. The Imperial Library, the Indian Museum, the Imperial War Museum, the Victoria Memorial, and any similar institution controlled or financed by the Federation.

12. Federal agencies and institutes for the following purposes, that is to say, for research, for professional or technical training, or for the promotion of special studies.

13. The Benares Hindu University and the Aligarh Muslim University.

14. The Survey of India, the Geological, Botanical and Zoological Surveys of India ; Federal meteorological organisations.

15. Ancient and historical monuments ; archæological sites and remains.

16. Census.

17. Admission in to, and emigration and expulsion from, India, including in relation thereto the regulation of the movements in India of persons who are not British subjects domiciled in India, subjects of any Federated State, or British subjects domiciled in the United Kingdom ; pilgrimages to places beyond India.

18. Port quarantine ; seamen's and marine hospitals, and hospitals connected with port quarantine.

19. Import and export across customs frontiers as defined by the Federal Government.

20. Federal railways ; the regulation of all railways other than minor railways in respect of safety, maximum and minimum rates and fares, station and service terminal charges, interchange of traffic and the responsibility of railway administrations as carriers of goods and passengers ; the regulation of minor railways in respect of safety and responsi-

bility of the administrations of such railways as carriers of goods and passengers.

21. Maritime shipping and navigation, including shipping and navigation on tidal waters ; Admiralty jurisdiction.

22. Major ports, that is to say, the declaration and delimitation of such ports, and the constitution and powers of Port Authorities therein.

23. Fishing and fisheries beyond territorial waters.

24. Aircraft and air navigation ; the provision of aerodromes ; regulations and organisation of air traffic and aerodromes.

25. Lighthouses, including lightships, beacons and other provision for the safety of shipping and aircraft.

26. Carriage of passengers and goods by sea or by air.

27. Copyright, inventions, designs, trademarks and merchandise marks.

28. Cheques, bills of exchange, promissory notes and other like instruments.

29. Arms, firearms, ammunition.

30. Explosives.

31. Opium, so far as regards cultivation and manufacture, or sale for export.

32. Petroleum and other liquids and substances declared by Federal law to be dangerously inflammable, so far as regards possession, storage and transport.

33. Corporations, that is to say, the incorporation, regulation and winding-up of trading corporations, including banking, insurance and financial corporations, but not including corporations owned or controlled by a Federated State and carrying on business only within that State or co-operative societies, and of corporations, whether trading or not, with objects not confined to one unit.

34. Development of industries, where development under Federal control is declared by Federal law to be expedient in the public interest.

35. Regulations of labour and safety in mines and oil-fields.

36. Regulations of mines and oilfields and mineral development to the extent to which such regulation and development under Federal control is declared by Federal law to be expedient in the public interest.

37. The law of insurance, except as respects insurance undertaken by a Federated State, and the regulation of the conduct insurance business, except as respects business undertaken by a Federated State ; Government insurance, except so far as undertaken by a Federated State, or, by virtue of any entry in the Provincial Legislative List or the Concurrent Legislative List, by a Province.

38. Banking, that is to say, the conduct of banking business by corporations other than corporations owned or controlled by a Federated State and carrying on business only within that State.

39. Extension of the powers and jurisdiction of members of a police force belonging to any part of British India to any other area in another Governor's Province or Chief Commissioner's province, but not so as to enable the police of one part to exercise powers and jurisdiction elsewhere without the consent of the Government of the Province or the Chief Commissioner, as the case may be. Extension of powers and jurisdiction of members of a police force belonging to any unit to railway areas outside that unit.

40. Elections to the Federal Legislature, subject to the provisions of this Act and of any Order in Council made thereunder.

41. The salaries of the Federal Ministers, of the President and Vice-President of the Council of State and of the Speaker and Deputy Speaker of the Federal Assembly ; the salaries, allowances and privileges of the members of the Federal Legislature ; and, to such extent as is expressly authorised by Part II of this Act, the punishment of persons who refuse to give evidence or produce documents before Committees of the Legislature.

42. Offences against laws with respect to any of the matters in this list.

43. Inquiries and statistics for the purposes of any of the matters in this list.

44. Duties of customs, including export duties.

45. Duties of excise on tobacco and other Commodities and articles manufactured or produced in India, except :

- (a) alcoholic liquors for human consumption ;
- (b) opium, Indian hemp and other narcotic drugs and narcotics ; non-narcotic drugs ;

- (c) medicinal and toilet preparations containing alcohol, or any substance included in sub-paragraph (b) of this entry.
46. Corporation tax.
  47. Salt.
  48. State lotteries.
  49. Naturalisation.
  50. Migration within India from or into a Governor's Province or a Chief Commissioner's Province.
  51. Establishment of standards of weight.
  52. Ranchi European Mental Hospital.
  53. Jurisdiction and powers of all courts, except the Federal Court, with respect to any of the matters in this list and, to such extent as is expressly authorised by part IX of this Act. The enlargement of the appellate jurisdiction of the Federal Court, and the conferring thereon of supplemental powers.
  54. Taxes on income other than agricultural income.
  55. Taxes on the capital value of the assets, exclusive of agricultural land, of individuals and companies; taxes on the capital of companies.
  56. Duties in respect of secession to property other than agricultural land.
  57. The rates of stamp duty in respect of bills of exchange, cheques, promissory notes, bills of lading, letters of credit, policies of insurance, proxies and receipts.
  58. Terminal taxes on goods or passengers carried by railway or air; taxes on railway fares and freights.
  59. Fees in respect of any of the matters in this list, but not including fees taken in any Court.

## LIST II

## PROVINCIAL LEGISLATIVE LIST

1. Public order (but not including the use of His Majesty's naval, military or air forces in aid of the civil power); the administration of justice; constitution and organisation of all courts, except the Federal Court, and fees taken therein; preventive detention for reasons connected with the maintenance of public order; persons subjected to such detention.

2. Jurisdiction and powers of all courts, except the Federal Court, with respect to any of the matters in this list. procedure in Rent and Revenue Courts.
3. Police, including railway and village police.
4. Prisons, reformatories, Borstal institutions and other institutions of a like nature, and persons detained therein ; arrangements with other units for the use of prisons and other institutions.
5. Public debt of the Province.
6. Provincial Public Services and Provincial Public Service Commissions.
7. Provincial pensions, that is to say, pensions payable by the Province or out of Provincial revenues.
8. Works, lands and buildings vested in or in the possession of His Majesty for the purposes of the Province.
9. Compulsory acquisition of land.
10. Libraries, museums and other similar institutions controlled or financed by the Province.
11. Elections to the Provincial Legislature, subject to the provisions of this Act and of any Order in Council made thereunder.
12. The salaries of the Provincial Ministers, of the Speaker and Deputy Speaker of the Legislature Assembly, and, if there is a Legislative Council, of the President and Deputy President thereof ; the salaries, allowances and privileges of the members of the Provincial Legislature ; and, to such extent as is expressly authorised by Part III of this Act, the punishment of persons who refuse to give evidence or produce documents before Committees of the Provincial Legislature.
13. Local government, that is to say, the constitution and powers of municipal corporations, improvement trusts, district boards, mining settlement authorities and other local authorities for the purpose of local self-government or village administration.
14. Public health and sanitation ; hospitals and dispensaries ; registration of births and deaths.
15. Pilgrimages, other than pilgrimages to places beyond India.
16. Burials and burial grounds.
17. Education.
18. Communications, that is to say, roads, bridges, ferries, and other means of communication not specified in

List I ; minor railways subject to provisions of List I with respect to such railways ; municipal tramways ; ropeways ; inland waterways and traffic thereon subject to the provisions of List III with regard to such waterways ; ports, subject to the provisions in List I with regard to major ports ; vehicles other than mechanically propelled vehicles.

19. Water, that is to say, water supplies, irrigation and canals, drainage and embankments, water storage and water power.

20. Agriculture, including agricultural education and research, protection against pests and prevention of plant diseases ; improvement of stock and prevention of animal diseases ; veterinary training and practice ; pounds and the prevention of cattle trespass.

21. Land, that is to say, rights in or over land, land tenures, including the relation of landlord and tenant, and the collection of rents ; transfer and devolution of agricultural land ; land improvement and agricultural loans ; colonization ; Courts of Wards ; encumbered and attached estates ; treasure trove.

22. Forests.

23. Regulation of mines and oilfields and mineral development subject to the provisions of List I with respect to regulation and development under Federal control.

24. Fisheries.

25. Protection of wild birds and wild animals.

26. Gas and gasworks.

27. Trade and commerce within the Province ; markets and fairs ; money lending and money lenders.

28. Inns and innkeepers.

29. Production, supply and distribution of goods ; development of industries, subject to the provisions in List I with respect to the development of certain industries under Federal control.

30. Adulteration of foodstuffs and other articles ; weights and measures.

31. Intoxicating liquors and narcotic drugs, that is to say, the production, manufacture, possession, transport, purchase and sale of intoxicating liquors, opium and other narcotic drugs, but subject, as respects opium, to the provisions of List I and, as respects poisons and dangerous drugs, to the provisions of List III.

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32. Relief of the poor ; unemployment.
33. The incorporation, regulation, and winding-up of corporations other than corporations specified in List I ; unincorporated trading, literary, scientific, religious and other societies and associations ; co-operative societies.
34. Charities and charitable institutions ; charitable and religious endowments.
35. Theatres, dramatic performances and cinemas, but not including the sanction of cinematograph films for exhibition.
36. Betting and gambling.
37. Offences against laws with respect of any of the matters in this list.
38. Inquiries and statistics for the purpose of any of the matters in this list.
39. Land revenue, including the assessment and collection of revenue, the maintenance of land records, survey for revenue purposes and records of rights, and alienation of revenue.
40. Duties of excise on the following commodities and articles manufactured or produced in the Province and countervailing duties at the same or lower rates on similar goods manufactured or produced elsewhere in India :
  - (a) alcoholic liquors for human consumption ;
  - (b) opium, Indian hemp and other narcotic drugs and narcotics ; non-narcotic drugs.
  - (c) medicinal and toilet preparations containing alcohol or any substance included in sub-paragraph (b) of this entry.
41. Taxes on agricultural income.
42. Taxes on lands and buildings, hearths and windows.
43. Duties in respect of succession to agricultural land.
44. Taxes on mineral rights subject to any limitations imposed by any Act of the Federal Legislature relating to mineral development.
45. Capitation taxes.
46. Taxes on professions, trades, callings and employments.
47. Taxes on animals and boats.
48. Taxes on the sale of goods and on advertisements.
49. Cesses on the entry of goods into a local area for consumption, use or sale therein.

50. Taxes on luxuries, including taxes on entertainments, amusements, betting and gambling.
51. The rates of stamp duty in respect of documents other than those specified in the provisions of List I, with regard to rates of stamp duty.
52. Dues on passengers and goods carried on inland waterways.
53. Tolls.
54. Fees in respect of any of the matters in this list, but not including fees taken in any Court.

## LIST III

## CONCURRENT LEGISLATIVE LIST

## PART I

1. Criminal law, including all matters included in the Indian Penal code at the date of the passing of this Act, but excluding offences against laws with respect to any of the matters specified in List I or List II and excluding the use of His Majesty's naval, military and air forces in aid of the civil power.
2. Criminal Procedure, including all matters included in the Code of Criminal Procedure at the date of the passing of this Act.
3. Removal of prisoners and accused persons from one unit to another unit.
4. Civil Procedure, including the law of Limitation and all matters included in the Code of Civil Procedure at the date of the passing of this Act ; the recovery in a Governor's Province or a Chief Commissioner's Province of claims in respect of taxes and other public demands, including arrears of land revenue and sums recoverable as such, arising outside that Province.
5. Evidence and oaths ; recognition of laws, public acts and records and judicial proceedings.
6. Marriage and divorce ; infants and minors ; adoption.
7. Wills, intestacy, and succession, save as regards agricultural land.
8. Transfer of property other than agricultural land ; registration of deeds and documents.

9. Trusts and Trustees.
10. Contracts, including partnership, agency, contracts of carriage, and other special forms of contract, but not including contracts relating to agricultural land.
11. Arbitration.
12. Bankruptcy and insolvency; administrators-general and official trustees.
13. Stamp duties other than duties or fees collected by means of judicial stamps, but not including rates of stamp duty.
14. Actionable wrongs, save in so far as included in laws with respect to any of the matters specified in List I or List II.
15. Jurisdiction and powers of all courts, except the Federal Court, with respect to any of the matters in this list.
16. Legal, medical and other professions.
17. Newspapers, books and printing presses.
18. Lunacy and mental deficiency, including places for the reception or treatment of lunatics and mental deficients.
19. Poisons and dangerous drugs.
20. Mechanically propelled vehicles.
21. Boilers.
22. Prevention of cruelty to animals.
23. European vagrancy; criminal tribes.
24. Inquiries and statistics for the purpose of any of the matters in this part of this List.
25. Fees in respect of any of the matters in this Part of this List, but not including fees taken in any Court.

#### PART II

26. Factories.
27. Welfare of labour; conditions of labour; provident funds; employers' liability and workmen's compensation; health insurance, including invalidity pensions; old age pensions.
28. Unemployment insurance.
29. Trade unions; industrial and labour disputes.
30. The prevention of the extension from one unit to another of infections or contagious diseases or pests affecting men, animals or plants.
31. Electricity.

32. Shipping and navigation on inland waterways as regards mechanically-propelled vessels, and the rule of the road on such waterways ; carriage of passengers and goods on inland waterways.

33. The sanctioning of cinematograph films for exhibition.

34. Persons subject to preventive detention under Federal authority.

35. Inquiries and statistics for the purpose of any of the matters in this Part of this List.

36. Fees in respect of any of the matters in this Part of this List, but not including fees taken in any Court.

## APPENDIX C

### MAIN STATISTICS OF INDIAN STATES

TABLE I

|   | Number. | Area<br>sq. miles. | Population. |
|---|---------|--------------------|-------------|
| 1. States directly represented in the Chamber of Princes              | 109     | 609,619            | 69,811,612  |
| 2. Smaller States represented by 12 members in the Chamber of Princes | 126     | 73,627             | 8,212,719   |
| 3. Estates and Jagirs . . . . .                                       | —       | 13,120             | 811,922     |
| 4. N.W.F.P. States . . . . .  | —       | 22,838             | 2,259,288   |
|   |         | 719,204            | 81,165,541  |

TABLE II

States directly represented in the Chamber of Princes.

| 1.         | 2.                                       | 3.                 | 4.          | 5.                                      |
|------------|--|--------------------|-------------|---|
| Serial No. | Name of State.                           | Area in sq. miles. | Population. | Average revenue in thousands of rupees. |
| 1.         | Kalat with Las-Bela and Kharan . . . . . | 80,410             | 378,977     | 18,63                                   |
| 2.         | Baroda . . . . .                         | 8,135              | 2,443,007   | 2,49,00                                 |
| 3.         | Rewa . . . . .                           | 13,000             | 1,587,445   | 60,00                                   |
| 4.         | Bhopal . . . . .                         | 6,902              | 729,955     | 62,10                                   |
| 5.         | Dewas (Senior) . . . . .                 | 449                | 77,005      | 9,49                                    |
| 6.         | Dewas (Junior) . . . . .                 | 419                | 70,513      | 6,40                                    |
| 7.         | Narsingarh. . . . .                      | 734                | 113,873     | 9,51                                    |
| 8.         | Rajgarh . . . . .                        | 962                | 134,891     | 11,50                                   |
| 9.         | Ajaigarh . . . . .                       | 802                | 85,895      | 4,65                                    |
| 10.        | Baoni . . . . .                          | 121                | 19,132      | 1,22                                    |
| 11.        | Bijawar . . . . .                        | 973                | 115,852     | 3,53                                    |
| 12.        | Charkhari . . . . .                      | 880                | 120,351     | 6,69                                    |
| 13.        | Chhatarpur . . . . .                     | 1,130              | 161,361     | 5,50                                    |
|            |  | 238                |             |   |

| 1.         | 2.                          | 3.                 | 4.          | 5.                                      |
|------------|-----------------------------|--------------------|-------------|---|
| Serial No. | Name of State.              | Area in sq. miles. | Population. | Average revenue in thousands of rupees. |
| 14.        | Datia . . . . .             | 911                | 158,834     | 16.00                                   |
| 15.        | Orchha . . . . .            | 2,080              | 314,556     | 10.50                                   |
| 16.        | Panna . . . . .             | 2,596              | 212,130     | 10.96                                   |
| 17.        | Samthar . . . . .           | 180                | 33,307      | 1.35                                    |
| 18.        | Indore . . . . .            | 9,519              | 1,318,237   | 1,36.00                                 |
| 19.        | Jaora . . . . .             | 602                | 100,166     | 13.77                                   |
| 20.        | Ratlam . . . . .            | 693                | 107,321     | 10.00                                   |
| 21.        | Sailana . . . . .           | 297                | 35,223      | 3.55                                    |
| 22.        | Sitamau . . . . .           | 201                | 128,422     | 2.70                                    |
| 23.        | Alirajpur . . . . .         | 836                | 101,963     | 6.16                                    |
| 24.        | Barwani . . . . .           | 1,178              | 41,110      | 11.10                                   |
| 25.        | Dhar . . . . .              | 1,777              | 43,430      | 17.60                                   |
| 26.        | Jhabua . . . . .            | 1,336              | 145,522     | 4.40                                    |
| 27.        | Gwalior . . . . .           | 26,367             | 3,523,070   | 2,41.79                                 |
| 28.        | Hyderabad . . . . .         | 82,698             | 14,395,493  | 8,37.75                                 |
| 29.        | Jammu and Kashmir . . . . . | 85,885             | 3,672,299   | 2,50.00                                 |
| 30.        | Banganpalle . . . . .       | 255                | 39,218      | 4.39                                    |
| 31.        | Khilchipur . . . . .        | 273                | 45,583      | 2.92                                    |
| 32.        | Cochin . . . . .            | 1,418              | 1,205,016   | 84.99                                   |
| 33.        | Puducottai . . . . .        | 1,179              | 400,694     | 21.73                                   |
| 34.        | Travancore . . . . .        | 7,625              | 5,095,993   | 2,49.69                                 |
| 35.        | Mysore . . . . .            | 29,475             | 6,423,189   | 3,58.36                                 |
| 36.        | Bahawalpur . . . . .        | 15,000             | 781,191     | 49.77                                   |
| 37.        | Bilaspur (Kahlur) . . . . . | 448                | 98,000      | 3.00                                    |
| 38.        | Chamba . . . . .            | 3,216              | 141,867     | 8.38                                    |
| 39.        | Faridkot . . . . .          | 643                | 150,661     | 18.97                                   |
| 40.        | Jind . . . . .              | 1,259              | 308,183     | 29.32                                   |
| 41.        | Kapurthala . . . . .        | 630                | 284,275     | 37.00                                   |
| 42.        | Loharu . . . . .            | 222                | 20,621      | 1.30                                    |
| 43.        | Maler Kotla . . . . .       | 168                | 80,322      | 14.69                                   |
| 44.        | Mandi . . . . .             | 1,200              | 185,048     | 15.39                                   |
| 45.        | Nabha . . . . .             | 928                | 263,394     | 29.84                                   |
| 46.        | Patiala . . . . .           | 5,932              | 1,600,000   | 1,49.83                                 |
| 47.        | Sirmoor . . . . .           | 1,198              | 140,448     | 6.05                                    |
| 48.        | Suket . . . . .             | 420                | 54,328      | 2.25                                    |
| 49.        | Alwar . . . . .             | 3,212              | 701,154     | 55.00                                   |
| 50.        | Bharatpur . . . . .         | 1,993              | 496,954     | 29.45                                   |
| 51.        | Dholpur . . . . .           | 1,200              | 254,986     | 17.40                                   |
| 52.        | Karauli . . . . .           | 1,242              | 140,525     | 7.10                                    |
| 53.        | Kotah . . . . .             | 5,684              | 685,504     | 51.60                                   |
| 54.        | Bundi . . . . .             | 2,220              | 216,772     | 16.12                                   |
| 55.        | Jhalawar . . . . .          | 810                | 107,890     | 7.89                                    |
| 56.        | Tonk . . . . .              | 2,553              | 317,360     | 22.54                                   |

## 240 FINANCIAL PROBLEMS OF INDIAN STATES

| 1.         | 2.                       | 3.                 | 4.          | 5.                                      |
|------------|--------------------------|--------------------|-------------|---|
| Serial No. | Name of State.           | Area in sq. miles. | Population. | Average revenue in thousands of rupees. |
| 57.        | Jaipur . . . . .         | 16,682             | 2,630,977   | 1,30.00                                 |
| 58.        | Kishangarh . . . . .     | 858                | 85,823      | 7.50                                    |
| 59.        | Banswara . . . . .       | 1,606              | 225,106     | 6.96                                    |
| 60.        | Dungarpur . . . . .      | 1,447              | 227,939     | 6.87                                    |
| 61.        | Partabgarh . . . . .     | 886                | 76,537      | 5.82                                    |
| 62.        | Udaipur . . . . .        | 12,915             | 1,563,575   | 53.09                                   |
| 63.        | Bikaner . . . . .        | 23,315             | 936,218     | 1,21.66                                 |
| 64.        | Sirohi . . . . .         | 1,964              | 216,528     | 10.03                                   |
| 65.        | Jaisalmer . . . . .      | 16,062             | 76,225      | 3.79                                    |
| 66.        | Jodhpur . . . . .        | 35,066             | 2,126,429   | 1,37.94                                 |
| 67.        | Sikkim . . . . .         | 2,818              | 109,651     | 5.10                                    |
| 68.        | Bhavanagar . . . . .     | 2,860              | 499,892     | 1,04.65                                 |
| 69.        | Cutch . . . . .          | 7,616              | 513,829     | 32.00                                   |
| 70.        | Dhrangadhra . . . . .    | 1,156              | 88,760      | 25.00                                   |
| 71.        | Dhrol . . . . .          | 283                | 27,053      | 2.87                                    |
| 72.        | Gondal . . . . .         | 1,025              | 206,166     | 50.00                                   |
| 73.        | Junagadh . . . . .       | 3,337              | 544,889     | 83.63                                   |
| 74.        | Limbdi . . . . .         | 344                | 40,084      | 7.00                                    |
| 75.        | Morvi . . . . .          | 822                | 112,987     | 40.00                                   |
| 76.        | Nawanagar . . . . .      | 3,791              | 408,851     | 1,12.59                                 |
| 77.        | Palanpir . . . . .       | 1,769              | 263,711     | 10.90                                   |
| 78.        | Palitana . . . . .       | 289                | 62,150      | 10.67                                   |
| 79.        | Porbandar . . . . .      | 642                | 115,741     | 22.25                                   |
| 80.        | Radhanpur . . . . .      | 1,150              | 70,521      | 7.72                                    |
| 81.        | Rajkot . . . . .         | 282                | 25,566      | 10.00                                   |
| 82.        | Wankaner . . . . .       | 417                | 44,307      | 7.43                                    |
| 83.        | Wadhwan . . . . .        | 242                | 42,617      | 6.77                                    |
| 84.        | Manipur . . . . .        | 8,456              | 445,606     | 8.03                                    |
| 85.        | Cooch Bihar . . . . .    | 1,318              | 590,866     | 37.75                                   |
| 86.        | Tripura . . . . .        | 4,116              | 382,219     | 33.50                                   |
| 87.        | Mayurbhanj . . . . .     | 4,243              | 886,745     | 28.20                                   |
| 88.        | Sawantwadi . . . . .     | 525                | 230,589     | 6.64                                    |
| 89.        | Cambay . . . . .         | 350                | 87,761      | 9.51                                    |
| 90.        | Janjira . . . . .        | 430                | 122,458     | 9.83                                    |
| 91.        | Kolhapur . . . . .       | 3,217              | 957,137     | 1,27.10                                 |
| 92.        | Sangli . . . . .         | 1,136              | 258,512     | 14.68                                   |
| 93.        | Danta . . . . .          | 347                | 23,023      | 1.76                                    |
| 94.        | Idar . . . . .           | 1,669              | 226,351     | 14.17                                   |
| 95.        | Baria . . . . .          | 813                | 159,429     | 12.06                                   |
| 96.        | Chhota Udaipur . . . . . | 890                | 144,640     | 15.85                                   |
| 97.        | Balasinore . . . . .     | 189                | 52,525      | 2.64                                    |
| 98.        | Lunawada . . . . .       | 388                | 95,162      | 5.36                                    |
| 99.        | Rajpipla . . . . .       | 1,516              | 206,114     | 24.11                                   |

## APPENDIX C

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| 1.         | 2.                  | 3.                 | 4.          | 5.                                      |
|------------|---------------------|--------------------|-------------|---|
| Serial No. | Name of State.      | Area in sq. miles. | Population. | Average revenue in thousands of rupees. |
| 100.       | Sant . . .          | 394                | 83,538      | 5,61                                    |
| 101.       | Khairpur . . .      | 6,050              | 227,166     | 17,52                                   |
| 102.       | Bansda . . .        | 215                | 48,807      | 7,81                                    |
| 103.       | Dhrampur . . .      | 704                | 112,051     | 11,70                                   |
| 104.       | Sachin . . .        | 49                 | 222,125     | 4,00                                    |
| 105.       | Jawhar . . .        | 310                | 57,288      | 5,63                                    |
| 106.       | Benares . . .       | 875                | 391,165     | 20,09                                   |
| 107.       | Rampur . . .        | 892                | 464,919     | 43,00                                   |
| 108.       | Tehri Garhwal . . . | 4,500              | 318,482     | 18,80                                   |
| 109.       | Maihar . . .        | 407                | 68,991      | 3,50                                    |

## APPENDIX D

### STATISTICS OF RAILWAYS IN INDIAN STATES

(Compiled from the Railway Administration Report, 1932-33.)

TABLE I

Summary of Capital at charge, Revenue earnings and expenses and mileage of Railways classified according to the methods of working for the year 1932-33.

| Classification.                                     | Route mile-<br>age on 31st<br>Mar. 1933. | Capital in<br>ooo's of<br>rupees. | Gross earn-<br>ings in<br>ooo's. | Working ex-<br>penses in<br>ooo's | Net earn-<br>ings in<br>ooo's. |
|---|--|-----------------------------------|----------------------------------|-----------------------------------|--------------------------------|
| Indian States' lines worked by the States           | 4,958                                    | 37,52,35                          | 4,53,55                          | 2,78,43                           | 1,75,12                        |
| Indian States' lines worked by the main lines . . . | 1,912                                    | 13,58,84                          | 1,56,38                          | 90,38                             | 66,00                          |
| Companies' lines guaranteed by the States . . .     | 38                                       | 15,78                             | 1,16                             | 90                                | 26                             |

TABLE II

Summary of Capital outlay of the Indian States' lines to the end of the year 1932-33 (in thousands of rupees)

| Classification.                                     | Works.   | Railway<br>stock. | General<br>charges. | Stores, etc.<br>not finally<br>charged off<br>in account. | Total.   |
|---|----------|-------------------|---------------------|---|----------|
| Indian States' lines worked by the States           | 26,40,78 | 8,58,85           | 1,63,56             | 89,16   | 37,52,35 |
| Indian States' lines worked by the main lines . . . | 11,54,57 | 1,19,90           | 77,87               | 6,50  | 13,58,84 |
| Companies' lines guaranteed by States               | 8,42     | 5,60              | 11,76               | —   | 15,78    |
|   |          | 242               |                     |   |          |

## APPENDIX E

### STATEMENT OF REVENUE AND EXPENDITURE OF THE GOVERNMENT OF INDIA—1921-22 TO 1935-36. (IN LAKHS OF RUPEES.)

| Year.   | Tax Revenue less cost of collection. (a) | Other Revenues net excluding Defence Receipts. | Total net Revenue. | Interest on Debt. | Reduction or avoidance of Debt. | Defence Expenditure net. | Transfers and Subventions to Provinces. | Other Expenditure Charged to Revenue. | Total Expenditure Charged to Revenue. | Surplus + Deficit - |
|---------|--|--|--------------------|-------------------|---------------------------------|--------------------------|---|---------------------------------------|---------------------------------------|---------------------|
| 1921-2  | 60,78                                    | 17,65  | 78,43              | 13,70             | 4,46                            | 69,81                    | —                                       | 18,11                                 | 1,06,08                               | -27,65              |
| 1922-3  | 64,41                                    | 21,33  | 85,74              | 13,87             | 4,55                            | 65,27                    | —                                       | 17,07                                 | 1,00,76                               | -15,02              |
| 1923-4  | 66,66                                    | 30,45  | 97,11              | 15,97             | 3,62                            | 56,23                    | —                                       | 18,90                                 | 94,72                                 | +2,39               |
| 1924-5  | 67,54                                    | 28,84  | 96,38              | 14,90             | 3,78                            | 55,63                    | —                                       | 16,39                                 | 90,70                                 | +5,68               |
| 1925-6  | 68,10                                    | 25,29  | 93,39              | 13,37             | 4,97                            | 56,00                    | —                                       | 15,74                                 | 90,08                                 | +3,31               |
| 1926-7  | 67,96                                    | 25,32  | 93,28              | 11,77             | 4,97                            | 55,97                    | —                                       | 20,57                                 | 93,28                                 | (b)                 |
| 1927-8  | 68,12                                    | 17,43  | 85,55              | 10,57             | 5,04                            | 54,79                    | —                                       | 15,15                                 | 85,55                                 | (c)                 |
| 1928-9  | 71,63                                    | 15,62  | 87,25              | 10,20             | 5,42                            | 55,10                    | —                                       | 16,85                                 | 87,57                                 | -32 (d)             |
| 1929-30 | 71,74                                    | 19,46  | 91,20              | 10,85             | 5,74                            | 55,10                    | —                                       | 19,24                                 | 90,93                                 | +27                 |
| 1930-1  | 66,54                                    | 13,60  | 80,14              | 11,28             | 6,14                            | 54,30                    | —                                       | 20,00                                 | 91,72                                 | -11,58              |
| 1931-2  | 69,52                                    | 7,77   | 77,29              | 12,83             | 6,89                            | 51,76                    | —                                       | 17,56                                 | 89,04                                 | -11,75              |
| 1932-3  | 76,74                                    | 6,10   | 82,84              | 11,61             | 6,84                            | 46,74                    | —                                       | 16,10                                 | 81,29                                 | +1,55               |
| 1933-4  | 69,66                                    | 5,77   | 75,43              | 9,29              | 3,00                            | 44,42                    | (e) 2,72                                | 16,00                                 | 75,43                                 | —                   |
| 1934-5  | 73,28                                    | 5,76   | 79,04              | 10,28             | 3,00                            | 44,34                    | (f) 5,06                                | 16,23                                 | 78,91                                 | +13                 |
| 1935-6  | 73,07                                    | 4,21   | 77,28              | 10,39             | 3,00                            | 44,98                    | (g) 2,03                                | 16,82                                 | 77,22                                 | +6                  |

(a) Excludes share of additional revenue from import and excise duties on motor spirit payable to Road Development Fund. (b) A surplus of 2,96 was transferred to Revenue Reserve Fund. (c) A deficit of 2,22 was met by transfer from Revenue Reserve Fund. (d) A deficit of 1,05 was met to the extent of 74 by transfer from Revenue Reserve Fund. (e) Represents the amount transferred to the Earthquake Fund, 62 out of this was subsequently utilised for debt redemption. (f) 1,69 transfer of Jute Export Duty, 18 Match Excise Duty for Burma, 5 for grants to Provinces from sugar Excise Duty, and 3,14 for transfers to the Earthquake and other Funds. (g) 1,79 transfer of Jute Duty, 18 Match Excise Duty for Burma and 6 for grants to Provinces from Sugar Excise Duty.

STATEMENT SHOWING THE INTEREST-BEARING OBLIGATIONS  
AT THE CLOSE OF

| INTEREST-BEARING OBLIGATIONS.   | 1923          | 1924          | 1925          | 1926          |
|---|---------------|---------------|---------------|---------------|
| <b>INDIA.</b>   |               |               |               |               |
|   |               |               |               | (In crores)   |
| Loans . . . . .   | 339.83        | 358.81        | 370.38        | 368.29        |
| Treasury Bills in the hands of the public . . . . .   | 21.59         | 2.12          | ...           | ...           |
| Ways and means advance . . . . .  | ...           | ...           | ...           | ...           |
| Treasury Bills in the Paper Currency Reserve . . . . .  | 49.65         | 49.65         | 49.65         | 49.65         |
| Other Obligations—  |               |               |               |               |
| Post Office Savings Banks . . . . .   | 23.20         | 24.79         | 25.64         | 27.23         |
| Cash Certificates . . . . .   | 3.13          | 8.42          | 13.12         | 20.96         |
| Provident Funds, etc. . . . .   | 36.17         | 39.00         | 42.39         | 46.36         |
| Depreciation and Reserve Funds . . . . .  | ...           | ...           | 9.08          | 15.45         |
| Provincial Balances . . . . .   | 2.86          | 4.17          | 4.83          | 11.87         |
| <b>Total Loans, etc. . . . .</b>  | <b>411.07</b> | <b>410.58</b> | <b>420.03</b> | <b>417.94</b> |
| <b>Total Other Obligations . . . . .</b>  | <b>65.36</b>  | <b>76.38</b>  | <b>95.06</b>  | <b>121.87</b> |
| <b>Total in India . . . . .</b>   | <b>476.43</b> | <b>486.96</b> | <b>515.09</b> | <b>539.81</b> |
| <b>ENGLAND.</b>   |               |               |               |               |
|   |               |               |               | (In millions) |
| Loans . . . . .   | 222.92        | 244.53        | 263.39        | 266.35        |
| Capital value of Liabilities undergoing Redemption by way of Terminable Railway Annuities . . . . . | 61.31         | 60.10         | 58.84         | 57.53         |
| War Contribution . . . . .  | 19.71         | 19.27         | 18.81         | 18.32         |
| India Bills . . . . .   | ...           | ...           | ...           | ...           |
| Provident Funds, etc.. . . . .  | .04           | .13           | .16           | .21           |
| <b>Total in England . . . . .</b>   | <b>303.98</b> | <b>324.03</b> | <b>341.20</b> | <b>342.41</b> |
| Equivalent at rs. 6d. to the Rupee (in crores) . . . . .  | 405.31        | 432.04        | 454.93        | 456.55        |
| <b>Total Interest-Bearing Obligations (in crores of Rs.) . . . . .</b>                              | <b>881.74</b> | <b>919.00</b> | <b>970.02</b> | <b>996.36</b> |
| Interest Yielding Assets—   |               |               |               |               |
| Capital advanced to Railways . . . . .  | 517.22        | 537.02        | 578.05        | 605.61        |
| Capital advanced to other Commercial departments . . . . .  | 19.43         | 20.07         | 22.00         | 17.77         |
| Capital advanced to Provinces . . . . .   | 87.49         | 97.56         | 106.43        | 114.60        |
| Capital advanced to Indian States and other Interest-Bearing Loans . . . . .                        | 8.90          | 8.93          | 10.16         | 11.84         |
| <b>Total Interest-Yielding Assets . . . . .</b>   | <b>633.04</b> | <b>663.58</b> | <b>716.64</b> | <b>749.82</b> |
| Cash, Bullion and Securities held on Treasury Account . . . . .                                     | 44.80         | 50.47         | 57.35         | 51.96         |
| <b>Balance of Total Interest-Bearing Obligations not covered by above Assets . . . . .</b>          | <b>203.90</b> | <b>204.95</b> | <b>196.03</b> | <b>194.58</b> |

## DIX F

### TIONS OF THE GOVERNMENT OF INDIA, OUTSTANDING EACH FINANCIAL YEAR.

|            | 1927     | 1928     | 1929     | 1930     | 1931     | 1932     | 1933     | 1934     | 1935     |
|------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| of rupees) |          |          |          |          |          |          |          |          |          |
|            | 374.44   | 372.25   | 390.73   | 405.11   | 417.24   | 422.69   | 446.89   | 435.43   | 438.28   |
|            | ...      | 7.59     | 4.00     | 36.04    | 55.38    | 47.53    | 26.09    | 33.31    | 22.00    |
|            | ...      | ...      | ...      | ...      | ...      | 9.50     | ...      | ...      | ...      |
|            | 41.47    | 31.94    | 39.15    | 29.22    | 5.89     | 49.67    | 35.48    | 25.93    | 27.50    |
|            | 29.51    | 32.67    | 34.49    | 37.13    | 37.03    | 38.20    | 43.40    | 52.23    | 59.33    |
|            | 26.68    | 30.70    | 32.30    | 35.00    | 38.43    | 44.58    | 55.64    | 63.71    | 66.49    |
|            | 51.02    | 55.82    | 60.52    | 65.41    | 70.33    | 73.04    | 76.74    | 82.49    | 88.36    |
|            | 20.10    | 25.48    | 31.09    | 30.18    | 21.39    | 17.65    | 15.22    | 13.04    | 14.83    |
|            | 10.49    | 10.48    | 10.43    | 10.21    | 6.09     | 4.32     | 7.02     | 6.17     | 5.59     |
|            | 415.91   | 411.78   | 433.88   | 470.37   | 478.51   | 529.39   | 508.46   | 494.67   | 487.78   |
|            | 137.80   | 155.15   | 168.83   | 177.93   | 173.27   | 177.79   | 198.02   | 217.64   | 234.60   |
|            | 553.71   | 566.93   | 602.71   | 648.30   | 651.78   | 707.18   | 706.48   | 712.31   | 722.38   |
| of pounds) |          |          |          |          |          |          |          |          |          |
|            | 265.09   | 272.32   | 283.31   | 289.03   | 316.81   | 313.60   | 314.33   | 321.01   | 323.57   |
|            | 56.19    | 54.79    | 53.35    | 51.86    | 50.32    | 48.72    | 47.06    | 45.35    | 43.58    |
|            | 17.81    | 17.28    | 16.72    | 16.72    | 16.72    | 16.72    | 16.72    | 16.72    | 16.72    |
|            | ...      | ...      | ...      | 6.00     | 4.05     | ...      | ...      | ...      | ...      |
|            | .27      | .19      | .43      | 2.54     | .69      | .80      | .91      | 1.03     | 1.15     |
|            | 339.36   | 344.58   | 353.81   | 366.15   | 388.59   | 379.84   | 379.02   | 384.11   | 389.02   |
|            | 452.48   | 459.44   | 471.75   | 488.20   | 518.12   | 506.45   | 505.36   | 512.15   | 513.36   |
|            | 1,006.19 | 1,026.37 | 1,074.46 | 1,136.50 | 1,169.90 | 1,213.63 | 1,211.84 | 1,224.46 | 1,235.74 |
|            | 635.46   | 668.60   | 700.69   | 730.79   | 743.98   | 750.73   | 756.75   | 754.94   | 756.84   |
|            | 19.16    | 20.73    | 21.81    | 22.70    | 23.65    | 24.25    | 21.89    | 23.23    | 23.71    |
|            | 120.17   | 126.34   | 137.52   | 142.60   | 151.82   | 163.64   | 173.04   | 175.20   | 179.22   |
|            | 12.11    | 13.91    | 15.49    | 17.65    | 19.45    | 20.29    | 20.92    | 21.11    | 21.26    |
|            | 786.90   | 829.58   | 875.51   | 913.74   | 938.90   | 958.91   | 972.60   | 974.48   | 981.03   |
|            | 37.48    | 24.26    | 28.34    | 45.36    | 34.03    | 41.42    | 35.69    | 45.03    | 51.52    |
|            | 181.81   | 172.53   | 170.61   | 177.40   | 196.97   | 213.30   | 203.55   | 204.95   | 203.19   |

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