

363. Then do you mean to say that the members are not loyal to the co-operative societies?—If they are freed from the hands of the money-lenders then they will be loyal to the society.

364. About non-agricultural credit and indebtedness, you say that very heavy interest rates are charged, that suits are filed in which interest was charged at 150 per cent. and that they have been decreed by courts. Have you got any particular instances in view. Can you give us more particulars including names, etc., of such cases, if possible?—I have no objection to do so provided the Committee will treat it as confidential.

365. *Prof. Chahiani* : We will treat it as confidential?—If it will not go to the press I can give you the names. Here is a promissory note in which the creditor is a respectable and educated Bengalee gentleman and which has been decreed by the court. (*Hands promissory notes to Chairman*).

366. But was the decreed amount realised?—I can't say that but the amount was decreed.

*(The witness withdrew.)*

Wednesday, February 19th, 1930.

NEW DELHI.

PRESENT :

Khan Bahadur Diwan ABDUL HAMID, C.I.E., O.B.E. (*Chairman*).

Professor H. L. CHABLANI, M. A.  
Lala BAL KISHEN.  
Mr. V. F. GRAY, M.L.C.

R. S. KANWAR MOTI LAL.  
Lala SHRI RAM (*Co-opted Member*).

Mr. V. S. MARBALLI (*Secretary*).

Mr. V. K. Aravamudha Ayangar, C.I.E., Secretary, Indian Central Banking Enquiry Committee was also present.

**Mr. RADHIKA NARAIN, Lecturer in Economics, Hindu College, Delhi.**

Replies to the questionnaires.

367. Urban communities that deserve particular attention may be discussed under two classes:—(1) poor classes, (2) middle class.

Poor classes:—*Khatiks, chamars, kumhars, kahars, wage earners, sweepers, factory workers.* One thing common to all is that they are all heavily indebted. The economic conditions of the different classes of people do not differ at all with the locality in which they live. I have therefore selected *Mohalla Imla, Bazar Sitaram*, which is neither too big nor too small, and which fairly represents the conditions of some of the poorer communities of Delhi. The total population is about 4,000 and consists of *khatiks, chamars, kahars and kumhars.*

*Khatiks.*—There are about 200 families, and most of them sell vegetables and dry fruits. Some of them own their own shops, but a large majority consists of those who are engaged by others or who sell in the streets. The average income of those who own their own shops is generally Re. 1 (per day?) The bigger shop-keepers earn even Rs. 2 to Rs. 3 per day. The rest however get about as. 8 to as. 12 per day. This amount is just sufficient to meet their daily expenses. Thus in times of need they have to borrow. Generally they borrow from the *mahajan*. The *mahajan* lends money, generally for short period at half-anna per rupee per month, *i.e.*, 37½ per cent. per annum. In many cases the rate of interest goes up to 3 pice or 4 pice per rupee, depending upon the nature of the requirements of the borrower and also upon his personal standing. The average indebtedness is Rs. 200; for an ordinary family, about 95 per cent. of whom are in debt. Some of them borrow to meet their temporary requirements of business and the amount is generally repaid as soon as they are in a position to do so. But in many cases they borrow for other purposes also, (*e.g.*, marriage celebrations, death ceremonies and other emergency requirements). Such loans are seldom repaid.

APPENDIX I.

Appendices to Messrs. Bir Singh and Pitambar Singh's written memorandum.

I.

Statement showing debt on mortgage without possession and on the security of houses or ornaments in the case of members of co-operative credit societies of Delhi Province.

Serial No.	Name of circle.	House mortgaged.	Mortgaged without possession.	Mustajri.	Mortgages on bahi.	Ornaments.	Verbal mortgages (Zabani Rahan).
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Chiragh Delhi Circle.	2,250	304½ bighas for Rs. 12,890.	..	..	32,010	22
2	Najafgarh Circle	580	9,387	..	..	1,000	330
3	Badli Circle	..	19,250	3,915	..	80	..
4	Shahdra Circle	..	1,800	..	..	754	..
5	Mabrauli Circle	..	3,380	2,000	..	5,162	..
6	Nangloi Circle	..	4,070	..	..	1,040	..
	Total	2,750	43,777	5,915	..	40,066	352

BIR SINGH,  
Inspector, Co-operative Societies,  
Delhi.

2.

Statement showing the net savings of the agriculturists of village Shahabad Daulatpur, and the chief objects on which they are utilised.

Name of person.	Income.				Expenditure.				Net savings.	Objects on which they are used.						Remarks.
	Agricultural Produce.	Cattle.	Other income.	Total.	Cultiva' on.	Cattle.	Other.	Total.		Marriage.	Houses.	Land.	Banks.	Money-land- ing.	Wells.	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1. Sirdar Singh . . .	550	180	320	1,000	350	350	..	700	300	300	..	..	..	..	..	..
2. Liaq Ram . . .	2,000	300	400	2,700	500	300	400	1,200	1,500	..	..	..	..	..	..	..
3. Mansa of Badli . . .	1,500	400	200	2,100	450	350	300	1,100	1,000	..	800	..	..	..	200	..
4. Sabju . . .	1,000	350	150	1,500	300	150	200	650	350	..	700	..	..	..	150	..
5. Mohan Lal of (Gasi Ram.	1,700	300	200	2,200	300	250	350	900	1,300	..	500	..	..	800	..	..
6. Mansa of Nihal . . .	800	100	250	1,150	300	150	300	750	400	..	..	400	..	..	..	..
7. Sher Singh . . .	700	250	150	1,100	200	150	150	500	600	..	600	..	..	..	..	..
8. Mapa Singh . . .	1,100	300	200	1,600	200	200	300	700	900	..	500	400	..	..	..	..
9. Daya Ram . . .	600	400	100	1,100	300	300	100	700	400	..	400	..	..	..	..	..
10. Laktwar . . .	900	450	300	1,650	200	300	400	900	750	..	..	600	..	..	..	150
11. Maru . . .	500	200	200	900	100	200	100	500	400	..	..	400	..	..	..	..
12. Sheo Ram . . .	1,000	300	350	1,650	300	300	200	700	950	..	450	500	..	..	..	..
13. Fattch Singh . . .	1,500	300	200	2,000	300	300	200	800	1,200	..	800	..	..	400	..	..
<b>Total . . .</b>	<b>13,850</b>	<b>3,780</b>	<b>3,020</b>	<b>20,650</b>	<b>3,900</b>	<b>3,200</b>	<b>3,000</b>	<b>10,100</b>	<b>10,550</b>	<b>800</b>	<b>4,750</b>	<b>2,300</b>	<b>1,000</b>	<b>1,700</b>	<b>350</b>	<b>150</b>

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BIR SINGH,  
Inspector, Co-operative Societies,  
Delhi.

## Budget of a family containing five members.

Serial number.	Name of circle.	Food.	Clothes.	Rent of houses.	Whisky and Tobacco.	Medicine.	Education.	Ornaments.	Amusements.	Marriage and other ceremonies.	On agriculture.	Expenses of cattle.	Light.	Sweepers.	Total.	Remarks.
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1	Chiragh Delhi .	840	60	..	12	10	60	50	5	100	300	..	..	..	957	
2	Shahadra . . .	338	90	..	8	2	..	..	5	50	50	..	..	..	548	
3	Bailli . . . . .	300	100	25	25	50	50	50	25	50	250	100	20	..	1,045	
4	Najafgarh . . .	280	90	38	15	50	200	200	5	200	250	..	..	..	1,826	
5	Mehrauli . . . .	306	78	..	6	30	10	30	..	150	6	..	..	..	616	
6	Nanglot . . . . .	200	200	25	12	12	40	20	..	15	916	..	..	12	1,452	
	Total . . . . .	1,784	618	86	78	154	360	350	40	565	1,772	100	20	19	5,039	

BIR SINGH,  
Inspector, Co-operative Societies,  
Delhi.

4.

Statement showing the number of land proprietors above 500 *bighas*, and agriculturists money-lenders, etc., in Delhi Province.

Serial No.	Name of circle.	Land-holders possessing more than 500 <i>bighas</i> .	Agriculturists money-lenders in the circle.	Money-lenders who depend wholly and solely on money-lending.	Other money-lenders.	How many of Cols. 3 & 4 stopped their dealings after 1920.	Remarks.
		1	2	3	4	5	
1	Chiragh Delhi Circle . . .	9	1	18	35	...	
2	Shahadra Circle . . .	8	4	...	...	...	
3	Badli Circle . . .	22	20	10	41	25	
4	Nejafgarh Circle . . .	21	42	..	60	20	
5	Mehrauli Circle . . .	2	8	...	...	...	
6	Nangloi Circle . . .	8	14	...	6	6	
	Total . . .	85	84	28	143	51	

BIR SINGH,  
Inspector, Co-operative Societies,  
Delhi.

Statement showing the amount of Capital required for agriculture in 6 representative villages.

Serial No.	Name of village.	How much money is actually required for agriculture.				Total.	How much money is required for the whole village.	How much silver and gold was brought in after 1913.
		Land Improvement.	Land Revenue.	Other requirements.	Wells and Bullocks.			
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1	Khiki . . . . .	...	2,000	10,000	3,000	15,000	25,000	5,000
2	Ghaonda . . . . .	360	750	3,000	1,500	5,610	10,000	...
3	Mhamahpur . . . . .	2,000	1,710	1,500	15,000	20,210	40,000	16,000
4	Chhawla . . . . .	600	2,400	3,000	15,000	20,000	1,00,000	7,000
5	Thatarai . . . . .	2,000	...	30,000	3,000	35,000	50,000	2,000
6	Hakkarwala . . . . .	...	330	200	2,000	2,530	85,000	6,800
	Total . . . . .	4,960	7,190	46,700	39,500	98,350	3,11,000	38,800

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BIR SINGH,  
Inspector, Co-operative Societies,  
Delhi,

## APPENDIX II.

(Received through the Chief Commissioner, Delhi.)

LETTER FROM THE DEPUTY COMMISSIONER, DELHI, TO THE CHIEF COMMISSIONER, DELHI, No. 343/C., DATED THE 17TH MARCH 1930.

I have the honour to forward herewith a copy of a letter No. 586-S, dated the 4th March 1930, from the Registrar, Co-operative Societies, Punjab, Lahore, together with a copy of its enclosure. I am in general agreement with the essential theory regarding co-operative credit which Registrar advances in his letter and on which he lays stress in his answers to the questionnaire; whether the Co-operative Department has attached sufficient importance to it in Delhi Province in the past is a matter regarding which I feel some doubt.

LETTER FROM THE REGISTRAR, CO-OPERATIVE SOCIETIES, PUNJAB, LAHORE, TO THE DEPUTY COMMISSIONER, DELHI, No. 586-S., DATED THE 4TH MARCH 1930.

I have the honour to submit a few remarks in connection with the questionnaire of the Central Areas Banking Enquiry Committee.

For details of Co-operative Societies of various kinds in Delhi Province and Ajmer, the Committee can ask Lala Bal Kishen, one of members, who was for some years Registrar, Co-operative Societies, in Ajmer, and for the last 3 years has been Assistant Registrar in charge of Delhi Province. He also can inform the Committee on all matters concerning principles and practice of Co-operation.

Apart from this, it seems to me that the Committee is thinking so much about the provision of credit, or, as the average borrower looks at it, the provision of opportunities for taking a loan, that the at least equally important matter of the recovery of loans given has hardly been mentioned. I am daily becoming more and more convinced that the essential things in all credit operations are the character of the borrower and the judicious limitation of the amount of loan given. Now-a-days, the tendency, in my opinion, is fundamentally wrong to regard access to credit as a right and not, as in my opinion it should be, as a privilege to be deserved. Most of my remarks concerning specific questions will be based on the above idea.

Q. 14.—It is not understood what is meant by co-ordination. A borrower should borrow from one institution only. Otherwise he is, in most cases, practising deceit. If the meaning is that the existing credit agencies should each confine itself to a particular sort of credit then the result will be the elimination of all competition and, possibly, exploiting of the borrower. I think it is probably to the advantage of the borrower, and not altogether to the disadvantage of the creditor, that institutions dealing in credit should have competition to face.

Q. 23.—I judge from experience (gained in the Punjab that is to say) that the possibilities and probabilities of producers combining to transport  
*Registrar, Co-operative Societies, Punjab.*

and market: their produce co-operatively are practically nil. They are not ready to do so even when most of the work is done for them.

**Q. 30.**—I am not aware that any attempt has yet been made in Delhi to raise money on debenture bonds for mortgage banks. Till such an attempt has been made, it will be impossible to express an opinion on this question.

**Q. 31.**—There is no co-operative land mortgage bank in Delhi.

**Q. 32.**—The Committee would appear to have very little idea of the great difficulties which beset a mortgage bank. I think the Committee will probably derive much benefit from reading the evidence given before the Royal Commission on Agriculture by Mr. Dawson of Dawson's Bank in Burma. He, too, lays the greatest emphasis on the character of the borrower. From my small experience of co-operative mortgage banks in the Punjab, I endorse his opinion; and I can inform the Committee that the running of a mortgage bank is by no means an easy matter, even when it is financed by Government loan.

There are many ways of conducting a mortgage bank. Such a bank may be co-operative, joint stock, or quasi-Government. I refer the Committee to the experience of the Punjab and Madras for the first kind; to Dawson's bank in Burma and to France, for the second kind; and to Germany, Denmark and Sweden, for the third kind. But of whatever kind the bank may be, it cannot succeed if the borrowers are wrong; and any kind can succeed if the borrowers are right. I do not think it possible, at present to say that any particular kind is better for India than another as none has been yet tried on a large or fully successful scale. Any opinion would be largely academic and without foundation.

If Government gives any kind of guarantee, it is probably best that it should guarantee the interest on debentures for a period of years.

I see no reason why Government should take up any debentures if the public do not; except that it might take up some as a bait to the public, before the issue is opened to the public. It would not be fair to ask Government to put its money into a concern with which the public has been seen to be unwilling to have anything to do.

I have recommended to the Punjab Provincial Banking Enquiry Committee that at present debentures of mortgage banks should not be a trustee security. The reasons are that the banks are still largely experimental, and, often, it has been seen that the borrowers are not of the right sort.

Further, experience seems to point to the fact that where harvests are not secure, a mortgage bank should not be started. For, where harvests are not secure, punctuality in payment is impossible to secure and punctuality in repayment is of the essence of a mortgage bank.

**Q. 33.**—This question appears to be superfluous, if, as I imagine, "terms" means rate of interest. If this is so, everything depends upon the market rate of money, the character of a bank's dealings, and the efficiency and cost of its management.

**Q. 34.**—In the Punjab, the land revenue is taken as the basis of the amount that a mortgage bank may lend.

**Q. 35 and 36.**—A mortgage bank should be empowered to enter into possession of and sell, the land of defaulters, without the intervention of a court.

A mortgage bank is impossible in any area in which there is not a very complete and accurate record of rights in land.

I do not see why the costs of reference to the record of rights, etc., should be cheapened. The expense is by no means great even now; and is a very small percentage indeed on the amount of loan. There is no reason why a borrower should not pay a fair price for any services rendered to him. A mortgage bank and Government are not charitable institutions.

**Q. 41.**—This depends entirely on the quality of the society, i.e., on the quality of its members, and on the trust that it can inspire in the people of its neighbourhood. Reference to the annual reports of co-operative societies in Delhi and the Punjab will show the amount of deposits held by them.

**Q. 42.**—Co-operative banks and societies at present have no relations with any other banks except the Imperial Bank. At present these relations are, in Delhi, confined to the Delhi Central Co-operative Bank, and consist of Government paper deposited.

**Q. 43.**—Generally speaking, a co-operative society never goes bad if the members are good men.

**Q. 44.**—Hitherto, as far as my knowledge goes, no difficulty has been experienced by the Central Bank in providing the permissible amount of finance to the primary societies in Delhi Province. The primary credit society is not intended to provide long-term loans.

I suggest that the second part of the question should be inverted, and that it would be more correct to ask "to what extent has the agriculturist chosen to take advantage of the existence of the Co-operative Movement in Delhi?"

It is a common complaint that co-operative credit societies do not provide enough money for the members to borrow. The control of credit, and the keeping of borrowings within an amount that the borrower is able to repay within a reasonable time out of this income, is the essence of co-operative primary credit society. A scale of credit limits has been laid down which is intended to attain this object. In times of prolonged scarcity a special revision of credit limits can be and sometimes is made.

**Q. 45.**—It has already been said that hitherto the Central Bank has generally found no difficulty in providing the permissible amount of credit to its affiliated societies. If the meaning of the question is "how much extra capital is required to satisfy the demands of agriculturists for loans"? then the question can best be answered by putting another question. "How much water can be poured into a pipe, open at both ends, and held upright?"

**Q. 46.**—There is no conscious competition between co-operative and other banks. It is true that many of the deposits received by co-operative banks would, but for them have been received by other banks; but co-operative banks, generally speaking, do not definitely compete with them.

**Q. 47.**—On principle, it is very much better that co-operative societies should stand on their own legs than they should for ever be looking to Government for concessions. Their attitude at present is far too much one of expecting everything to be done for them. A co-operative movement can never be fully healthy that does not do its best to carry on without extra

*Registrar, Co-operative Societies, Punjab.*

help. The present concessions are generous and are very much appreciated. The inclusion of securities issued by co-operative banks in the list of trustee security must be earned and not given before their worthiness has been established.

*Q. 50.*—This question, like second part of *Q. 44*, should be inverted. I have noticed in the Punjab, that the small trader appears not to like real co-operative credit. He likes to use a large loan as fixed capital, and never to repay it; whereas the true object of short-term credit is to supply a temporary need, and to be repaid out of the proceeds of the fulfilment of that need. One of the objects of a credit society for small traders is to enable them to build up some sort of reserve out of profits and savings. This, however, is never seen. Too often, the result of a credit society for such people is that they attempt at once to expand their business faster than they have ever done before with the consequence that as soon as there is the slightest depression in trade, the immediate result is an increase of their indebtedness, as they have nothing whatever to fall back upon, except a bottomless (at least so considered by them) well of loans provided by their society; and repayment becomes less than a secondary consideration. These classes have yet to distinguish between financial needs and financial desires.

*Q. 51.*—It is too early to talk of requiring the co-operative movement to be extended, while even those who have begun to be able to reap some real benefit from it do not choose to do so. One must learn to walk before he can run.

*Q. 89.*—On principle, if Government desires money, why should it not do its best to attract it? Why should Government always be considered as an inert mass to which things may be done, while it may never do anything itself? If money cannot be secured except on attractive rates, why should not attractive rates be offered? After all, Government from one point of view, is only the biggest financial business in the country.

*Q. 95.*— \* \* \* \* \* It would be possible to open co-operative societies in every village in the province within a month, but none of these would be good. A place that is not suitable today for a co-operative society can by continued preaching and teaching be rendered suitable for the opening of such a society after a period of time. No place is suitable until it has received and absorbed the requisite teaching. Some places never become suitable.

## APPENDIX III.

NOTES OF ENQUIRY IN THE VILLAGE OF SAHIBABAD DAULATPUR  
IN TEHSIL DELHI.

## PRESENT:

Prof. H. L. CHABLANI, M.A.

L. BAL KISHAN.

The Deputy Registrar S. Beant Singh, B.A., P.C.S., and the Inspector of Co-operative Societies, Delhi, Mian Bir Singh, B.A., also assisted in the enquiry. A general meeting of the Co-operative Society of the village had been convened by the Deputy Registrar for the purpose of his inspection, and the occasion was utilised to conduct an enquiry at the village.

Out of 150 families resident in the village, 38 families had joined the Co-operative Society. On being questioned, the members present said that the Society included a few members who did not require any loan or who were in a position to borrow from the *mahajans* at a rate of only 12 per cent. per mensem, but who had joined the Society because of the other advantages that it offered.

Thirty-eight families in the Co-operative Society owned 2,466 *bighas* of land—4½ *bighas* being equal to one acre. The average acreage per family thus worked out at 64.9 *bighas* or about 13 acres of land.

*Net return on mortgages with possession.*

One of the members of the Co-operative Society who had taken land on mortgage with possession, said that he had advanced Rs. 12,000 for 200 *bighas* of *barani* land, the price of which approximated to Rs. 100 per *bigha*. It was said by the members present that most of the persons taking land on mortgage cultivated the land themselves, but if they did not they would get only Rs. 3 per *bigha* as *lagan* from their tenant out of which they will have to pay back about 8 annas per *bigha* towards land revenue, cesses, etc., Rs. 2-8-0 would thus be the net income on Rs. 60 advanced on mortgage with possession which works out at 4½ per cent. per annum. According to the members present, quite a large number of persons borrow money at 12 per cent. on mortgage of land which yields only this low net return.

*Net return from investment in Land.*

The members of the Co-operative Society were consulted as to the cost of cultivating 100 *bighas* of land, which in their opinion could easily be cultivated by means of one plough by a normal family consisting of husband, wife and 3 children with the assistance of only one servant. After discussion, they gave the following details of the expenses necessary for cultivating 100 *bighas* of land:—

	Rs. A. P.
1. Seed (Rs. 40 for <i>Babi</i> at Rs. 35 for <i>Kharif</i> ) . . . . .	75 0 0
2. Manure on an average annually . . . . .	6 0 0
3. Fodder at the rate of Rs. 1-4-0 per diem . . . . .	456 0 0
4. Allowance for depreciating of power of bullocks (3 to 8 years on an average) . . . . .	40 0 0

*Enquiry in Sahibabad Daulatpur.*

	Rs.	A.	P.
<b>5. Weeding and Harvesting :—</b>			
Weeding of sugar-cane, 60 days' work of one man . . . . .	30		
Weeding of cotton, 30 days' work . . . . .	15		
Weeding of <i>bajra</i> , 30 days' work . . . . .	10		
Harvesting of wheat (40 <i>bighas</i> ) . . . . .	50		
Harvesting of <i>bajra</i> and <i>jau</i> (40 <i>bighas</i> ) . . . . .	15		
Harvesting of cotton . . . . .	30		
	—	140	0 0
<b>6. Annual cost on account of plough . . . . .</b>		4	0 0
<b>7. (a) Charges for hire of crushing machine for sugar-cane and labour necessary for it (hire of machine Rs. 10 and labour of one man for two months Rs. 30) . . . . .</b>		40	0 0
<b>(b) Other cost of <i>gur</i> making (2½ maunds of <i>gur</i>) . . . . .</b>		12	8 0
<b>8. Amount paid to <i>Kamins</i> :—</b>			
294 seers of grain at 10 seers a rupee . . . . .		78	8 0
8 seers of <i>gur</i> at 8 seers a rupee . . . . .			
5 maunds of fodder, at 0-12-0 a maund . . . . .			
<b>9. Land Revenue and Cesses :—</b>			
Land Revenue at local rate . . . . .	72		
Water rate . . . . .	80		
Chowkidari, etc. . . . .	1		
		153	0 0
<b>10. Wages of one servant at Rs. 1-8-0 a day for 2/3rd of the year . . . . .</b>		120	0 0
<b>Total . . . . .</b>		<u>1,125</u>	<u>0 0</u>

The income from purchase of 100 *bighas* of land was estimated as follows:—

	Rs.
(A) { Price of 120 maunds of wheat (grown on 40 <i>bighas</i> ) . . . . .	480
{ Price of 12 maunds of <i>chara</i> at 0-12-0 a maund . . . . .	84
(B) { 10 maunds of <i>bajra</i> (grown on 40 <i>bighas</i> ) . . . . .	30
{ Fodder from <i>bajra</i> . . . . .	12
(C) 20 maunds of <i>jawar</i> and <i>chara</i> . . . . .	140
(D) <i>gur</i> (40 maunds from 10 <i>bighas</i> ) . . . . .	200
(E) Cotton (20 maunds from 10 <i>bighas</i> ) . . . . .	180
(F) Miscellaneous fodder crops . . . . .	40
Total	1,166

There would thus be a net income of Rs. 35 per 100 *bighas*. The *jats* do not sell any milk, but they do realise something from the sale of cattle which was estimated by the members present at about Rs. 100 a year.

If the owner of 100 *bighas* of land sold off his land and equipment, he would realise about Rs. 11,500 from the sale of his land and save about Rs. 500 of the necessary running capital for carrying on cultivation. Rs. 12,000 invested at 6 per cent. would bring him an income of Rs. 720 while the wages of himself and wife working on the field estimated at the rate of 8 annas per male and 4 annas for female will bring him an income of Rs. 270. An owner cultivating 100 *bighas* of land would thus get an income of Rs. 990 as against an income of only Rs. 141 at present.

On being questioned, the villagers said that for the last 7 years they had only two good years, 3 average years and 2 very bad years.

#### *Marketing.*

Asked as to the proportion of the produce they kept for their own family consumption, they stated that generally about 1/4th of wheat, 1/2 of *bajra*, 1/10th of *gur* and 1/7th of cotton and the whole of fodder was kept by the cultivator for his domestic consumption.

There was no money-lender resident in the village. Four or five outside *mahajans*, one outside agriculturist money-lender and 2 resident agriculturist money-lenders carried on money-lending business in the village. The members present stated that in case they sold their produce to their creditor *sowkar*, he would get from them  $\frac{1}{4}$  seer per rupee more than the prevailing rate in Delhi market, but in this case they will be saved the expenses and labour of taking the produce to the city of Delhi. Generally,

*Enquiry in Sahibabad Daulatpur.*

the rates in Delhi market and the village differ to the extent of  $\frac{1}{2}$  seer per rupee. A number of outside dealers visit the village and buy produce on the spot at rates which are about  $\frac{1}{2}$  seer per rupee more favourable to the purchaser than the Delhi rates. It is generally more profitable to a *samindar* to sell his produce to these outside dealers who visit the village and buy the produce on the spot, as in this case the agriculturist has neither to take his produce to the city of Delhi nor to sell it to their *soukar* creditors who give them about  $\frac{1}{2}$  seer per rupee less. But in the case of good parties the *soukar* creditors is often willing to make a concession of  $\frac{1}{2}$  seer to  $\frac{1}{4}$  seer per rupee in which case there was no reason for preferring the outside grain dealer at all.

#### *Accuracy of entries in Form B.*

The entries in Form B filled up by the *Patwaris* were compared with the entries in the books of the Co-operative Society and questions were put to the villagers in order to find out mistakes if any in either of them. In the case of Serial No. 24 (*vide* Form B) Form B showed no outside debt, while the Society's register showed an outside debt of Rs. 300 in addition to Rs. 200 borrowed from the Bank. Oral enquiries showed that he had also an outside debt of Rs. 500 borrowed on mortgage without any interest. Serial No. 34 (*vide* Form B) was shown in Form B to have a mortgage debt of only Rs. 1,867 in addition to Rs. 190 borrowed from the Bank, while the Co-operative Society's register showed a mortgage debt of Rs. 3,500. Enquiries on the subject from the villagers brought out the fact that he had a mortgage debt of Rs. 3,400. In the case of Serial No. 55 (*vide* Form B) the Co-operative Society register showed Rs. 400 as the amount borrowed from private creditors in addition to a mortgage debt of Rs. 1,800 and Rs. 595 borrowed from the Bank; while Form B showed only the Bank's loan of Rs. 595 and the mortgage debt of Rs. 1,800. Serial No. 36 (Form B) was shown to have borrowed only from the Co-operative Bank to the extent of Rs. 945 while the Co-operative Society's register showed in addition Rs. 250 borrowed from private creditors. On enquiry, the person himself said that he had borrowed Rs. 250 but lent Rs. 100 so that his net open debt was only Rs. 150. In the case of Serial No. 39 (Form B) Form B showed only Rs. 38 borrowed from the Co-operative Bank, but said nothing as to his open debt from private creditors which was shown in the Co-operative Society's register to be Rs. 100. Apart from the Co-operative Society's loan of Rs. 196 Form B showed nothing as open debt of Serial No. 45, while the Co-operative Society's register showed Rs. 1,600 and the person himself said that he owed only Rs. 1,000 to private creditors. Serial No. 55 was a *lambardar* of the village and was shown in Form B to have borrowed from Co-operative Bank Rs. 613 and from *samindars* Rs. 3,000 on mortgage, while the Co-operative Banks register showed in addition to Rs. 800 as his open debt due to private creditors. In the case of Serial No. 56 Form B showed only the Co-operative Society's debt, while the Co-operative Society's register showed in addition Rs. 300 as his open debt due to private creditors. All other entries in Form B tallied with the entries in the Co-operative Society's register. It was generally found that the mortgage debt has been correctly put down in Form B; so also the amount borrowed from the Co-operative Societies, but there was a slight under-estimating of the open debt due to private creditors.

## APPENDIX IV.

NOTES OF AN ENQUIRY HELD AT THE VILLAGE RAJPUR KHURD,  
DELHI, ON THE 16TH JANUARY 1930.

Professor H. L. Chablani visited Rajpur Khurd in connection with intensive survey and conducted the inquiry in the presence of the following persons:—

- |                                 |                 |
|---------------------------------|-----------------|
| 1. Nathan Singh, Lambardar.     | 10. Behari I.   |
| 2. Sahi Ram, retired Subedar.   | 11. Ramdial.    |
| 3. Shao Singh, retired Subedar, | 12. Chiman.     |
| 4. Shera.                       | 13. Kehri.      |
| 5. Subai.                       | 14. Mahipat.    |
| 6. Bucha.                       | 15. Mange.      |
| 7. Ramjilal.                    | 16. Bhim Singh. |
| 8. Sis Ram.                     | 17. Behari II.  |
| 9. Siri Ram.                    |                 |

Shera, whose family consists of four adult males, two women and three children stated as follows:—

We take three meals a day; 8 A.M. in the morning, 1 P.M. and again at night. We take three meals throughout the year. My daily expenses are as follows:—

	Rs. A P.
9 seers of flour at 8 seers a rupee (approximate) . . . . .	1 0 0
1 seer of pulse . . . . .	0 4 0
Tobacco . . . . .	0 1 0
Oil (both kerosine and linseed) . . . . .	0 1 0
Spices . . . . .	0 0 6
Gur, half a seer daily . . . . .	0 1 3
Match box (4 in a month).	

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1 7 9

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Gur is used in greater quantity in winter than in summer. The linseed oil is used in the house and the kerosine oil in the cattle shed. I don't purchase milk, ghee or fuel from the bazaar; these I get from home. I consume 6 chhattaks of ghee daily.

My annual clothing charges are as follows:—

	Rs. A. P.
7 pairs of <i>dhotis</i> for male adults and children (big pairs 4 at Rs. 3 each; small pairs 3 at Rs. 1-8-0 each) .	16 8 0
4 coats for adults and 3 coats for children for two years. (4 adult coats at Rs. 6 each = Rs. 24 and 3 children's coats at Rs. 3 each = Rs. 9) . . . . .	16 8 0
3 shirts for each of the 4 adults and 2 children (adult shirt at Re. 1 and child's shirt at Re. 0-12-0 each) .	16 8 0
4 <i>puggis</i> for adults measuring 10 yards at Rs. 4 each .	16 0 0
2 pairs of shoes each for the adults at Rs. 2 each . . . . .	16 0 0
1 <i>lehnga</i> , 1 sheet and 1 <i>angiya</i> for each of the two women at Rs. 22-8-0 each . . . . .	45 0 0
Sheets for all of the family members . . . . .	30 0 0
Total . . . . .	156 8 0

I have not included in this estimate the cost of coverlets or bedding.

(NOTE:—The villagers present were of opinion that in this village of 32 families only about 5 are worse than this family in point of income and expenditure).

Sahi Ram retired Subedar was questioned further and replied as follows:—

Q. 4.—In this village the bigger agriculturists are getting the lands of the small agriculturists by means of mortgages with possession, which enables them to have the land in their possession for 60 years. Before the expiry of that period, the land is redeemed from them and mortgaged to others. It is seldom that the land is finally sold to them in default of payment. These small agriculturists have not got scope for employment on the farms of others in this village. The farms are already too small here and such persons have to go to other villages for becoming tenants on land available there.

Q. 10.—In this village no debts are due to the *mahajans* or professional moneylenders. All the loans incurred are from agriculturist moneylenders, who do not keep any regular accounts, and the scale of their business does not warrant the keeping of any paid servant to keep regular accounts. Generally the agriculturist moneylenders are known for fair dealings in this village. The villagers are generally not in favour of the introduction of such a bill.

Q. 12.—For expenses during cultivation people borrow mostly from the co-operative society and the *samindar* moneylenders. For cattle and permanent improvements money is obtained partly by means of *takavi* loans and partly from their own personal capital. For other special needs on account of failure of crops or monsoon money is obtained from the co-operative society and from the *samindars* moneylender. There is no landlord here owning more than 12 acres of land. The small cultivator or peasant proprietor owning 1 or 2 acres of land gets his credit mostly from

the *samindar* moneylender and not from the co-operative society, as the co-operative society demands sureties and many people having very small holdings are not prepared to stand sureties for others. The loans are received mostly in cash from the *samindar* moneylender, but at times when he has spare seed, plough or cattle and the borrower wants money for these purposes, he offers them to him.

The general rate of interest here is about Rs. 1-8-0 per cent. but the actual realisation is about Rs. 1-4-0 per cent. If some people have got money in this village, they lend it at this rate even when in the outside market money cannot be had at Rs. 2 per cent. per mensem, even on pawning of ornaments. Between the *sahukar* lending at Rs. 1-8-0 per cent. interest and the co-operative society lending at Re. 1 per cent. interest we would prefer the *sahukar samindar*, because in the case of bank we will have to return the loan in cash which we may not have on the fixed date, while in the case of the *sahukar samindar*, he would be prepared to accept from us bullock, seed, produce buffalo, etc. Apart from this, if any emergency arises, we can get a loan from the *samindar sahukar* immediately or at a very short notice, while in the case of the bank several days' delay takes place. At times the *samindar sahukar* is even induced to accept a bullock worth Rs. 60 in payment of Rs. 70 or Rs. 80. Apart from these reasons there is the further reason that the bank has got a summary process of getting a decree against us, while the *sahukar* has to file a suit, which gives us a longer time for adjustment. Between the three sources (a) the village agriculturist moneylender lending at  $1\frac{1}{2}$  per cent. per mensem (b) co-operative bank lending at  $1\frac{1}{10}$  per cent. per mensem and (c) the Government lending at  $6\frac{1}{2}$  per cent. per annum, we decidedly prefer the first source, considering all the difficulties in recovering money from us in each case and the expenses incurred in getting loans from the two other sources.

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## GLOSSARY.

Abiana . . . . .	Water-rates.
Artis . . . . .	Commission agent.
Asami . . . . .	Client.
Bahi . . . . .	Account book.
Bahi Khata . . . . .	Accounts.
Barani . . . . .	Cultivable land depending on rain.
Batai . . . . .	Payment of rent in kind by division of produce between the landlord and tenant.
Bonami . . . . .	Transaction in the name of a person other than the actual party.
Bhusa . . . . .	Straw, fodder.
Biri . . . . .	Indigenous cigarette.
Bohras . . . . .	Commission agent (broker).
Bradri . . . . .	Brotherhood.
Chahi . . . . .	Irrigated from well-water.
Chaki . . . . .	Hand-mill.
Dalai . . . . .	A broker.
Dastaven . . . . .	Document.
Dharmada . . . . .	Deduction for charity.
Gaoahala . . . . .	A cowshed run by public charity.
Ohagra . . . . .	Skirts.
Gota . . . . .	Gold or silver lace.
Gur . . . . .	Molasses.
Haiiyat . . . . .	Financial status.
Halvai . . . . .	Confectioner.
Jat . . . . .	Cultivators.
Kabaria . . . . .	A dealer in second hand goods.
Kharif . . . . .	Winter harvest.
Khazanchi . . . . .	Cashier.
Lal kitab . . . . .	Village book containing an account of its produce, mortgages, etc.
Mahajan . . . . .	Money-lender.
Mali . . . . .	Gardener.
Mandi . . . . .	Market.
Mohalla . . . . .	Street.
Nahri . . . . .	Irrigated by canal water.
Pahari . . . . .	Hilly.
Panchayat . . . . .	Village council.
Pao . . . . .	1/4th of a acer.
Parohunia . . . . .	Retail provision dealer.
Patwari . . . . .	Village accountant.
Rabi . . . . .	Summer harvest.
Ruqa . . . . .	Chit.
Sahukar (Saukar) . . . . .	Banker or money-lender.
Sawai . . . . .	One and a quarter.
Shakar . . . . .	Unrefined sugar.

Shroff . . . . Money-lender.  
Thelawala . . . . Cartman.  
Ulemas . . . . Learned men (Scholars).  
Zaildar . . . . Government official above the village Headman and  
responsible for the collection of land-revenue for  
more than one village.

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