

THE
CENTRAL PROVINCES
PROVINCIAL BANKING
ENQUIRY COMMITTEE
1929-30

APPENDICES

VOLUME II



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APPENDIX A.

FINANCE DEPARTMENT.

The following extract from the *Gazette of India* is published for general information;—

FINANCE DEPARTMENT.

PRESS COMMUNIQUE.

Simla, the 9th August 1929.

It is announced for public information that the personnel of the Central Provinces Provincial Banking Enquiry Committee will be as follows:—

1. Mr. J. G. Bourne, I.C.S., Deputy Commissioner, Seoni—*Chairman.*
 2. Mr. R. N. Banerjee, I.C.S., Director of Industries and Registrar, Co-operative Credit Societies—*Vice-Chairman.*
 3. Rao Bahadur Kesho Waman Brahma, M.B.E., Co-operative Expert.
 4. Mr. A. C. Sen Gupta, I.E.S., Professor of Economics, Morris College, Nagpur—*Indian Economist.*
 5. Rao Bahadur D. Laxminarayan of Kamptee—*Representative of Commerce.*
 6. Seth Jamnadas, M.L.A., Banker and Landowner, Jubbulpore—*Indigenous Banker.*
 7. Rao Bahadur Madho Ganesh Deshpande, Chairman, Provincial Co-operative Bank, and Landowner, Nagpur—*Representative of agricultural interests.*
 8. Mr. Pandurang Dinanath Pundalik, M.L.C., Banker and Landowner, Jalgaon, Buldana district—*Representative of urban interests.*
- Mr. N. R. Chandorkar, Extra-Assistant Commissioner—*Secretary.*

E. BURDON,

Secretary to the Government of India.

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 3. Rao Bahadur Kesho Waman Brahma, M.B.E., Co-operative Expert.
 4. Mr. A. C. Sen Gupta, I.E.S., Professor of Economics, Morris College, Nagpur—*Indian Economist.*
 5. Rao Bahadur D. Laxminarayan of Kamptee—*Representative of Commerce.*
 6. Seth Jamnadas, M.L.A., Banker and Landowner, Jubbulpore—*Indigenous Banker.*
 7. Rao Bahadur Madho Ganesh Deshpande, Chairman, Provincial Co-operative Bank, and Landowner, Nagpur—*Representative of agricultural interests.*
 8. Mr. Pandurang Dinanath Pundalik, M.L.C., Banker and Landowner, Jalgaon, Buldana district—*Representative of urban interests.*
- Mr. N. R. Chandorkar, Extra-Assistant Commissioner—*Secretary.*

E, BURDON,

Secretary to the Government of India.

APPENDIX A-I.

With Financial Secretary's Compliments.
PRESS COMMUNIQUE.

Seth Jamnadas, M.L.A., Representative of Indigenous Banking on the Central Provinces Provincial Banking Enquiry Committee, has resigned for reasons of health; Mr. Narsingdas Daga of the Banking Firm of Bansilal Abirchand has been appointed a member of the above Committee.

FINANCE DEPARTMENT.

New Delhi, the 4th January 1930.

Copy forwarded to all Departments of the Government of India; all Provincial Governments, etc., the Accountant General, Central Revenues and the Central Provinces; and the Secretary, Indian Central Banking Enquiry Committee.

By order, etc.,

K. SANJIVA ROW,

Assistant Secretary to the Government of India.

APPENDIX B.

CENTRAL PROVINCES PROVINCIAL BANKING
ENQUIRY COMMITTEE.

QUESTIONNAIRE.

[NOTE.—The following memorandum is published in order to assist witnesses in the preparation of their evidence. It is not desired that a witness should necessarily attempt to deal with all the questions. Answers should be written on one side of the paper and answer to each question should begin on a separate sheet of paper.]

I.—*Agricultural credit and credit facilities for small industries.*

1. Describe the present system by which the agriculturist in your district or province obtains finance—

- (a) for expenses during cultivation,
- (b) for capital and for permanent improvements, and
- (c) for other special needs, e.g., failure of monsoon, for land revenue, and for ceremonial purposes, etc.

What are the rates of interest charged in your district or province in respect of advances, the period for which loans are taken, the nature of the security given and accepted (e.g., standing crops, etc.), and other conditions attaching to the grant of such loans?

Describe the part played in agricultural finance by Government, the Imperial Bank of India, the Joint Stock Banks, Co-operative Banks, the Indigenous Banks and Bankers, professional money-lenders, merchants and dealers, and other organizations giving credit (e.g., companies trading in fertilizers, etc.).

Can you give an estimate of the total amount of capital required for the various purposes stated above for your district or province?

Can you give an estimate of the extent of grain advances in your locality? On what terms are such advances given?

State defects, if any, in the present system and reasons for the existence of such defects. What is the effect of taking advances on the disposal of crop? Do you suggest any remedies?

Is there co-ordination among the various credit agencies including Government, and is there scope for improvement in that direction?

2. Describe the present method of marketing principal crops in your district or province.

What in your opinion are the possibilities of forming pools and of co-operative effort generally in marketing produce?

Describe the credit facilities required for the financing of products during marketing and the facilities actually existing.

In regard to such facilities is there any special difference as between internal trade and foreign trade?

What is the part played by the different classes of banks and bankers and merchants and dealers during the process of marketing?

What are the existing facilities available to the public, including banks and bankers, for internal remittance?

State any defects in the existing system and any suggestions for improvement?

Describe the part played by negotiable instruments in the internal trade of the province.

Have you any suggestions to make for the more extensive use of bills (*e.g.*, by reduction of duty on bills)?

What are the different classes of hundis current in your part of the country? What are the peculiarities of each? Please give sample wording.

Have you any suggestions for the amendment of the Negotiable Instruments Act by which the public and the bankers handling hundis might be better protected or benefited?

Are hundis emanating from your locality discounted in your local centre or are they sent to a provincial centre and discounted there, or are they held by middlemen, merchants or commission agents?

What different kinds of instruments of ownership of goods and produce (*e.g.*, railway receipts) and documents are employed for raising money during the process of marketing?

Are any difficulties experienced in the use of these instruments and have you any suggestions to make with a view to removing those difficulties?

What in your opinion are the possibilities of operating licensed warehouses in India either on the lines of the system which exists in the United States of America or otherwise?

Do you think there is any need for Government assistance in the matter?

3. In your district what is the value of land per acre for different kinds of crops?

What are the factors affecting such value? In your reply, please distinguish between

- (a) value of land in Government auction for non-payment of revenue;
- (b) value of land in the event of sale by court decree;
- (c) value of land in purchase by private negotiation.

4. Is there any legal impediment to mortgage of land and agricultural holdings in your province? Are there any Land Mortgage Banks or Agricultural Banks in your province or any other banks for the provision of long-term credit?

State what you know of their method of working and of raising capital.

If no such institution exists in the province, suggest the lines on which such institutions could be established and worked to the advantage of the landholders and tenants of your province.

Do you suggest any measures for—

- (a) improvement in the record of rights and title of ownership so as to simplify reference, and to avoid possibilities of disputes and counterclaims by parties other than those who are the clients of the bank;
- (b) simplification of the process of foreclosure and sale by the Mortgage Bank in the event of non-payment;
- (c) reduction of costs of reference in the record of rights and of registration of records and of the process at law so as to reduce the burden on the good constituents of the bank in respect of charges incurred on account of defaulters?

Should the working capital of the proposed Mortgage Bank be derived largely from—

- (a) deposits,
- (b) funds from central institutions, or
- (c) debenture bonds?

Should debenture bonds carry any Government guarantee either for principal or interest or for both?

If so, what measures would you suggest to secure Government against unnecessary loss?

Do you think that debentures issued by Land Mortgage Banks should be included in the list of trustee securities?

On what terms should Agricultural Mortgage Banks raise monies under each of the abovementioned heads, with or without Government guarantee, and on what terms should they lend out money so as to cover their expenses?

Please state any other suggestions for the adequate provision of long-term credit against sound security.

5. In order to devise measures for the increase of credit facilities to the agricultural classes it is necessary to reach an estimate as accurate as possible of the existing indebtedness of these classes.

Do you know of any such estimate for a village or a district in your province, or for the whole province?

In what manner can such an estimate be obtained with reasonable accuracy?

In such an estimate please distinguish between—

- (a) the amount of debt with land as security which is in the form of a registered mortgage,
- (b) the amount of debt which is concealed in the form of a judicial sale to circumvent the provisions of Acts such as the Deccan Agriculturists' Relief Act,
- (c) the amount of debt which is incurred against any other assets, such as the village house, ornaments, ploughs and other agricultural implements, crops and produce, or debt which is given on the general security of all the assets without a specific pledge.

Please state wherever possible the purposes for which the debt was incurred, such as—

- (a) the repayment of earlier debts,
- (b) marriage and other social occasions,
- (c) famine and other kinds of distress,
- (d) payment of land revenue and rent,
- (e) seeds and manure,
- (f) improved agricultural implements,
- (g) sinking of wells and agricultural improvements,
- (h) purchase of land or bringing into cultivation fallow lands.

Please indicate also to whom this debt is largely due and whether the creditors are Government Banks, Co-operative Societies, or indigenous bankers and professional money-lenders.

Please state the extent to which indebtedness is due to growth of the debt by compound interest, interest not having been paid.

Please state any other causes of indebtedness.

State what you know of the rates of interest charged, the methods used for calculating it and for enforcing the payment of the debt.

Do you think a large number of people who are efficient farmers, are being turned into tenants for a period, or tenants at will through the process of the enforcement of the old debts and landed property passing on into the hands of the creditors?

Distinguish between conditions in irrigated tracts, the famine zone, and areas not generally liable to famine.

If this process is going on, does it take away from the actual cultivator the incentive to produce more and in an efficient and better manner?

6. Give some idea of the number of subsidiary industries allied or supplemental to agriculture existing in the province or in your district such as rice milling, dairy farming, gur-making, garden produce, cotton ginneries, sugar refineries, hand-spinning, carpet-making, basket-making, weaving, etc.

Can you suggest methods by which any such industries could be encouraged and by which the producer might be enabled to get a better return for his produce?

Can you suggest any enterprises which may give employment to the farmer during seasons when he cannot make full use of his time on his farm and thus enable him to supplement his income and to raise his standard of living?

Do these require any credit facilities and are any credit facilities existing?

What would be the best method of securing working capital and proper marketing facilities for such enterprises?

What financial machinery do you suggest for this purpose?

7. State what you know of the relations that exist between the Co-operative Banks and the other banks in the country, namely, the Imperial Bank of India, the Joint Stock Banks and the indigenous banks.

Describe any existing difficulties in the matter of finance in the case of Co-operative Societies both in regard to short and long-term capital.

Can you give an estimate of the amount of extra capital required for financing co-operative movement in your district or province?

Is there any competition in your district or province between the Co-operative Banks and Joint Stock Banks?

If so, to what extent and in what direction?

Have you any views regarding the possibility and desirability of granting financial concessions in order to stimulate the growth of the co-operative movement (e.g., by extension of special exemption from income-tax to genuine Co-operative Societies, inclusion of debentures issued by Provincial Co-operative Banks in the list of trustee securities, etc.)?

To what extent has the co-operative movement succeeded in meeting the financial needs of the agriculturists, the small traders and industrialists in your district or province? How far, in your opinion, is the movement capable of meeting the financial needs of these classes?

Can you state to what extent the Usurious Loans Act is being availed of in the province? What measures would you suggest for greater use being made thereof?

Would you suggest the enactment of legislation such as the English Money-lenders' Act or the proposed Money-lenders' Bill for the Punjab, in order to make provision for licensing money-lenders and making it obligatory on them to supply their debtors with copies of accounts?

Do you think that co-operative lending and borrowing should be done on provincial scale instead of local units operating separately in watertight compartments, i.e., should the financing of primary societies be done by the Provincial Bank direct or by the Central Banks?

II.—Indigenous Banking.

[NOTE.—By indigenous banking is meant all banks and bankers other than the Imperial Bank of India, the Exchange Banks, Joint Stock Banks and Co-operative Banks. It includes any individual or private firm receiving deposits, dealing in hundis or lending money.]

1. State what you know of the functions of the indigenous bank or banker in your district or province enumerating all kinds of business the bank or banker transacts?

2. How and to what extent does an indigenous bank or banker in your district or province assist in financing agriculture, trade and industry?

3. State what you know of the organization of the indigenous banking system in your district or province with regard to—

- (a) the amount of capital invested,
- (b) the volume of their business,
- (c) their expenses, and
- (d) the relations between one indigenous bank and another and between indigenous banks and other banks in the country (*viz.*, the Imperial Bank of India, the Joint Stock Banks and the Co-operative Banks);
- (e) the adequacy of the facilities afforded by the Imperial Bank and other Joint Stock Banks to indigenous bankers.

4. State what you know of the various forms of hundis and other credit instruments used by the indigenous banks and bankers and the extent of their use. Give sample copies of any of the hundis, promissory notes, deposit receipts, etc., used in your locality.

5. State what you know of the indigenous bankers' methods of granting loans and allowing cash credits and the terms and nature of these loans and cash credits.

What are the means by which the indigenous banks and bankers provide themselves with funds to meet their demands?

What are the rates of interest allowed on various kinds of deposits received by them?

Is it a custom among some indigenous bankers, who carry on other business besides banking, to insist that advances made by them should be taken in commodities and not in cash?

Is it also a custom to insist that repayments should be made by sale of goods through the creditor?

6. What are the rates of interest either in money or in kind which the agricultural community has to pay at present to the indigenous banker?

In what manner do you suggest these could be brought down by better organization?

Would the reduction of such rates confer great benefit on the agricultural community and increase its resources thereby leading either to an improvement in the standard of living or enabling them to spend more on agricultural improvements, better agricultural implements, etc.?

7. Is there a prejudice in your locality against the indigenous bankers?

Are these bankers sufficiently protected in law?

Is there any legal or other facility which can be extended to them?

Are the dealings of this class of bankers with their clientele conducted on sound lines?

If not indicate the existing defects, making suggestions for remedying them.

8. Would you suggest any means of making this class of bankers more serviceable to the community?

Could you suggest any means by which the indigenous banking system in India could be improved and consolidated?

Do you recommend any special facilities to be given to this class for this purpose?

What is the general system of accounts keeping and to what extent are accounts open to inspection or verification by customers?

What do you think would be the attitude of the indigenous banking community towards the introduction of any measures for regulating their operations and for giving publicity to the same?

9. After making allowance for the legal expenses, management charges, losses through default and losses through foreclosure, can you give an idea of the nett return to the indigenous banks and bankers on their capital?

10. Please state whether the indigenous banks and bankers are able to meet all demands for accommodation or whether they are obliged to refuse any either on account of the unacceptable nature of the security offered or owing to insufficiency of their working capital?

11. How in your opinion should the indigenous banking system be linked with the central money market and provincial capitals?

Would you suggest the establishment of a branch of a Joint Stock Bank, or a branch of a Central Reserve Bank, or a local bank with local directorate, in each district with which the indigenous banking system may be connected?

In what manner could such a bank inspire the confidence of the indigenous bankers and be able to utilize the local knowledge and experience of the latter?

How is the competition of such a bank with the indigenous bankers to be avoided?

12. Do you think there is a large amount of money in the districts in the hands of indigenous bankers which does not find employment throughout the year?

Do you think that owing to this cause any large amount of money is flowing to the provincial capital either for long or for short periods?

Do you think any kind of improvement in the organizations of lending or borrowing can be made by which these funds instead of flowing to the provincial capital would find remunerative employment in the districts and thereby benefit the districts?

III.—*Investment habit and attraction of capital.*

1. What are the existing banking resources in the province?

Can you state the amount of additional capital, if any, required?

What are the means or institutions in existence for encouraging savings and investment habit? What has been the influence of Co-operative Societies and Banks?

Are the public provided with full facilities for the investment of their savings?

Can the existing facilities be improved in any way or extended in the smaller interior places?

Can you give any useful information in regard to the habits of the people of India to invest in silver and gold?

2. Are Postal Cash Certificates popular in your district or province and can any steps be taken to increase their popularity?

Do present interest rates of Cash Certificates require revision and do existing terms of issue in any way need change?

Do Savings Banks afford all possible facilities to the public?

What classes of population resort to such forms of investment?

Can anything be done to attract other classes?

Have you anything to say regarding the alleged competition of Government with banking institutions and bankers in regard to deposits by their attractive rates on Postal Cash Certificates and Treasury Bills?

3. State the existing facilities for purchase and sale of Government securities afforded by Government, the Imperial Bank of India and other banks. Are you in favour of granting any special facilities to the small agriculturists and the small investors of the country to take up some form of Government security? If so, state what special facilities you recommend?

State the existing facilities for purchase and sale of securities, other than Government securities, afforded by the various financial agencies.

Can you indicate clearly the habits of various groups of people in your district or province with reference to monies which come into their hands by sale of produce or through any other cause? Where do they keep this money and for what purposes and in what manner do they use it?

Can you form any estimate of the tendency towards hoarding?

Do the farmers lend to fellow agriculturists and on what terms? How do they invest surplus money in a prosperous year? Give any information you can regarding the amount, growth and distribution of capital among the indigenous population.

4. State what you know about the growth of cheque-habit.

What has been the effect of the abolition of stamp duty on cheques?

What classes of population use cheques? Have you any suggestions to make for further promoting the cheque-habit, (e.g., payment of Government servants and bank employees above Rs. 100 by cheques)?

Have you any suggestions to make regarding the use of vernacular scripts in banking?

5. Do you support the view that the banking and investment habit in India is of very slow growth?

If so, to what causes do you attribute it?

Have you any suggestions to make regarding the various possible means of educating the people of the country to invest their savings in productive undertakings (e.g., propaganda by Government in regard to Government loans for capital expenditure, etc.)?

As far as you know, what has been the result of the opening of new branches in recent years by the Imperial Bank of India?

SUPPLEMENTARY QUESTIONNAIRE.

1. Describe the part played by the different classes of banks and bankers and importing and exporting firms in the financing of foreign trade of India during the following stages:—

(a) Export trade—

(i) From the village to the mandi.

(ii) From the mandi to the exporting ports.

(b) Import trade—

(i) From the importing ports to the distributing centres in India, such as Amritsar, Delhi, Cawnpore, etc.

(ii) From the distributing centres to the consumer.

2. What are the terms on which the financing of trade during the above stages is done? Are any difficulties experienced in connection with the above financing and have you any suggestions to make for removing those difficulties and for improving in any way the existing financial facilities available for the movement of imported and exportable articles?

3. It has been suggested that the grower of produce in India does not get the full value for his produce on account of the speculative buying and selling activities of firms and companies who deal in the export trade and by the control of prices by these and other bodies. What are your views on this suggestion? Please supplement your views by any facts and figures within your knowledge. Have you any observations to make with a view to ensure a better return to the growers of produce in India?

APPENDIX C.

No. F-2 (III)-F-29, dated New Delhi, the 3rd April 1929.

From—The Hon'ble Mr. E. BURDON, C.S.I., C.I.E., I.C.S., Secretary to the Government of India, Finance Department,

To—All Provincial Governments.

SUBJECT.—*Enquiry into banking conditions in India.*

I am directed to refer to this Department's letter No. D./5121-F., dated the 22nd December 1925, asking, among other things, for the views of the Local Government as to the best method of surveying the field of banking and of encouraging the development of banking in India. By the time the replies of the Provincial Governments were received, the Government of India had also received the Report of the Royal Commission on Indian Currency and Finance, which recommended the creation of a Central Bank for India. These replies and the Report were duly examined by the Government of India, who came to the conclusion that the establishment of the Reserve Bank of India and its activities through its member Banks would go far to remedy some of the major defects in the Indian banking system and to improve banking facilities generally. They therefore thought that on the whole it would be preferable to postpone further enquiry of the kind previously contemplated until some experience of the working of the Reserve Bank of India had been gained.

2. When, therefore, Mr. S. N. Haji moved a Resolution in the Legislative Assembly in February 1927 recommending that a Commission be appointed to investigate the present condition of banking in India and to make recommendations for their improvement and expansion, the Hon'ble the Finance Member, on behalf of the Government of India, explained that, though they shared the desire of Mr. Haji and his supporters that an enquiry should be made into the banking system of India with a view to its improvement, they did not think that the time chosen was opportune. In making this statement Sir Basil Blackett further explained that an important portion of the ground of the proposed enquiry, namely, the financing of agriculture and facilities for agricultural banking would be covered by the Agricultural Commission, and that Government would consider the position again when the Commission had reported.

3. As the Local Government is aware, however, the Reserve Bank Bill was rejected by the Legislative Assembly in February 1928, and the Government of India, feeling that the atmosphere in which the Bill was lost was not favourable to public investigations of a technical and scientific nature, decided to let the question of a banking enquiry rest at least until they had had an opportunity to study the Report of the Agricultural Commission presented in April 1928.

4. Both the Federation of Indian Chambers of Commerce and the Associated Chambers of Commerce revived the question at their respective annual meetings in December 1928, the

former passing a resolution urging upon the Government "immediately to appoint an Indian Banking Enquiry Committee with special reference to the system of indigenous banking with a view to develop and foster the same". Discussions ensued at which the Hon'ble the Finance Member and representatives of both groups of Chambers of Commerce were present: and as the first result of these discussions the broad position which Government decided to take is that described in the following sentences, which are taken from a statement made by the Hon'ble the Finance Member in the Legislative Assembly.

The formation of a Central or Reserve Bank is desirable in order that India may be equipped with a mechanism for the control of currency and credit on the lines approved by modern experience. At the same time, the Government can only proceed subject to their being satisfied as to two conditions: first, that the organization of the Bank is securely settled on sound lines, and secondly, that there is a measure of general support among the representatives of public opinion for the proposals. Full advantage should be taken of any interval which may occur before these conditions are fulfilled and the time is again ripe for reviving the proposals for a Reserve Bank by inaugurating an enquiry into the general banking organization of the country which is intimately connected with the question of a Central Bank. For a Central Bank is essentially the crown of the whole structure of banking in its widest sense, and if it is to be well designed to meet the practical requirements of the country it must be adapted to the banking organization of the country on which it should rest. Viewed from this angle, a banking enquiry will be of value in throwing light on the actual situation throughout the country and in instructing public opinion as to the main requirements.

5. In order to carry public opinion with them as far as possible in the details as well as in the general policy of the matter, the Government of India have taken steps to ascertain the views of leaders of political parties in the Central Legislature and have again conferred with representatives of the Federation of Indian Chambers and the Associated Chambers of Commerce. These further discussions have disclosed a fairly general consensus of opinion as to the broad lines on which the enquiry should proceed and as to its main objects. As to the former it is generally agreed that the enquiry should be divided into two principal stages; the first covering the collection of evidence and the indication of the main directions in which the opening up of increased facilities is required; the second stage taking the form of a consideration by experts with world experience of the evidence and suggestions prepared by local Committees during the first stage. As to the main objects of the enquiry these would be to enquire into the existing conditions of banking in India and to make recommendations for the expansion of both indigenous and joint-stock banking, with special reference to the needs of agriculture, commerce and industry. It was accordingly decided to prepare a plan of action to be directed to this end,

and to submit it in the first instance for the consideration of Local Governments whose co-operation will be essential.

These are the circumstances which have led to the present communication being addressed to you.

6. As regards the procedure of the enquiry, I am to say in the first instance that the Government of India feel that, if the investigation is to be adequate and is at the same time to be completed within a reasonably short space of time, it would be impracticable to entrust the whole of the work to a single Committee. The proposal which has so far met with approval is that there should be set up—

- (a) a Central Committee, and
- (b) a number of Provincial Committees to deal with the special requirements of different provinces, such Provincial Committees to consist of persons who have the knowledge of local conditions, which will be all important.

To arrive at a clear definition of the scope and functions of the Central and Provincial Committees, respectively, it is necessary to analyse in some detail the subjects which it is intended that the enquiry as a whole should cover, and the analysis arrived at in the course of the preliminary discussions is as follows:—

- (i) The regulation of banking, with the object of protecting depositors and thereby increasing confidence in the banking system.
- (ii) Banking education, with the object of providing facilities for obtaining training in banking and generally of creating a body of people who have a real knowledge of the principles and practice of banking, and
- (iii) The development and extension of banking on sound lines.

The last item is capable of further sub-division as follows:—

- (a) Industrial banks and credit facilities for India's main industries like cotton, jute, coal, etc;
- (b) Financing of foreign trade;
- (c) Agricultural credit (including co-operative credit) and credit facilities for small industries;
- (d) Mortgage banks; and
- (e) Financing of internal trade in connection with all the above headings.

7. It is suggested that heads (i), (ii) and (iii) (b) should be definitely excluded from the purview of the Provincial Committees already described, and that head (iii) (a) might also be treated from the beginning as primarily the concern of the Central Committee, although it is recognized that there are certain aspects or sub-divisions of the subject to which the Provincial Committees might make a useful contribution. The main matter for study by the Provincial Committees would, however, be had

(iii) (c) (d) and (e). These are moreover from every point of view the most important of the whole field of the enquiry. Essentially, the purposes which it is desired to secure so far as the interests of the rural population are concerned, are that the cultivator should be enabled to secure the credit he needs both for the improvement of his land and its equipment and for the marketing of his produce: and that, on the other hand, means should be devised to stimulate the habit of investment and attract banking deposits. It is suggested that, bearing these purposes in mind, the Provincial Committees should conduct in a few selected areas an intensive survey of conditions, existing facilities and requirements, and a general survey of the province as a whole.

8. The Central Committee will be constituted by the Government of India. It is proposed that heads (i), (ii) and (iii) (a) and (b) should from the beginning be made the direct responsibility of the Central Committee. In respect of the two latter heads it might be convenient for the Central Committee to appoint sub-committees to visit important industrial centres and gain first-hand knowledge of the needs of large industries and departments of trade. In addition to this the Central Committee would act as adviser to the Government of India in laying down at the outset the main lines on which the Provincial Committees should conduct their enquiry and later in sifting the material contained in the various reports submitted by the Provincial Committees and its own sub-committees preparatory to the making of its own final report to the Government. At this point, the second stage of the enquiry will be reached when the Government of India contemplate that they should invoke the assistance of a small body of outside experts (say, three or four) selected by Government either from England or from other countries with well-developed systems of rural credit and industrial banking. These outside experts would act as advisers to the Central Committee. They would carry out joint discussions with the Committee with a view to assisting the latter in making its recommendations to the Government of India as to the best way of dealing with the state of affairs disclosed by the preliminary enquiries above referred to. The experts will further be entitled to submit a separate report of their own, if necessary, to the Central Committee which will include it in its own report submitted to the Government of India.

9. As regards the composition of the Committees, it is suggested that the Provincial Committees should contain the following personnel:—

- (i) A senior officer of Government with considerable district experience and knowledge of rural economy, who will be Chairman;
- (ii) A co-operative expert to provide special experience on rural agricultural credit;
- (iii) An Indian Economist;
- (iv) A representative of commerce;

- (v) A representative of the indigenous banking community;
- (vi) A non-official with a close knowledge of the interest of the agricultural classes, who can represent their interests as the classes who require credit facilities; and
- (vii) Possibly another non-official similarly to represent small urban interests.

The Committees should be appointed by the Government of India in consultation with the Local Government. It is emphasised that the above are intended to be no more than suggestions. The Government of India will be glad to consider any counter-suggestions which may be put forward by the Provincial Governments.

10. It is contemplated that the Central Committee which will act throughout in close contact with the Hon'ble the Finance Member, should include the following:—

- (a) Two members nominated in consultation with the Federation of Indian Chambers.
- (b) Two members nominated in consultation with the Associated Chambers of Commerce.
- (c) An Indian Economist.
- (d) A banker nominated in consultation with the Imperial Bank of India.
- (e) A banker nominated in consultation with the Association of Co-operative Banks.
- (f) A banker nominated in consultation with the Exchange Banks Association.
- (g) A joint-stock banker, and
- (h) An indigenous banker.

The question of the representation of the general interests of the public and particularly of agriculture from the side of those who require credit facilities still remains to be settled. It will also be observed that no provision has been made for the representation of the Indian legislature as such on the Central Committee. This is due to the technical nature of the enquiry. But, in view of the great interest shown by that body in the enquiry, the Hon'ble the Finance Member has agreed to keep in touch with the Central Committee at all stages of its activities and to keep the leaders of political parties apprised, by means of informal conversations, of the progress of the enquiry.

11. Subject to consideration of the views of the Local Governments, the Government of India propose that the first meeting of the Central Advisory Committee should be held in Simla about the middle of May when a memorandum laying down in some specific detail the heads of enquiry to be undertaken by the Provincial Committees will be placed before them for discussion. The memorandum as approved by the Central Advisory Committee would then be issued to the Provincial Governments to

reach them by the end of May so that the Provincial Committees might have their preliminary meetings in June to settle the terms of their questionnaire and their detailed programme of work : and the actual enquiry might begin before August. The important point is that everything should be prepared so that a start might be made immediately after the close of the monsoon period. The Government of India estimate that the Provincial Committees would take about six months to complete their enquiry and submit their reports, while another four months thereafter would be required by the Central Advisory Committee to finish their portion of the task.

12. I am now to enquire whether the Local Government approve of the direction which it is proposed to give to the enquiry and whether they have any improvements to suggest in regard to this. I am also to ask that the views of the Local Government as regards the procedure which it is proposed to adopt may be furnished as early as possible. If the Local Government agree to the procedure contemplated, I am to request that the names of individuals who might suitably be chosen serve on the Provincial and Central Committees may be furnished to this Department. Finally, I am to invite attention to the enclosed provisional memorandum laying down the broad lines of enquiry to be pursued by the Provincial Committees and to request that any observations which the Local Government may wish to make on this memorandum may also be communicated to the Government of India at an early date.

Enclosure.

Memorandum of lines of enquiry by Provincial Committees.

1. The Provincial Committees should make intensive surveys of one or two selected districts in each province and a general survey of the conditions in the province or areas as a whole in regard to agricultural and small industries with special reference to the fabric of finance. The details of the enquiries to be undertaken should be settled by the Provincial Committees themselves, but in order to facilitate tabulation of the results for all India, the following main heads under which the Committees should classify the information and material collected are laid down for their guidance. This should not be held to debar the Provincial Committees from investigating any special provincial features not covered by the heads below.

2. The main heads referred to above are :—

I.—Agricultural Credit.

(See in this connection Chapter XII and XIII of Agricultural Commission's Report.)

(a) Various items of permanent improvement to land. Credit facilities required and actually existing. Rates of interest

and period of loans and other conditions. Part played by Imperial Bank, Joint-stock banks, co-operative banks and indigenous banks and bankers. Scope for land mortgage banks and for agricultural credit banks. Co-ordination of credit agencies. Review of system of Government loans and elimination of administrative defects.

(b) Credit facilities required for purchase of agricultural implements and seed and other expenses of production. Facilities actually existing. Rates of interest and period of loans and other conditions. Effect of borrowing on disposal of produce. Part played by different classes of banks and bankers.

(c) Present methods of marketing principal crops. Credit facilities required for financing of products during marketing. Part played by different classes of banks and bankers. Facilities for remittance. Use of negotiable instruments and scope for promotion. Reduction of duty on bills.

(d) Volume of agricultural indebtedness in province and the causes contributing to such indebtedness. Existing credit facilities for discharging debt. Part played by different classes of banks and bankers.

(e) Agricultural enterprises and other small industries in province, like dairy farming, gud factories, cotton ginneries, sugar refineries, etc. Possibilities of developing cultivation or of helping cultivator to get a better return by erection of such factories. Credit facilities required and actually existing.

II.—*Special study of working of Co-operative banks and co-operative marketing societies.*

(See Chapter XIII of Agricultural Commission's Report.)

Extension of co-operation in direction of borrowing and lending on provincial scale instead of local units operating separately in watertight compartments. Relations with Imperial Bank and joint-stock banks. Present difficulties of financing co-operative societies both short and long term capital. Alleged competition of co-operative banks with joint-stock banks.

III.—*Special study of indigenous banking.*

Collection of available information regarding indigenous banks and bankers and their methods of doing business. Shroffs, large and small, who do not usually call themselves bankers, should be included in enquiry. Information should comprise capital, deposits, cash balance, terms of advances, establishment, clientele, relation to agriculture, industry and trade, facilities required, relation to joint-stock banks and Imperial Bank, attitude towards some sort of governmental supervision and publicity, methods to secure stability and inspire confidence.

IV.—*Investment habit and attraction of capital.*

(1) Means or institutions in existence for encouraging investment habit. Postal cash certificates and postal savings banks. Classes of population who resort to such forms of investment and methods of attracting other classes. Alleged competition of Government with joint-stock banks. Existing facility for purchase and sale of Government securities. Hilton-Young Commission's proposal for introduction of gold cash certificates.

(2) Growth of cheque habit. Effect on same of abolition of stamp duty on cheques. Other methods of promotion like payment of Government servants and bank employes above, say, Rs. 100 by cheques.

(3) Branch banking and investment habit. Experience of Imperial Bank's new branches opened under agreement. Existing difficulties experienced by joint-stock banks in opening new branches.

Revenue Inspector's circle

रे. ई. सरकिल

Patwari circle No.

पटवारी के हलके का नम्बर

Name of village

गांव का नाम

APPENDIX

नमूना

FORM B.

For Central

मध्य प्रदेश

नम्बर शुमार. Serial No.	नाम काश्तकार जिसकी गांव में काश्तकारी है. Name of cultivator cultivating land in the village.	जात. Caste.	हक या मद (यान मालगुजारी मौजों के लिये) :- (१) मालगु- जारी (पटेल), (२) मालिक मकबूजा (३) कतई मौरूसी, (४) मौरूसी (रैयतवारी मौजों के लिये) :- (१) पटेल (२) रैयत मालिक (३) रैयत सरकार. Right—Malguzar, malik- makbuza, absolute-occu- pancy, occupancy or (in ryotwari villages), Patel malik ryot, and ryot.	रकबा जो कब्जे में हो अगर् माल- गुजारी है तो उसके सीर खुदकाश्त व तादाद गांव मय हिस्सा. Area held if malguzar, enter home-farm and number of villages. मालगुजारी खुद- काश्तचे क्षेत्रफल गांवांचे नम्बर.	लगान या माल जमा Rent or revenue. सारा किंवा मालकाळी.
१	२	३	४	५	६

Column 4.—If a person holds land in other villages, the area and the name of village should
Column 8.—Enter if the debt is for—

- The repayment of earlier debts.
- Marriage and other social occasions.
- Famine and other kinds of distress.
- Payment of land revenue and rent.
- Seeds and manure.
- Improved agricultural implements.
- Sinking of wells and agricultural improvement.
- Purchase of land or bringing into cultivation fallow lands.
- Litigation.

Column—7.—If a person has borrowed from more than one source. extent of borrowing

Column 15.—If a person lends money, enter amounts here.

The patwari should also state the average selling value of land growing the principal crops

D-contd.

ब.

Tahsil

B.

तहसील

Provinces.

District

के लिये.

जिला

जरिया कर्जा याने (१) सरकारी. (२) कोऑपरेटिव बैंक. (३) मालगुजारी. (४) महाजनी. Source of date, whether— (1) Government (2) Co-operative Bank (3) Land- lord and (4) Mahajani. कर्जे कोटून भिळाले (१) सरकारी. (२) त. पेढी. (३) मालगुजार किंवा पार्टील (४) सावकार.	कर्जे लेने की जरूरत याने किस काम के लिये कर्जा लिया गया Purpose for which in- curred. कर्जे काढ- ण्याचे कारण.	रकम Amount,		शरह सूद. Rate of in- terest. व्याजा- चा दर.	रकम कर्जा जिसमें गैर मन्कूला जाय- दाद रहन (राजस्ट्री शुदा). Debt on mortgage. गहाणावर कर्जे (राजस्ट्री) करून घेतलेले कर्जे.	बिला रहन कर्जे. Simple debt.		अगर लेन देन भी हो तो उसका नोट वा तादाद रकम (साहु- कारी). Len- den. देण घेण.
		नगदी रकम. In cash.	गहना. In grain धान्या- चे रुपांत			गिरवी रख कर लिया गया. Secured by pledge or pawn. दागिने वगैर ठेऊन घेतलेले कर्जे.	बिला किसी जमानत वा गिरवी वगैरा के Unse- cured. पतीवर घेतलेले कर्जे.	
७	८	९	१०	११	१२	१३	१४	१५

also be entered.

from each source be given.

in the village (i.e., wheat land, rice land, cotton land, where these crops are important).

APPENDIX
FORM
नमुना

After Form B has been checked and corrected by a Tahsildar or similar तहसीलदार व उस उहदे के आफिसर की जांच फार्म बी नकशे के होजाने के

तहसीलदार अथवा तशाच प्रकारचे आफिसरा ने बी फार्म तपासच्यानंतर

काश्तकारों की अलग २ तादाद मालगुजारी मौजों के लिये:— (१) मालगुजार (पटेल), (२) मालिक मकबूजा, (३) कतई मौरूसी, (४) मौरूसी. रैयतवारी मौजों के लिये:— (१) पटेल, (२) रैयत मालिक, (३) रैयत सर्कार. For malguzari villages— Number of cultivators of each class, i. e., (1) Malguzar, (2) Malik-makbuza, (3) Absolute-occupancy, (4) Occupancy. For ryotwari villages— (1) Patel, (2) Malik ryot and (3) Ryot.	जुमला रकबा हर एक हक का. Total land held by each class. प्रत्येक प्रकारच्या काश्तकाराकडे असलेली एकंदरीत जमीन.	लगान या माल जमा (अलग २) Rent or revenue. सारा किवा वायदा.	कुल कर्जा. Total debt. एकन्दर कर्ज.			
			रहन रजिस्ट्री. Mortgage (registered). गहण.	बिला रहन शुदा. Simple. गहण रहित.	मामूली औसत ब्याज. Ordinary rate of interest. सरासरी औसत ब्याजाची.	बिला गहन कर्ज. Simple debt. गहण रहित कर्ज.	औसत ब्याज. Average interest. सरासरी व्याजाच्या.
१	२	३	४	५	६	७

Instructions to

In this statement those people who are owed more than they owe, should be classed as free exceed the debts owed to him should be included in the statement. The patwari will then total Revenue Inspector will then prepare a consolidated statement as above for his Revenue The Revenue Inspector's circle statements only should be sent to the Secretary. Provincial district headquarters until required. If the committee desire to make further inquiry in any circle statements will be required. The patwari should show in Form C the average selling

This will be based on the figures in Form B.

N. B.—In the village chosen for special intensive survey Forms B and C will be of course

D—contd.

C.

सी.

officer, the information will be consolidated for the whole village as following.

बाद पटवारी एकजाई नकशा बी नकशे पर से नीचे लिखे नमूने में बनावेगा.

सर्व गांवांवदूल एकत्र नक्षा खाली लिहील्याप्रमाणें तयार केला पाहिजे.

कुल कर्ज जो हर एक साहूकार का है. Total debts due to each class of creditors. प्रत्येक प्रकारच्या सावकारापासून घेतलेले एकंदर कर्ज.		मीजान हर किस्म की जरूरियतों के लिये लिया गया. कर्ज की जैसे:— शादी, जमीन, खरीदने के लिये वगैरा २ तफसीलवार. Total debt incurred for each purpose— marriage, purchase of land, etc. प्रत्येक सम्बन्धी घेतलेले एकंदर कर्ज:— लग्न वगैरे जमीन खरीदी.		
(1) Government. (2) Co-operative Bank. (3) Landlord, and (4) Mahajani. (१) सरकारी, (२) कोऑपरेटिव बैंक (पतपेढी), (३) मालगुजारी (पटेल), (४) महाजनी.	Amount. रकम.		Purpose. किस्म तफसील— जरूरत. कारण.	Amount. रकम.
	In cash. नगदी.	In grain. धान्य.		
	८	९०	११	१२

prepare form G.

from debt in column 13 and in all cases only the net amount whereby debts owed by any person these figures and give a consolidated statement in the same form for his patwari circle. The Inspector's Circle, if information is being called for more than one patwari circle in his circle. Banking Enquiry Committee. The village and patwari circle statements can be retained in particular Revenue Inspector's circle upon receipt of these statements the village and patwari value of land for the principal crops in his circle as a whole.

required in addition to Form A.

**APPENDIX D—contd.
B FORM FOR BERAR.**

Name of the village _____
Revenue Inspector's Circle _____
Taluk _____
District _____

To be filled in by patwari.

Name of occupant.	Caste.	Area.	Assessment.	Mortgaged debt.	Rate of interest.	Simple debt.		Rate of interest.	Purposes.	Sources of debt— 1. Government. 2. Co-operative Bank. 3. Landlord. 4. Mahajani.	In grain.
						Secured.	Un-secured.				
1	2	3	4	5	6	7		8	9	10	11

28

1. Repayment of earlier debt.
2. Payment of land revenue.
3. Seeds, manure, bullocks, etc.
4. House building.
5. Marriages and other ceremonials.
6. Maintenance and other household expenses.
7. Improved agricultural implements.
8. Sinking of wells and agricultural improvements.
9. Purchase of land or bringing into cultivation fallow lands.
10. Litigation.

In column 9 write the undermentioned purposes for which debt has been incurred.

If there is more than one source of debt please give details of each source.

APPENDIX D—concl'd.
C FORM FOR BERAR.

District _____

To be filled in by Revenue Inspector,

Number of villages in Revenue Inspector's Circle.	Number of occupants in the villages of the circles.	Occupied area in the circle.	Assessment.	Mortgaged debt,	Rate of interest.	Mortgage debt.		Sources of debt.	Simple debt.	Rate of interest.	Simple debt.		Sources of debt.
						For agriculture purposes.	For other purposes.				For agriculture purposes.	For other purposes.	
1	2	3	4	5	6	7		8	9	10	11		12

APPENDIX E.

Notes on the villages intensively surveyed by the Committee.

COTTON ZONE, BERAR.

LONI, TALUQ AND DISTRICT AMRAOTI, BERAR.

Loni is a village on the Badnera-Karanja road in the Amraoti taluq, 6 miles from Badnera and 12 miles from Amraoti. Total area of the village is 2,917 acres and the land revenue is Rs. 4,199. The cropped area is 2,630 acres. More than half is under cotton. Principal cropping of the village is as under—

	Acres.
Cotton	1,468
Juar	628
Wheat	8
Others	586

About 9 or 10 years ago people used to grow garden crops in the village. They do not do so now and state that this is due to the decrease of the water-supply. Land is sold from Rs. 300 to Rs. 700 a tiffan (4 acres) in the village and the letting value is from Rs. 25 to Rs. 60 per tiffan.

Cultivators generally borrow from the Amraoti sowkars and they have to pay Rs. 24 per cent interest on simple debts and Rs. 15 to Rs. 21 on mortgages.

Three big kabjedars in the village finance the seasonal requirements of some of the cultivators at 25 per cent for five or six months. There is a co-operative society with 15 members in the village. The members of the society have to borrow from other sources as well. Taccavi loans are in demand, but people say that they do not get them. They desire that taccavi should be distributed freely as interest is low. Government money is promptly recovered, and the cultivators are obliged to save in order to repay these loans.

There are 178 kabjedars in the village, of them 80 are entirely free from debt. They hold 2,917 acres at Rs. 4,199 in this village and 2,517 acres at Rs. 3,542 elsewhere. Thus the total land held by these kabjedars is 5,434 acres at Rs. 7,741. The total secured and unsecured debt amounts to Rs. 74,971, i.e., Rs. 421 per kabjedar or Rs. 765 per indebted kabjedar or Rs. 13-8-0 per acre or 9½ times the land revenue. The average holding comes to 30 acres. The selling price of the land averages at Rs. 100 per acre and the subletting value Rs. 10 per acre. The debt comes to 13 per cent of the total value of the land. The following kabjedars are heavily indebted.

	Rs.
(1) Jairam Honaji, 15 acres at Rs. 22	1,500
(2) Shivram Puri, 50 acres at Rs. 57	6,780
(3) Mainksa Ramji, 3½ acres at Rs. 48	2,100
(4) Maroti Raoji, 45 acres at Rs. 67	1,500
Total ...	11,880

But even these are not hopelessly involved. They have other property elsewhere. They are quite prosperous and hope to pay off their debts. No one in the village alleges that he is hopelessly indebted.

The following statement will show the economic position of the members of the co-operative society :—

Name of Kabjedar.	Area.	Land revenue.	Co-operative debt.	Outside debt.
1	2	3	4	5
		Rs. a. p.	Rs.	
Kisan	50.7	75 11 0	2,000	...
Ganpat Gangaram	64.33	97 6 0	3,000	...
Raghoji Bapuji	22.26	21 0 0	250	25
Jairampuri Dattapure	4.9	5 0 0	80	...
Gopal Raghoji	4.21	4 8 0	200	...
Gopalsingh Bhawsingh	21.16	41 4 0	1,300	380
Maroti Raoji	5.22	9 8 0	2,155	780
	22.25	32 8 0	...	...
Govind Bapuji	8.29	12 0 0	500	100
Keni, w/o Sitarām	4.16	4 8 0	186	28
Namdeo Sakharām	13.20	19 0 0	165	500
Govinda Ananda	8.5	14 0 0	224	...
Bakiya Bapuji	12.0	18 9 6	75	375
Maruti Balaji	14.2	20 12 0	130	920
Kisan Dewaji	18.23	24 0 0	300	...
Maniksa Ramji	...	40 8 0	2,500	270
Total	27.366	440 2 6	13,065	3,378

The total debt on the 15 members of the society comes to Rs. 16,443 or Rs. 1,096 per member or Rs. 58 per acre or 37 times the land revenue. It will thus appear that the members are more heavily indebted than the non-members. The reason given is that the members were heavily indebted when they joined the society. It is said that they have improved their financial position since, and are better off than before. But it is difficult for old debts to be redeemed by short-term loans.

Sources.

	Rs.
1. Government	1,055
2. Co-operative	13,060
3. Mahajan	60,856
Total	74,971

Purposes.

	Rs.
1. Repayment of old debt	12,226
2. Marriage and ceremonials	8,100
3. Purchase of land	31,700
4. Land improvement	2,355
5. Sinking of wells	3,800
6. Litigation	1,130
7. Domestic expenses	6,005
8. Seed, bullocks, etc.	9,655

Total ... 74,971

Of this, Rs. 52,150 or 67 per cent is secured and Rs. 22,821 or 33 per cent is unsecured. About 26½ per cent is old debt. Of the balance, 25 per cent is for unproductive and 75 per cent is for productive purposes.

Cost and profit of cultivation.—Cultivators state that they cannot do their cultivation without hired labour. Those who work in the field save wages of 2 persons and a pair of bullocks. They have to employ labour for clearing the fields of cotton stalks, and other wild growth, for sowing, weeding, davarān, picking, cutting, threshing and watching as the owner and his wife

cannot do all this by themselves. They say that if their holding is small they in spare time, work for wages for others and others similarly work for them. But they cannot avoid employing labour. Their estimate of cultivating 24 acres of land is as under—

Cotton 16 acres	...	} 24 acres.	
Juar 8 acres	...		
Cotton 16 acres—			Rs. a. p.
1. Clearing the field of cotton stalks at Rs. 1-4-0 per tiffan	...		5 0 0
2. Sowing (hire for 2 pairs of bullocks)	...		12 0 0
2 labourers for 4 days at 10 annas a day	...		2 8 0
3. Cotton seed 6 maunds.	...		12 0 0
fur seed 1 kudo	...		2 8 0
4. 2 weedings	...		50 0 0
5. Davaran	...		9 0 0
6. Picking at 6 annas a maund	...		52 8 0
7. Tur cutting	...		5 0 0
Labour	...		1 0 0
Threshing	...		3 0 0
Watching	...		9 0 0
Total			163 8 0
or Rs. 10 per acre.			
Juar 8 acres—			Rs. a. p.
1. Clearing the field	...		3 0 0
2. Sowing (hire for one pair of bullocks) for 3 days	...		6 0 0
3. 2 labourers' wages	...		1 8 0
4. Juar seed (5 pailis)	...		1 4 0
5. Tur seed (3 pailis)	...		0 15 0
6. Mung	...		0 4 0
7. Davaran	...		4 0 0
8. Weeding one	...		10 0 0
9. Watching	...		5 8 0
10. Cutting o' juar	...		3 0 0
11. Threshing	...		7 8 0
Total			42 15 0
Feed of bullocks cotton seed	...		34 0 0
Implements, etc.	...		5 0 0
Total			39 0 0
Total cost :—			
Cotton	...		163 8 0
Juar	...		42 15 0
General	...		39 0 0
Total			245 7 0

Rs. 10 per acre cost of cultivation exclusive of land revenue and depreciation on bullocks. This represents about Rs. 11-12-0 per acre for cotton cultivation and Rs. 7 for juar cultivation.

Outturn :—

Cotton	...	7 khandi (of 20 mds. a kh. and 15 seers a maund).	
		1 at Rs. 60 a khandi	420.
Tur	...	2½ khandi (of 20 mds. a kh. and 15 seers a maund)	100
Juar	...	5 khandis at Rs. 26 per khandi	130
Mung	...	5 kudo	10
Total			660

Rs. 27 per acre gross or Rs. 18 per acre net.

Those who depend on hired labour for all operations require Rs. 7 an acre in addition. Their cost of cultivation will come to Rs. 16-4-0. About 15 per cent of the cultivators depend entirely on hired labour.

It is clear that the cultivators have suppressed the outturn. After a series of experiments over a number of years on all kinds of soil, the standard outturn of cotton and juar for the district is fixed at 320 lbs. and 700 lbs. respectively. The soils here are at least up to the average. The cultivators get this, whether they may like to admit it or not. They are depressed at this time as the crops have been below normal and the price of cotton has gone down beyond expectations, hitting them both ways. Taking the yield figures given by the cultivators themselves they can get Rs. $30 \times 18 =$ Rs. 540 each net profit per year, 30 acres being the size of the average holding. From this he has to pay Rs. 60 land revenue, and Rs. 30 depreciation for his pair of bullocks, taking Rs. 150 as the average price of a pair and five years the normal working life of that pair. Thus he gets Rs. 450 net.

He requires Rs. 325 for the maintenance of his family and for clothing them. The details of their requirements are as under :—

For a family of five members.

	Rs.	a.	p.
Juar 4 khandis ...	104	0	0
Dal 1 khandi ...	68	0	0
Wheat 10 kudos ...	25	0	0
Rice 2½ kudos ...	7	8	0
Chillies 6 maunds ...	7	8	0
Salt ...	1	8	0
Oil 1 maund ...	10	0	0
Kerosene 2 tins... ..	7	4	0
Vegetable ...	24	0	0
Total ...	254	12	0

Clothing.

	Rs.	a.	p.
2 pairs of dhotis ...	8	0	0
4 kurtas ...	6	0	0
2 uparnas ...	2	0	0
1 pataka ...	4	0	0
1 pair of shoes ...	2	8	0
4 sadis ...	24	0	0
4 cholis ...	4	0	0
For 3 children... ..	16	0	0
Total ...	66	8	0

Rs. a. p.

254 12 0

66 8 0

Grand total ... 321 4 0 or Rs. 325.

Poor cultivators and labourers do not use rice, wheat and so much dal or vegetable and can live within Rs. 200 in all. The average cultivator can thus save about Rs. 125 a year for other

expenses when their local khandi of cotton sells at Rs. 60, i.e., when the standard 394 seers cotton is at Rs. 80. The present price is more than Rs. 70 and there have been great fluctuations. Owing to the proximity of Amraoti town they also get a good income from the sale of surplus *karbi*.

Besides cultivation, some agriculturists ply carts for hire, some trade in betel leaves and many of them work for wages. The total income from all these sources is estimated at Rs. 25,989. The village is prosperous and people do not seem to be anxious about their debts. They have no difficulties about marketing. Cotton is sold in the Amraoti market and other produce is sold in Badnera or Amraoti. Small cultivators do not generally sell their *juar*. If any surplus is left after the year's requirement, it is sold, but not till then.

It will be seen that here, as in many other places in Berar, the purchase of land has been the main purpose for which money is borrowed, and a good deal of indebtedness here is due as elsewhere to gambling in land at the time of cotton boom when the price of cotton and the value of land was more than 3 times what it is today. It is possible that the cultivators here have not yet fully realized the eventual results of the fall in cotton prices, but the interest charges alone in this village come to nearly 4 times the total land revenue. The two things required for economic improvement are the inculcation of a spirit of greater thrift for the future and the provision of long-term loans by land mortgage banks at a reasonable rate of interest to enable the old debts to be paid off. For the financing of short-term loans the co-operative society has wide scope.

Nor is there any lack of indigenous bankers in Amraoti to finance seasonal requirements. But the existing debts should be placed on a better financial basis and the high interest charges reduced.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 35,582.

The following statement will show the distribution of the village-holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Loni	40	46	24	16	12	6	10	24	178

Maniksa Ramji, Secretary, Co-operative Society.

I own 31 acres at Rs. 48-11-0, inclusive of cesses. I sow cotton in 16 acres, *juar* in 8 acres, groundnut in 4 acres; *padit* in 3 acres.

Cost of cultivation of four tiffans of cotton done by the owner himself—

		Rs.	a.	p.
Clearing the fields of cotton stalks	Re. 1-4-0 per tiffan or	5	0	0
Sowing for 2 pairs of bullocks	...	12	0	0
Wages	...	2	8	0
Seed (6 maunds cotton seed)	...	12	0	0
Tur (1 kudo) or 8 pailis	...	2	8	0
Two weedings	...	50	0	0
Davaran Re. 0-6-0 per labour	...	9	0	0
Picking	...	37	8	0
	Total	130	8	0
Cutting of tur	...	5	0	0
Labour	...	1	0	0
Threshing	...	3	0	0
	Total	139	8	0
Bullocks feed (cotton seed)	...	34	0	0
	Grand total	173	8	0

= Rs. 11 per acre.

Watching Rs. 9-0-0
 Outturn—

	Rs.	a.	p.
6 khandis cotton (of 20 maunds a khandi)	480	0	0
2½ khandis tur (of 20 maunds a khandi) at Rs. 42 a khandi	100	0	0
	Total	580	0

Rs. 36 gross, Rs. 25 net per acre of cotton.

Cost of juar cultivation 8 acres.

	Rs.	a.	p.
Clearing the field	3	0	0
Sowing (hire for bullocks)	6	0	0
2 servants wages	1	8	0
5 pailies juar seed	1	4	0
3 pailies tur seed	0	15	0
Mung	0	4	0
Davaran	4	0	0
Weeding	10	0	0
	Total	26	15

or Rs. 25.

Outturn—			
5 khandis of juar	2 seers = 1 paili 8 seers = 1 kudo 20 kudis = 1 khandi	} At Rs. 26 per khandi	Rs.
5 kudis mung	...		10
		Total	140

	Rs.	a.	p.
	24	0	0
	17	12	0
	Total	41	12

Cost

			Rs.	a.	p.
Cutting of juar	...	...	3	0	0
Threshing 5 kuos	...	...	7	8	0
Bullock hire	...	...	3	12	0
Carting	...	...	1	0	0
Watching	...	...	2	8	0
		Total	17	12	0
			Rs.	a.	p.
			140	0	0
			42	0	0
			98	0	0

or Rs. 12-4-0 per acre net.

Groundnut.

			Rs.	a.	p.
13 maunds seed	...	...	16	4	0
Wages	...	...	3	0	0
Summer operations	...	...	5	0	0
Sowing	...	...	4	0	0
Davaran (wages of 4 men)	...	...	2	0	0
Weeding	...	...	5	0	0
		Total	35	4	0
			15	10	0
			50	14	0
Watching	...	...	5	0	0
		Total	55	14	0

Outturn—

4 khandis Rs. 100 at Rs. 25 a khandi.

		Total cost.	Total outturn.
		Rs. a. p.	Rs. a. p.
Cotton	...	173 8 0	580 0 0
		9 0 0	100 0 0
Total	...	182 8 0	680 0 0
Juar	...	41 12 0	140 0 0
Groundnut	...	55 14 0	820 0 0
Total	...	280 2 0	280 0 0
			540 0 0
			+ 25 0 0 gross.
			565 0 0

or Rs. 20 per acre.

A cultivator cannot do without hired labour. He has got to engage labourers for summer operations. Davaran, weeding, picking cotton, etc., he and his wife cannot do all the work. Cultivators who do all the work by hired labour require as above.

APPENDIX E-II.
COTTON ZONE, BERAR.

MOZRI, TALUQ CHANDUR, DISTRICT AMRAOTI.

A large village of 3,975 acres, 22 miles from Amraoti on the Amraoti-Nagpur road. Its population is 2,957 and land revenue with cesses is Rs. 7,008. The abadi is large, containing a number of well-built houses and with a general *air* of prosperity. A village panchayat has been recently founded and the people are intelligent and enterprising. Total area under crop is 3,607 and is distributed as under:—

	Acres.
Cotton	1,776
Juar	956
Tur	289
Wheat	7
Padit	336

The average price of land is Rs. 250 to Rs. 300 an acre. Price of land has not materially depreciated since the boom year as people still hold that the cotton prices may rise again. Subletting value is from Rs. 60 to Rs. 90 a tiffan. The land here is rich and fertile, well up to the average of the better class soils of the Purna valley.

People admit that in good land the yield of cotton is 1 khandi (of 300 seers) per acre. The average all round yield they say is not more than 15 to 18 maunds per acre. They sell their cotton in Amraoti where the khandi is of 28 maunds. So if the price in Amraoti is Rs. 90 per standard khandi, they get Rs. 75 for their local khandi. As the price in Amraoti is now Rs. 70 a khandi, the people would not get more than Rs. 52-8-0 for their local khandi. Thus the price of average yield of cotton according to the present rates will be Rs. 39.

Juar yield is estimated at a khandi (320 seers) per acre. The present price is Rs. 28. A tiffan yields 500 to 600 pendis of *hadba* which is worth Rs. 10 to Rs. 12. This is consumed by a pair of bullocks in a year.

Cost of cultivation differs from cultivator to cultivator. But people agree on the following estimate as being fairly representative of the village:—

Cotton 16 acres.

	Rs.
Summer operations Kopya removal of cotton stalks	18 at Rs. 4-8-0 a tiffan.
Cotton seed 12 maunds	18
Tur 2 pails	2
First weeding	20 at Rs. 5 a tiffan.
Second Weeding	15
Davaran	20 at Rs. 5 a tiffan.
Picking	62 at Rs. 5 a maund.
Tur cutting	3
Watching	5
Assessment	40
Bullock feed (cotton seed)	36
Depreciation	20—120 average price and 6 years working life.
Implements	5
Total	264 or Rs. 16-8-0 per acre including land revenue.

The net income will be Rs. 22-8-0 per acre. Cost of cultivation will be reduced if the cultivator has three adults in the family who work in the fields or will go up if he has none except himself. Cost of juar cultivation is said to be three-fourths of the cotton. The average per acre for the village can safely be taken at one more than Rs. 12-8-0 including revenue.

There are 281 kabjedars in all. Of these 27 live elsewhere about whom full information is not readily available. They have therefore been excluded. Of the 254 resident kabjedars, 140 are indebted and 114 free from debt. The main source of credit is the mahajan. The most common rate of interest is 18 per cent. Penal rates varying from Rs. 24 to Rs. 36 per cent are charged in case of default. There are two co-operative credit societies with 18 members each. Their total reserve fund is Rs. 5,200 and they owe to the Central Bank Rs. 34,000. These societies are doing well and people realize the good done by them. They are therefore thinking of starting another society.

Total secured and unsecured debt amounts to Rs. 1,03,310. The 254 kabjedars own 2,607 acres at Rs. 6,060 in the village and 665 acres at Rs. 863 elsewhere. Thus the total land held by them is 4,272 acres at Rs. 6,928. The debt works out at Rs. 406 per kabjedar or Rs. 780 per indebted kabjedar or Rs. 24 per acre or 14 times the land revenue. The members of the co-operative credit societies are more heavily indebted as will appear from the following figures.

Of the 36 members, 22 hold lands in the village. They own 675 acres at Rs. 1,054. They owe Rs. 27,441 to the society and Rs. 17,493 to others. Thus the total debt comes to Rs. 44,934 or Rs. 2,042 per member or Rs. 66 per acre or 42 times the land revenue.

The following persons are heavily indebted :—

	Rs.
1. Balam Vithu (2 acres at 5)	1,530
2. Rama Ghulaji (5 acres at 10)	1,000
3. Radhi Tanba (2 acres at 6)	1,000
4. Ramrao Narayan (110 acres at 173)	11,850
He owes 137 acres of land at 240 elsewhere. His land is worth 31,000.	
5. Laxman Nagoji (6 acres at 15)	3,000
6. Lahami Shravan (2 acres at 5)	1,850
7. Shamrao Narayan (57 acres at 77)	4,351
8. Shrivaram Singh (78 acres at 116)	4,095
399 acres at 647	28,676

Nos. 1, 2, 3, 5 and 8 appear to be indebted beyond hope of redemption. The others could be saved by a land mortgage bank. About 20 per cent of the total debt is due from the above 8 kabjedars only.

	Sources	Rs.
1. Co-operative	27,441
2. Sowkar	75,869
Total	1,03,310

	<i>Purposes.</i>	
1. Old debt	...	50,004
2. Marriage, etc.	...	6,689
3. Distress	...	530
4. Seed, manure, etc.	...	16,899
5. Sinking of wells	...	275
6. Litigation	...	450
7. Trade	...	8,126
8. Purchase of land	...	9,795
9. Purchase of bullocks	...	820
10. House building	...	4,083
11. Domestic	...	5,639
	Total	1,03,310

About 50 per cent is the old debt which in most villages is at present a real handicap to the cultivators. 30 per cent of the balance is for unproductive and 70 per cent is for productive purposes

Financial facilities for redeeming the old debt before the interest charges swell further are urgently required. Long-term loans at a low rate of interest from a land mortgage bank appear the only solution.

Cost of living for a family of 5.

	Rs.	a.	p.
4 khandi juar	...	120	0 0
5 kudus wheat	...	12	8 0
8 kudus dal	...	22	8 0
Oil	...	15	0 0
Salt	...	1	8 0
Kerosene	...	8	0 0
Chillies	...	15	0 0
Vegetable, gud, etc.	...	25	0 0
	Total	219	8 0

Cloth.

	Rs.	a.	p.
1 coat	...	4	0 0
1 pair dhoti	...	4	8 0
2 dupattas	...	3	0 0
2 kurtas	...	2	8 0
1 pagota	...	4	0 0
1 pair of shoes	...	2	0 0
2 sadis	...	12	0 0
2 cholis	...	2	0 0
For children	...	17	0 0
	Total	51	0 0

Grand total ... 270 8 0

A labourer will not require more than Rs. 175. He can earn more than this. A big cultivator will spend more on cloth and luxuries and a little more on food as well.

This is a prosperous village and people earn a good deal by trade, shop-keeping, selling of *ghee* and *kadba*, carting and labour. Total non-agricultural income as disclosed by the people is Rs. 58,584. The villagers have gold and silver worth about

Rs. 17,683. There are 398 agricultural bullocks, 521 cows and 118 she-buffaloes. It is clear that the total assets are far more than the liabilities. But the present interest charges swallow up a large part of the profits of agriculture and with the present low price of cotton the condition of many cultivators will deteriorate unless these old debts which are the results of the cotton boom can be amortized on reasonable terms.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Mozri	157	49	23	15	9	3	5	20	281

STATEMENT RECORDED AT MOZRI, TALUQ CHANDUR, DISTRICT AMRAOTI.

Pundalik Hirainanji Patil, Khulkokat.
 Krishnaji Sonahi Patil, Behera.
 Vaman Suryabhan Patil.
 Gangaram Raiyoji Patil, Anjangaon.
 Krishna Sakharam Patil, Kotigaon.

A pair of bullocks sow 6 tiffans of land, 4 tiffans of cotton and tur and 2 tiffans of juar and mung. The pair costs Rs. 200.

Cotton—

Koplya todhan ...
 Koplya todhan ...
 Sowing (hire of 2 pairs of bullocks) ...
 2 labourers ...
 Weeding ...
 Seed 12 maunds (cotton) ...
 Tur 2 pailies ...
 Second weeding ...
 Davaran 2 pairs ...
 Picking 6 annas a maund ...
 Tur cutting ...
 Labourer to help in carting for 4 days ...
 Cutting of til 2 days ...

Cost of cultivation.

Rs.
 ... 12 at 3 per tiffan.
 ... 6 at 12 per tiffan.
 ... 5 at 2-8-0 per pair.
 ... 1-8-0 at 12 annas a day.
 ... 20 at Rs. 5 a tiffan.
 ... 18.
 ... 2
 ... 20
 ... 5
 ... 75
 ... 8
 ... 2
 ... 1 (20 mds=1 khandi 15 seers=1 md.)
 ... 1-8-0—300 seers=1 khandi).
 ... 44

Bhad ...
 Assessment ...

Total ... 221

Bullock feed and depreciation ...
 Implements ...

Total ... 286

Outturn:

10 khandis cotton ...

10 at the local rate of Rs. 52 a khandi of 300 seers.

510 kudos tur	...	...	Rs.
Kudo tiffi	...	...	20
			10
		Total	550

A man who does no work himself requires 30 a tiffan extra for labour.
He will save bullock feed:
Cost of cultivation 221
plus $30 \times 4 = 120$

Total Rs. 341

Juar costs.

Juar outturn is 3 khandis per tiffan.	Rs. a. p.
4 pailis seed	1 4 0
1 paili mung	0 12 0
Sowing hire of 2 pairs...	5 0 0
Labourer	0 12 0
Davaran and dundan	10 0 0
Total	17 12 0
Weeding	10 0 0
Cutting and threshing	15 0 0
Total	25 0 0
	25 0 0
	17 12 0
Grand total	42 12 0

Outturn 6 khandis $\times 30 =$ 180 0 0

Cost of living for a family of five:

3 khandis juar	...	Rs. a. p.
5 kudos wheat	...	90 0 0
8 kudos dal	...	12 8 0
Oil	...	22 8 0
Salt	...	15 0 0
Kerosene	...	1 8 0
Miscellaneous	...	8 0 0
Chillies	...	15 0 0
Total	...	179 8 0

Cloths:	Rs. a. p.
1 pair dhoti	4 8 0
2 dupattas	3 0 0
2 kurtas	2 8 0
1 pagota	4 0 0
1 pair of shoes	2 0 0
2 sadis	12 0 0
Cholis	2 0 0
For children	17 0 0
2 coats	8 0 0
Total	55 0 0

Wages for summer.
4 annas to 6 annas.
In Hangam 12 annas.

**APPENDIX E-III.
COTTON ZONE.**

SIRKHED, TALUQ MORSI, DISTRICT AMRAOTI.

A big village with a population of 1,887, 24 miles from Amraoti on the Amraoti-Morsi road. The total area is 2,187 acres and land revenue is Rs. 3,861. There is a police station-house in the village besides a forest naka, post office and a good vernacular school. The occupied area is 1,907 acres and is distributed under the following crops :—

	Acres.
Cotton	1,141
Juar	409

The average selling value of land in the village is Rs. 150 and the average letting value is Rs. 10-8-0. Good fields have been let out at Rs. 88 per tiffan this year. There is a little land under garden crops. People grow chillies and vegetables. But this area is very small.

Kisan Ram Gondaram and Bapurao are the two local sowkars. They charge from Re. 1-4-0 to Re. 1-8-0. As they do not possess large capital, they lend only small sums for seasonal expenditure. The bulk of the cultivators borrow from Shrikrishna Dhauraj of Katpur, Krishnaji Nandaji of Lehegaon and Ramkrishna Ambadas of Yavala. The common complaint against these sowkars is that they neither grant receipts nor allow accounts to be checked. Borrowers must pay what they demand as due. Borrowers say that they acquiesce through fear of displeasing the sowkars. The usual rate is 24 per cent interest, with penal interest at 36 per cent on default. One remarkable fact is that the sowkars do not insist on mortgage or any other security. They advance big sums on personal credit. It shows that the cultivators have good credit, and is an index of the value of their property. For this reason in this village the total secured debt is about one-eighth of the unsecured debt. There is no co-operative credit society in the village and people have no knowledge of the meaning of co-operation. There is great scope for co-operative efforts in this village.

There are 182 kabjedars holding 1,907 acres at Rs. 3,774 in the village and 2,483 acres at Rs. 4,208 elsewhere. Thus the total land with these kabjedars is 4,390 acres on Rs. 7,982 assessment. Of them, 108 are entirely free from debt. The total secured and unsecured debt amounts to Rs. 61,086 or Rs. 335 per kabjedard or Rs. 825 per indebted kabjedard or Rs. 13 per acre or 8 times the land revenue. Of the 74 indebted kabjedars, the following are heavily indebted :—

Occupant.	Area.	Assessment.			Debt.
		Rs.	a.	p.	Rs.
1. Akoya, son of Vithu Inali	8-7	15	12	0	1,370
2. Krish son of Sevdhan Ramchandra Tula	29-38	53	0	0	3,775
3. Gangaram Daraji, Kunbi	88-20	134	5	6	3,300
4. Chandrabhan Harbaji, son of Suryabhan Harbaji.	10-15	25	15	9	10,500
5. Yado Vhabaji Dangar	217-2	364	3	3	15,600
6. Shaik Gulab	-16	1	2	0	1,500
7. Phundabi, w/o Shaik Durab	-15	1	2	0	1,500
Total	353-94	595	8	6	37,545

These seven kabjedars are responsible for 61 per cent of the total debt. Of them, Gangaram will be able to reduce his debts, but the others are beyond reasonable hope of redemption. Shaik Gulab and Phundabji are not cultivators at all and should be excluded. If we exclude the debts of these seven persons, the total remaining debts amount to Rs. 23,541 only, or Rs. 132 per kabjeddar or Rs. 351 per indebted kabjeddar or Rs. 5-8-0 per acre or 3 times the land revenue, being a relatively insignificant percentage of assets. The total value of the village land is at present estimated at Rs. 2,86,050.

All debts have been taken from sowkars. The purposes for which they were taken are as under—

	Rs.
Repayment of old debt	18,175
Marriage and ceremonials	18,395
Family maintenance	6,316
Agricultural expenses	17,400
Land improvement	400
Litigation	300
Business	160
Total	61,086

About 30 per cent is old debt. Of the balance, 58 per cent is for unproductive and 42 per cent for productive purposes. Most of the item of Rs. 17,400 for agricultural expenses consists of short-term loans to be repaid at harvest.

Cost and profits of cultivation.—People say that an ordinary cultivator cannot do without hired labour. He and his wife cannot do all the work. He does much of the sowing, but has to employ some labour. Following is the estimate of such a cultivator owning 20 acres of land (14 acres cotton and 6 acres juar):—

Cotton.		Rs. a. p.
1. Summer operations (clearing the field of cotton stalks and shrubs).	15	8 0
2. Cotton seed 4½ maunds	7	4 0
Tur seed, 10 pails	2	8 0
3. Sowing labour and hire of bullocks	22	8 0
4. Davaran	25	0 0
5. Weeding	25	0 0
6. Watching	5	0 0
7. Cotton picking at 5 a maund	56	0 0
8. Tar cutting and threshing	15	0 0
9. Land revenue	25	0 0
Total	173	12 0

or Rs. 12-8-0 acre, including land revenue or Rs. 10-12-0 excluding land revenue.

Juar.

	Rs.	a.	p.
1. Summer operations ...	10	0	0
2. Juar seed 7 pailis } ...	1	5	0
Mung mot } ...	0	8	0
3. Sowing ...	7	8	0
4. Davaran ...	10	0	0
5. Weeding ...	15	0	0
6. Watching ...	10	0	0
7. Juar cutting and threshing ...	12	0	0
8. Land revenue ...	10	0	0
Total ...	76	5	0

Rs. 12-8-0 per acre including revenue or Rs. 0-12-0 excluding land revenue.

	Rs.
Bullock feed cotton seed ...	34
Depreciation ...	25
Total ...	59

Average price Rs. 150, 6 years working life.

	Rs.	a.	p.
Total cost ...	173	12	0
	76	5	0
	59	0	0

Total ... 309 1 0 or Rs 15-8-0 per acre including revenue.

But our enquiries show that juari cultivation actually costs less than cotton.

Outturn.

Cotton 9 khandi (of 29 maunds of 15 seers a maund) Rs. 450 at Rs. 50 a khandi of 600 lbs.

Tur 2½ khandi ...	100.
Juar 7 khandi ...	175 (320 seers — 1 khandi).
	Rs. a. p.
Gross outturn ...	725 or 36 0 0
Less Costs ...	309 15 8 0
Net balance ...	416 say 2 0 0 net profit per acre.

Those who depend for their cultivation entirely on hired labour are said to require Rs. 6 per acre more. There are 20 per cent cultivators who depend entirely on hired labour. They are either very big cultivators or those who follow other occupations besides agriculture.

Cost of living of a family of five.

	Rs.	a.	p.
4 khandis juar ...	100	0	0
15 kudis dal ...	45	0	0
Chillies ...	12	0	0
Salt ...	2	0	0
Oil ...	10	0	0
Miscellaneous ...	7	8	0
Kerosene ...	40	8	0
Vegetable, gud, etc. ...	20	0	0
Rice, wheat (festivals) ...	20	0	0
Total ...	257	0	0

Cloth.

			Rs.	a.	p.
4 dhotis	...	...	8	0	0
4 lugadas	...	...	24	0	0
4 small dhotis	...	...	6	0	0
4 big kurtas	...	...	4	8	0
6 small kurtas	...	...	3	0	0
2 polkas	...	...	5	0	0
1 pagota	...	...	5	0	0
4 cholis	...	...	3	0	0
Total			58	8	0 or 60

Thus the total cost according to the villagers comes to Rs. 257 plus Rs. 60=Rs. 317 a year.

Total area which 182 kabjedars hold is 4,390 acres, the average holding being 24 acres. Calculating the average net income at Rs. 18 per acre a cultivator gets Rs. 448 a year and can save Rs. 131 for his other expenditure. Besides agriculture, the people work for wages, some hire out their bullocks and some sell *ghee*. Two cultivators have grinding mills and five have shops. Two trade in cotton and juar. Thus from all these sources the total non-agricultural income of the village is Rs. 20,955. Besides, the villagers have 257 bullocks, 110 cows and 223 milch buffaloes. The total value of the live-stock alone is much more than the entire debt.

People seem contented except with regard to the low prices of cotton and the high rates of interest. This seems to be an ideal village for starting a co-operative society as people have strong personal credit, the result of personal honesty and punctuality of repayment. There seems no justification here for the high rates of interest charged by the sowcars which is probably due mainly to lack of competition and shortage of capital.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 14,547.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Sirkhed	73	27	11	20	5	6	4	4	150

Vaman Chandrabhan.
 Narayan Kesho.
 Gangaram Daoji,
 Kisanlal Gundaram.
 Bapurao Rayali.
 Yadosa Madhosa State.

Kisanlal Gundaram and Bapurao are the two local money-lenders. Our rates of interest are Re. 1-4-0 to Re. 1-8-0. We lend small sums of monies. Big sums are borrowed from Krishna Patil of Lehgaon. They do not keep accounts, but they carry some literate persons with them to the sowkar for making up the accounts. But this facility is denied at big money-lenders, e.g., Shrikrishna Dhauraj of Katpur, Krishnaji Bandaji of Lehgaon and Ramkrishna Ambadas of Yavala. These people do neither pass receipts nor allow other persons to make up accounts. What they say is due has to be paid. Debtors cannot insist on getting receipts for fear of offending them. If people do not accept their accounts and pay accordingly suits are filed and decrees are passed as we cannot get people to give evidence for us. These people charge less than 2 per cent. They make no distinction between a mortgage on personal debt. These people deduct Rs. 6 as *batta* before advancing Rs. 100 and charge *sawai* for four months on seasonal debts. Raghupat Daulatrao executed a bond of Rs. 100 and got only Rs. 80 from Krishnaji of Lehgaon. Such cases can be multiplied as they are very common. This loan carries 2 per cent interest. There is an agreement in the bond that on default 3 per cent will be charged.

Good land is still sold for Rs. 500 per acre. Nathu Chandrabhan has purchased 4 acres at this rate only recently. It is assessed as Rs. 2-8-0 per acre. Several other persons have purchased at this rate. Letting value of such land is over Rs. 30 per acre.

Other land is sold at Rs. 100 per acre. People have purchased it.

During the last four years no land has gone to the sowkar.

Three to four khandis cotton per tiffan is the yield of good land here. In ordinary circumstances people borrow in Ashad and repay the loans after the crops are marketed. Taccavi is not generally available to all or for all.

APPENDIX E-IV.

COTTON ZONE.

ASSEGAON, TALUQ ELLICHPUR, DISTRICT AMRAOTI.

A big and important village, 18 miles from Amraoti on the main Amraoti-Chikhhalda road. The total occupied area of the village is 1,057 acres and the land revenue Rs. 2,569. Principal cropping of the village is as under :—

	...	...	Acres.
Cotton	...	...	663
Juar	...	...	165
Wheat	...	...	42
Tur	...	...	71
Til	...	...	20

The land in the village and round about is very valuable. The average selling value even now is Rs. 250 per acre and the average letting value is Rs. 20 per acre. The incidence of land revenue is Rs. 2-7-0 per acre.

In the village and in Walgaon nearby live quite a large number of big Marwaris doing money-lending. People have thus no difficulty in obtaining credit. The most common rate of interest is 18 per cent. As in other places, people borrow small sums from Holi towards and repay them at harvest. There is no co-operative credit society in the village and people know nothing about the working of a co-operative bank. They are prepared to take faccavi loans only if they can be given according to their individual requirements and in time.

There are 72 kabjedars holding 1,057 acres at Rs. 2,569 in the village and 1,004 acres at Rs. 2,625 elsewhere. Thus the total land held by the kabjedars of the village is 2,061 acres at Rs. 5,194. The secured debt amounts to Rs. 22,550 and the unsecured debt to Rs. 26,126, the total being Rs. 48,676. Of the kabjedars, 24 are entirely free from debt. The burden of debt works out at Rs. 676 per kabjedar or Rs. 1,352 per indebted kabjedar or Rs. 23 per acre or 9 times the land revenue. The following of the indebted kabjedars are heavily involved :—

	Rs.
1. Bahram Bajoye (115 acres at Rs. 304) ...	7,700
2. Dhansa Narayan (63 acres at Rs. 106) ...	4,000
3. Hari Maruti (3 acres at Rs. 5) ...	1,100
4. Sedashio Shraavan (3 acres at Rs. 5) ...	4,060
5. Laxman Jhyamaji (10 acres at Rs. 28) ...	2,625
6. Yeshwantrao (53 acres at Rs. 111) ...	4,446
7. Ganja Prasad (49 acres at Rs. 120) ...	5,900
8. Khujaji (12 acres at Rs. 34) ...	2,007
9. Ama (3 acres at Rs. 8) ...	2,100
Total ... 301 acres at Rs. 721 ...	33,938

Nos 3, 4, 5, 8 and 9 are apparently indebted beyond reasonable hope of redemption. The others could be set on their feet by amortization of their debts at a low rate of interest by a land mortgage bank.

It will be seen that about 74 per cent of the total debt is due from only 8 kabjedars. If we exclude them, we find that the debt comes to Rs. 230 per kabjedar or Rs. 526 per indebted kabjedar

Income will go up and down with the cotton prices. Juar 2 tiffans (8 acres),

		Rs. a. p.
4 paili seed	...	1 4 0
4 paili mung	...	0 12 0
Sowing	...	5 0 0
Labour	...	0 12 0
Dawran dundan	...	5 0 0
Weeding	...	10 0 0
Watching	...	5 0 0
Cutting and threshing	...	15 0 0

Total ... 42 12 0 or Rs. 5-4-0 per acre

Outturn 6 khandis Rs. 180, Rs. 22-8-0 per acre.

Grand total cost.		Profit.
Rs. a. p.		Rs.
257 0 0		490
42 12 0		180
Total ... 299 12 0		670
or Rs. 300 or Rs. 12-8 0 per acre		300
		370 or Rs. 15-8-0 per acre.

This does not include the price of kharbi much of which is sold in Amraoti and Ellichpur.

Cost of living here does not much differ from the Daryapur or Amraoti villages. A cultivator belonging to the village middle class requires Rs. 300 for food and clothing. As this class of cultivator generally owns 40 or more acres of land, he saves at least Rs. 300 a year. Poor cultivators and labourers do not require more than Rs. 175 a year and they can easily earn this.

Some arrangement to provide long and short-term credit on easier terms is necessary here as elsewhere. The village being on the main road and within easy reach of Amraoti, people spend on amusements more than villagers of other places do. Co-operative education through a co-operative society could do much good here.

One pair of bullocks sow 6 tiffans. If the kabjedar has 2 adult males and 2 adult females, he will not require hired labour for summer operations. A child about 10 years of age can be of help, but not of younger age.

Cotton stalks can be removed by ploughs. It is not necessary to have labourers to uproot them. Labourers are required to remove shrubs. Six annas a day is the daily wage. Re. 1-8-0 per tiffan is the cost of removing shrubs. Every cultivator must spend this. All fields do not have shrubs.

Most of the cultivators remove cotton and juar stalk by plough. To collect them and actually remove them out of field Re. 1-8-0 per tiffan is required.

Sowing 2 pairs of bullocks at Re. 1-8-0 Rs. 3 for a tiffan.
2 labourers at Re. 0-6-0 each Re. 0-12-0.

(This is essential as a Kunbi woman is forbidden by custom to do this)—

Davaran—2 labours at Re. 0-6-0 a day per tiffan or Re. 0-12-0 a tiffan. They do 5 wahis.

Weeding Rs. 10 a tiffan.

Second weeding Rs. 5 a tiffan.

Picking Re. 0-4-0 a maund or Rs. 5 a khandi.

Watching Re. 0-4-0 for cotton and juar seed $2\frac{1}{2}$ maund Rs. 2-12-0.

Juar—

Removal of shrubs ... Same as cotton.

Sowing ... Do.

Weeding ... Half.

Sonjan and khuddan are paid in kind 10 paili—1 khandi.

Watching $1\frac{1}{2}$ times that of cotton.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 11,074.

The following statement will show the distribution of the Village holdings :—

Village.	Below 5 acres	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Assegaon	35	14	2	7	3	4	...	6	71

APPENDIX E-V.
COTTON ZONE.

KOKARDA, TALUQ DARYAPUR DISTRICT AMRAOTI.

A village about 7 miles from Daryapur with a population of 1,080. Total occupied area is 959 acres of which 903 acres are under crop. The land revenue of the village is Rs. 2,150. It is a prosperous village with a weekly market held on Fridays. There are half a dozen kirana and cloth shops. The land of the village is very valuable and is typical of the Daryapur taluq. The present price is said to have fallen to Rs. 600, Rs. 700 a tiffan. In the boom years it was far more. From the entries in the record-of-rights it is clear that the average sub-letting value is 25 an acre. One Bhaoji Raoji has taken 16 acres for Rs. 450. He will probably lose over this transaction.

There are three sowkars, Moti Seth, Govardhan Seth and Babu Appa, in the village. Jaivant Rao of Lakhawadi also finances the people of the village.

The most common rate of interest is 18 per cent. Most of the cultivators borrow at Holi and repay at harvest. Some people borrow from adtayas of Anjangaon. Their rate of interest is 12 per cent because they also get commission on the sale of cotton. It is not obligatory on the borrowers to sell their cotton through the adatyas from whom they have borrowed although they generally do sell through them.

There is a co-operative credit society in the village with 10 members. It is doing quite well. People complain that they do not get taccavi loans and are anxious for it.

There are 70 kabjedars. Of them 50 are entirely free from debt. The total secured and unsecured debt on the village is Rs. 10,860 or Rs. 157 per kabjedar or Rs. 543 per indebted kabjedar or Rs. 11 per acre or 5 times the land revenue. None are heavily indebted and the debts do not call for further comment.

Of the 10 members of the society, only 4 hold land in the village and the assets of the other 6 could not be ascertained. The members of the society here do not generally borrow from sowkars. Sources and purposes of the debt are—

	<i>Sources.</i>	Rs.	<i>Purposes.</i>	Rs.
1. Co-operative	...	2,175	1. Repayment of old debt	3,000
2. Sowkars	...	8,685	2. Marriage and ceremonials	3,124
			3. Purchase of land	1,400
			4. Purchase of improved implements	400
			5. Illness	200
			6. Seed, manure, etc.	2,736
Total	...	10,860	Total	10,860

Proportion of secured and unsecured is almost equal. Old debt is about 29 per cent. Of the balance, 35 per cent is for unproductive and the balance, i.e., 65 per cent, is for productive purposes.

Cost and profits of cultivation.—People say that on an average they get 2½ khandis of cotton in a tiffan of land which means 1,500 lbs. in 4 acres or 375 lbs. per acre, and a khandi of juar per acre which comes to 640 lbs. an acre. According to

the prevailing rate of Rs. 70 a khandi of 784 lbs. the gross value of the cotton yield comes to about Rs. 35 per acre and of the juar Rs. 26 per acre. Their estimates of the cost of cultivation are as below:—

Cotton 20 acres—		Rs. a. p.
1. Summer operations...	...	40 8 0
(a) Removal of cotton stalks.		
(b) Collection and taking them out of fields.		
(c) Removal of phanyas.		
2. Seed 3½ maunds	...	11 4 0
Tur.	...	1 8 0
3. Sowing charges	...	6 14 0
4. Dawaran	...	20 0 0
5. Weeding	...	60 0 0
6. Cotton picking	...	60 0 0
7. Land Revenue	...	45 0 0
8. Bullock feed cotton seed	...	42 0 0
9. Depreciation	...	25 0 0
10. Watching	...	10 0 0
1. Implements	...	5 0 0
Total	...	327 2 0

or Rs. 15-4-0 per acre including land revenue.

The wages of the owner and the hire of his pair of bullocks are ignored in this calculation.

Cost of juar cultivation is said to be two-thirds of the cotton crops which seems fairly correct. Rs. 10 per acre may be a safe average for all lands. According to Seth Goverdhandas, he does not require more than Rs. 50 a tiffan, but it should be remembered that he does all operations by hired labour.

A family of 5 requires—

	Rs. a. p.
4 khandis juar	104 0 0
10 kudo wheat	25 0 0
2½ kudo rice	10 0 0
1½ kudo dal	40 0 0
Salt	2 0 0
Oil	10 0 0
Chillies	12 0 0
Kerosine oil	7 8 0
Vegetables	20 0 0
Total	230 8 0
4 Dhotis	8 0 0
4 Kurtas	6 0 0
2 Uparnas	3 0 0
1 Pagota	5 0 0
1 Coat	5 0 0
4 Lugdas	24 0 0
4 Cholis	3 0 0
Chibran	18 0 0
1 pair shoes	2 8 0
Total	74 8 0
Total	230 8 0
	75 8 0
	295 0 0

or Rs. 300.

This is for a middle class cultivator, living in ordinary comfort. A cultivator belonging to a lower class will not require more than Rs. 40 to clothe the members of his family or more than Rs. 200 to feed them. A family of labourers manages to live on Rs. 150 to Rs. 175 per annum and earns that much at least.

Small cultivators sell their produce to local traders who sell it wholesale where prices happen to be the best. This village is very prosperous. The only cause of anxiety to the people is the present price of cotton.

They have, however, weathered the cotton boom well and can be relied on now to live within their incomes.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 76,313.

The following statement will show the distribution of the village holdings :—

Statement.

Village.	Below	From	From	From	From	From	From	Above	Total.
	5	6-10	11-15	16-20	21-25	26-30	31-40	40	
	acres.	acres.	acres.	acres.	acres.	acres.	acres.	acres.	
1	2	3	4	5	6	7	8	9	10
Kokarda	39	8	7	12	...	1	...	3	70

Bhojaji Raoji—

I own 14 acres at Rs. 30 of my own land and have taken 16 acres on lease for Rs. 450. I had borrowed Rs. 300 at 1 per cent Rs. 200 at 2 per cent and Rs. 200 at 2 per cent within the last 12 months. I paid Rs. 400+interest Rs. 40—Rs. 440 about 15 days ago. This was the 1st time I borrowed anything. There are—

- (1) Moti Seth.
- (2) Goverdhan Seth.
- (3) Babu Appa.

Sowkars in the village. Jaiwantrao of Lakhawadi also finances the people of this village.

sow r:—

	Rs.	a.	p.
20 acres cotton 3½ maunds	...	11	4 0
15 seers = 1 maund.			
20 maunds = 1 khandi.			
6 acres juar = 12 paili	...	3	4 0
2 seers = 1 paili.			
Mung 1½ paili	...	0	7 6
Tur 2 paili	...	0	12 0
Til 1 seer	...	0	1 0
Outturn 2½ khandis a tiffan.			
12½ khandi cotton	...	875	0 0 at 70
6 khandi juar	...	150	0 0
4½ kudo mung	...	9	8 0
8 kudo tur	...	18	0 0
5 kudo tili	...	11	0 0
Gross outturn Total	...	1,063	8 0

Expenses—		Rs.	s.	p.	
Servant	...	150	0	0	
Bullocks	...	14	0	0	
Bullock feed	...	32	0	0	
Fodder	...	10	0	0	
Removal of cotton	...	10	8	0	
Stalk	...				
Cleaning of stalks	...	5	0	0	
Ph nyas	...	10	0	0	
Sowing	...	6	4	0	
Davaran	...	5	0	0	
Weeding	...	60	0	0	
Kopdhya	...	12	0	0	
Picking	...	60	0	0	
Juar cutting	...	3	12	0	
Cleaning	...	10	8	0	
Tur cleaning	...	0	6	0	
Land revenue	...	30	10	0	
Thoka	...	128	12	0	
		548	12	0	
		450	0	0	debt paid.
		998	12	0	
		455	0	0	cost of main- tenance.
	Total	1,453	12	0	
I have 5 persons in the family—					
Their expenses are—					Rs.
4 khandi juar	...				120
10 kudo wheat	...				25
2½ kudo rice	...				10
Miscellaneous	...				150
Clothing	...				150
					Total
					455

N. B.—If this man's statement of expenditure is correct, his income must be greater

Govardhandas Seth.—I own 350 tiffan land here and in other villages. I do sowkari also. On mortgages I charge Rs. 1-8-0 ordinarily. At times I charge 2 per cent, I never advance on less than Re. 1 per cent. Most of the cultivators borrow at *Holi* and repay after *hangam*. Some from Anjangaon and some from the co-operative society. For the last three years we have advanced very little money. We think they do not require any. They keep enough.

We do not require more than Rs. 50 a tiffan as the cost of cultivation on an average. In good land we get 4 khandis cotton per tiffan and in ordinary land 2 khandis per tiffan. This good land will fetch 400 per acre. The land revenue for such land is Rs. 10 per tiffan. Ordinary land is sold at Rs. 700 or Rs. 600 per tiffan. Light land is sold at 300 per tiffan. Thoka rates of good land are Rs. 75 to Rs. 80 a tiffan.

(From the record of rights entries it is clear that the average letting value per acre is not less than Rs. 25). I did not purchase any land. All the lands came to me in debts. People borrow from co-operative society. It is doing well. There are 10 members.

Seth Motilal.—I own 250 tiffans. During the last five years I purchased only one field. All other lands have come to me in debts.

APPENDIX E-VI.

COTTON ZONE, YEOTMAL DISTRICT.

NANDURA BUZRUK, TALUQ AND DISTRICT YEOTMAL.

Nandura Buzruk is a village situated half way on the main Dhamangaon-Yeotmal road (connecting Yeotmal with the rail-head) on the banks of Bisnala below the Ghats in the Yeotmal haveli, 14 miles from both Yeotmal and Dhamangaon. The population of the village is 466.

The total area of the village is 1,114.22 acres and the occupied area is 1,000.28 acres. C class forests occupy 20.00 acres; gaathan, 4.27; padit, 2.70; village abadi, 13.6, roads 11.21; nalla, 47.36; and road 17.14 acres. Net-cropped area in 1928-29 was 899 acres. Cotton and urad accounted for 467 acres, juar for 269 acres, wheat for 42 acres and miscellaneous crops for 121 acres. The assessment of the village is Rs. 1,128-12-0, and cesses, Rs. 175. The average rate of assessment is Re. 1-2-0 per acre. Statement A shows that the total area which khatedars hold, in this and in other villages, is 1,599 acres in all. Out of the 34 cultivating khatedars, 18 hold land in other villages also.

Costs and profits of cultivation.—According to the estimate of individual tenants, the average cost of cultivation per acre in this village, including cotton, juar and wheat, works out at Rs. 10.

The cultivators state that the outturn on the cotton land varies between one khandi and three khandis per tiffan of 4 acres of land, but that the ordinary cotton soil here does not yield an outturn of more than two-fifths of a khandi per acre.

They estimate the average outturn of juar at about 650 lbs. per acre, worth Rs. 30, the ordinary price of juar being 22 lbs. or 11 seers per rupee.

The wheat outturn they estimated at between 250 and 300 seers per acre, worth from Rs. 31 to Rs. 37-8-0 at 8 seers per rupee.

They say that last year's crop was poor and the average outturn should be at least 25 per cent more than this. At the time when we made our enquiries in the village, the price of cotton was about Rs. 95 per khandi, so that the value of the alleged gross outturn of the average cotton field would be about Rs. 38 per acre. Since this, however, the price of cotton has continued to fall, having reached Rs. 60 per khandi, at which price the value of the normal outturn would be Rs. 24 per acre. It is now at Rs. 75 per khandi, giving a gross value of Rs. 30 per acre. They estimate the costs of cultivating cotton at between Rs. 8 and Rs. 15 according to the amount of hired labour which the cultivator employs. They say that the average costs would be about Rs. 12 per acre here. For juar, they say that the average cost is about Rs. 8 per acre and for wheat about the same. They state that juar required less weeding than cotton and that they do not have to pay the heavy costs for picking which is necessary for cotton. For wheat, no weeding is necessary; but the seed is more expensive than juar. In addition, the rent and cesses

come to about Re. 1-4-0 per acre, so that the total costs of cultivation would come to about Rs. 13 per acre for cotton, Rs. 9 for wheat and Rs. 9 for juar. The profits from juar and wheat and cotton at present prices would then be—

				Rs.
				Per acre.
Cotton	...	...	...	17
Juar	...	...	...	21
Wheat	...	...	...	25

In addition they say that they get seven or eight rupees worth of kadbi from the juar land, most of which they use for feeding their cattle. This they do not include in the profits; but it is clear that it should be so included. We have calculated the amount of kadbi required for feeding a pair of bullocks which can cultivate 20 acres of land and we estimate that Rs. 2-8-0 should be added to the cost of cultivation for the feeding of bullocks. This will then bring the cost of cultivation of cotton to Rs. 15-8-0 per acre, of juar to Rs. 11-8-0 per acre and of wheat to Rs. 11-8-0 per acre. The value of the kadbi should then be added to the outturn of juar which will then be worth Rs. 30, plus Rs. 8, total Rs. 38 per acre; cost of cultivation Rs. 11-8-0 per acre; net profit Rs. 26-8-0 per acre. Wheat net profit Rs. 22-8-0 per acre. The net profit from cotton is difficult to determine when prices have fallen so suddenly. When the price of cotton was Rs. 95 per khandi, the net profit would be Rs. 22-8-0; but with prices at Rs. 60 per khandi, the value of the gross outturn was Rs. 24 and the cost of cultivation Rs. 15-8-0 leaving a net profit of Rs. 8-8-0 per acre only. At Rs. 75 per khandi the net profit would apparently be Rs. 30 minus Rs. 15-8-0, i.e., Rs. 14-8-0 per acre or much less than that of juar or wheat. This is a fairly fertile village in the better part of the Yeotmal district; but the estimate of two-fifths of a khandi of 392 seers is equivalent to 314 lbs. per acre, against the standard outturn for the Yeotmal district of 230 pounds. It is possible that the outturn in this village may be more, as it is above the average; but we desire, in our estimates, to be always on the safe side. It is clear, at any rate, that, at present prices, the cultivation of cotton must be much less remunerative than that of either juar or wheat.

Land values.—The value of land in this village is estimated by the cultivators themselves at Rs. 200 per acre, and examination of recent sales shows this to be a fair valuation. But with the price of cotton falling to Rs. 60 per khandi, we must accept a fall in land values and, although the price may not fall to the full three-fifths of the present value with the fall in cotton prices, because it is capable of producing also wheat and juar, it would not be safe to estimate the value of land here in future at above Rs. 150 per acre. The villagers say that this village is typical of the surrounding tract below the Ghats in Yeotmal.

Debts.—The total debts are, secured Rs. 3,751 on an average rate of Re. 1-2-0 interest, unsecured Rs. 21,237 at an average interest of Re. 1-4-0; but this includes a debt of Rs. 9,000 alleged by the big money-lenders, Shrinishi Sadasheo, who are alleged to have over Rs. 2,00,000 of money-lending. They hold 93 acres

of land on Rs. 105 rent in this village, which they acquired long ago and have shown here a debt of Rs. 9,000 borrowed for the purposes of money-lending at rates of six to nine per cent per annum.

One Pandurang Darji, with five acres of land on Rs. 6 rent, who is a malguzar in Gumgaon in the Nagpur district, and who has borrowed at 12 per cent interest for financing his carpet factory, has also shown his debt of Rs. 2,000 here.

Champalal Hiralal, money-lender, also alleges a debt of Rs. 700 for money-lending.

If these debts totalling Rs. 11,700 be deducted, the balance comes to Rs. 13,288.

Unanda, Mahar, owes Rs. 1,050 on a mortgage at Re. 1-8-0 per month to Shrikishan of Nanhagaon on a mortgage of 11½ acres on Rs. 15 revenue. The tenants say that this land is worth about Rs. 3,000 as the soil is good. He owed Rs. 300 for the rent of land which he took on sub-lease and did not pay. He then borrowed Rs. 500 for his own marriage; total Rs. 800. This was at Rs. 25 per cent four years ago. This swelled to Rs. 1,050 and the Seth compelled him to write a mortgage bond at Re. 1-8-0 per mensem as he could not pay the debt. He says he has repaid Rs. 300 towards this debt's interest.

This debt is at an abnormally high rate for mortgage loans here. The other secured loans are at not above 12 per cent interest.

The unsecured debts include Rs. 1,000 borrowed by the patel Govind Rao for going on a pilgrimage. He has 179 acres at a rent of Rs. 217, yielding a net income in an average year of not less than Rs. 3,500 per annum. His total debts are Rs. 2,000 at 12 per cent per annum. He is therefore not overburdened with debt.

Only 1 man, Unanda, Mahar, seems hopelessly indebted. There are no other large debts.

Excluding the money-lenders' debts and the loan for the carpet factory, the total debt works out at under Rs. 9 per acre, against the present value of, say, Rs. 200 per acre and a possible future land value of Rs. 150 per acre.

Out of the 34 kabjedars, 15 are entirely free from debts.

There is a co-operative credit society here with 14 members, of whom ten at present owe Rs. 4,672 to the society and Rs. 3,200 to mahajans. Thus their total debt is Rs. 7,872. They hold 242 acres at Rs. 260. The debt therefore works out at Rs. 787 per member, Rs. 32-8-0 per acre or 30 times the land revenue. As usual, the society members are much more heavily indebted than the other cultivators. All the remaining debt is due to mahajans. This co-operative credit society is said to be doing fairly well and Mr. M. P. Kolhe, M.L.C. (Rural), Yeotmal, has himself deposited Rs. 5,000 with it at 8 per cent interest. It seems clear that if this co-operative credit society were further extended with proper supervision, it might meet all the legitimate requirements for short-term loans.

It is most fortunate that, at the crisis in Berar which has arisen from the slump in land value, the people of this tract are not already heavily indebted. The fall in the price of cotton is, of course, an entirely different problem, and possibly they may change their cropping to more juar and wheat; but at any rate, for the present, these persons must be considered to be on the whole financially in a fairly sound position. The average sub-letting value of land last year was Rs. 22 per acre; but we cannot hope for this high value to continue.

The purposes for which these debts were borrowed are as follows:—

	Rs.
For cultivating expenses	8,525
For household expenses	2,063
For marriage expenses	1,200
For pilgrimage expenses	1,000
For money lending	10,200
For business	2,000
Total	24,988

Nearly all these debts, with the exclusion of that of Unanda Mahar and of the money-lenders, etc., are the ordinary short-term seasonal loans, which are annually borrowed and annually repaid at harvest.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 16,915.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Nandura B. K.	2	4	5	4	3	2	2	12	34

**APPENDIX E-VII.
COTTON ZONE.**

NAIGAON, TALUQ DARWHA, DISTRICT YEOTMAL.

Mr. Kolhe, M.L.C., and Mr. Kane were very kindly present at the enquiry and gave much help in finding out the costs and profits from agriculture.

Naigaon is a fairly big village of 1,873 acres, situated about 11 miles from Darwah town. It is held in izara rights. Of the total occupied area, 251 acres is held by tenants at Rs. 599-6-0. These tenants hold 163 acres at Rs. 81 in other villages. Total land revenue of the village is Rs. 1,198-12-0. Principal cropping of the village is—

	Acres.		
Cotton	650
Juar	435
Tur	78
Udad, mung	51
Others	53
		Total	1,267

The average value of the village land according to the villagers is Rs. 150 per acre. Thus the total value of the village area is not less than, Rs. 1,90,050.

Debt.—There are 12 kabjedars in the village, 5 of whom are free from debt. Total debt amounts to Rs. 15,800 which is 1/13th of the total value of the village land. Of the debt, Rs. 7,000 is secured and Rs. 8,800 is unsecured. The incidence of debt works out at Rs. 1,316 per kabjedar or Rs. 2,257 per indebted kabjedar or Rs. 8 per acre or 13 times the land revenue. These figures give a very exaggerated idea of the real state of affairs. More than 75 per cent of the total debt is due from only two persons. They are—

	Rs.
1. Domraji Bapuji Izardar 242 acres at Rs. 191	10,050
2. Laxman Mukaji (zardar) 13 acres at Rs. 19	2,500
	Total
	12,550

If we exclude these, the total debt comes to Rs. 3,250 which works out at Rs. 325 per kabjedar or Rs. 650 per indebted kabjedar or Rs. 8 per acre or 3 times the assessment. Of the above two who have big debts, Laxman Mukaji is seriously involved, and there is no hope of his redemption. They have to pay 24 per cent on their debts which is very high. If Domraji Bapuji can get a long term loan on easier terms, he may be saved. The following are the sources from which and the purposes for which the debts were taken:—

<i>Sources.</i>		<i>Purposes.</i>	
	Rs.		Rs.
Mahajan	10,000	1. Repayment of old debt	4,375
Landlord	5,800	2. Marriage or ceremonials	1,800
		3. Purchase of land	3,500
Total	15,800	4. Improvement of land	1,000
		5. Agricultural expenses, seed, manure, bullocks	3,925
		6. Household expenses	800
		7. House building	400
		Total	15,800

Cost and profit of cultivation.

	Rs. a. p.
	Per acre.
1. Depreciation on bullocks. ...	1 4 0
An average pair of plough bullocks costs Rs. 200 and works for 8 years and manages 20 acres $\frac{200}{20 \times 8} =$	
	Rs. 1-4-0 per acre.
2. Bullock feed (cotton seed)	2 4 0
Bullocks are given cotton seed for 6 months at 4 seers a day, the price of which is 4 annas, i.e., for 6 months 365×4	
	$\frac{\quad}{2} =$ Rs. 45 per pair or
	Rs. 2-4-0 per acre.
3. Cotton seed 24 seers per tiffan, i. e., 6 seers per acre.	0 8 0
4. Weeding, usually 2 or 3 weeding are done and the cost comes to about Rs. 18 per tiffan for the complete seeding, i.e., Rs. 4-8-0 per acre.	4 8 0
5. Cotton picking at 6 annas per maund. The cost per tiffan would be between 210 and 240 annas when the outturn is between $1\frac{1}{2}$ to 2 khandis per tiffan.	3 8 0
6. Assessment	... 0 12 0
Including rent average	<u>... 12 12 0</u>

Outturn.—The ordinary average outturn of cotton is 2 khandis per tiffan of 4 acres (khandi=392 seers). If the land is manured heavily, the best soil, according to the villages statement yields 3 khandis per tiffan. Without manure, ordinary soil yields $1\frac{1}{2}$ to 2 khandis per tiffan. The present price of cotton is Rs. 75 a khandi. Taking the average of 2 khandis per tiffan the value of crop will be Rs. 150 per tiffan or Rs. 37-8-0 an acre. Deducting Rs. 15-4-0 cost of cultivation, the net profit comes to Rs. 22-4-0 per acre.

Juar—

	Rs. a. p.
	Per acre.
1. Seed $1\frac{1}{2}$ seers per acre	... 0 6 0
2. Weeding (one only) costs Rs. 6 a tiffan	... 1 8 0
3. Hoeing is done between the lines by the cultivator with the help of a labourer. Cost Rs. 1-8-0 per tiffan.	0 6 0
4. Cutting paid in kind	... ..
5. Assessment	... 0 12 0
Plus Bullock feed and depreciation for cotton, i.e., Rs. 3-8-0 per acre.	3 8 0
Total	<u>... 6 8 0</u>

Outturn.—People state that 2½ khandis (640 seers a khandi) per tiffan is a full crop in good soil and half a khandi is a poor crop. The average is 1½ khandi a tiffan. The local juar khandi is of 640 seers only. According to the present price of juar (Rs. 56 a khandi) the value of the outturn will vary between Rs. 28 to Rs. 140 per tiffan or between Rs. 7 and Rs. 35 per acre. Deducting the cost of cultivation, the net profit comes to between Rs. 8 and Rs. 28-8-0 per acre. We have not taken the price of *kadbi* into consideration. The average outturn is not likely to be less than 640 pounds or half a khandi per acre worth Rs. 28. Net profit Rs. 21-8-0.

A large number of cultivators work in their own fields and only employ labour to help them in weeding, picking cotton and cutting juar.

There are some cultivators like Iswara and Saula who make no more than Rs. 19-8-0 per acre from juar cultivation. But taking the cost and profits of cultivation as disclosed by the cultivators themselves, we find that the total value of the cotton crop alone in the village comes to Rs. 15,600 and is equal to the total debt of the village.

Cost of maintenance.—There are 18 male adults, 25 female adults and 20 children in the families of the 12 kabjedars. The average family is therefore of 5 persons. They estimate their cost of food and clothing at Rs. 5,910 or Rs. 492 per family. The average is high as izardars are included in the village budget and they being men of social position spend much more than an ordinary cultivator. The average for a cultivator according to Rama Bapuna or Laxaman Mukaji comes to Rs. 250.

People have sources of income other than agriculture. They breed and sell cattle, they do carting and sell *ghee*. Small cultivators work on wages. Iswara alone has 80 cows and on an average sells 5 calves per year, making Rs. 250 a year in this way.

At present prices, when we include *kadbi*, juar seems a more remunerative crop than cotton here as elsewhere.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 4,515.

The following statement will show the distribution of the village holding:—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Naigaon	2	1	...	4	5	12

APPENDIX E-VIII.
COTTON ZONE.

PADHA, TALUQ KELAPUR, DISTRICT YEOTMAL.

This village is situated in the Kelapur taluq in the Yeotmal district in the uplands of Berar, adjoining forest tracts, where the soil, though fertile, is, on the whole, lighter than that of the Purna valley haveli, below the Ghat, but where the rainfall is generally fuller, making the cultivation of rabi crops remunerative in ordinary years. As a result of high prices of cotton, however, cotton now predominates. It is fortunate, having regard to the recent fall in the value of cotton, that cultivators will be able to turn back to a larger area of juar and rabi crops.

This village was chosen as being one of the jagir villages of Berar.

It is held by a family of Sikhs of old standing. The total area of the village is 1,749 acres and the total population is 337. There are 274 acres of forest; 238 acres of waste land other than forest and 1,237 acres occupied for cultivation. The total cropped area, however, is 752 acres only, the remainder being kept fallow for grazing, etc., as cattle-breeding here is important. The total cropped area is as follows:—

	Acres.
Cotton	309
Juar	226
Other kharif crops	139
Total kharif area	664
Gram	39
Wheat	35
Linseed	7
Peas	3
Til	4
Total rabi area	88
Total cropped area	752

There are 17 cultivators in the village holding in the village and outside 7,702 acres 4 gunthas. Information about indebtedness could not be obtained with regard to seven persons living in other villages and subletting land in this village. They hold in all 249.25 acres with a rental demand of Rs. 100 and the sub-rent for the same is Rs. 1,030, i.e., ten times the rent. Of the others, Kishansingh, the jagirdar, who holds 258 acres 2 gunthas in the village and 3,225 acres in other villages, and Gangasingh, who is a jagirdar of other villages and holds 510 acres in this village and 3,196 acres 20 gunthas in other villages and who between them make an annual income of over Rs. 18,000 from money-lending, may be left out of account.

We are thus left with 8 cultivators with 262 acres and 37 gunthas of land. The total secured debt owed by these people comes to Rs. 8,900 and the unsecured debt to Rs. 1,080, i.e., total of Rs. 9,980. The proportion between unsecured and secured debt is about 1 to 8. The debt per acre comes to Rs. 38. Of the total debt of Rs. 9,980 owed by these persons, Rs. 7,000 is owed by

Bisheo Singh Surmukh Singh, Sikh, who holds 75 acres of land on Rs. 36-8-0 rent. Rs. 5,000 is for an old debt and Rs. 2,000 is for the expenses of a marriage. His property is mortgaged as security for the debt of Rs. 7,000 and at present prices his 75 acres are probably not worth more than the amount of debt and there appears to be little hope of redemption. Another, Krishna Govinda, with 33 acres of land, owes Rs. 900 on a mortgage, Rs. 600 of which is for paying an old debt. He may possibly be saved by a long-term loan at a low rate of interest from a land mortgage bank; but owing to the fluctuating land values resulting from the fall in the price of cotton, the value of his 33 acres of land is extremely doubtful; it is probably not more than Rs. 2,000 at the outside. Chimnva, Pardhan, with 32 acres of land, owes Rs. 580, Rs. 500 of which was for litigation. His land is mortgaged for security at 18 per cent interest, so that he has to pay in interest alone Rs. 90 per year. It is doubtful whether he can be saved without the help of a long-term loan from a land mortgage bank. Mannu, son of Krishna, also owes Rs. 500 on a mortgage with 24 acres of land. His position is similar to that of Chimnva. The same remarks apply to Ramji, Gond, who owes Rs. 600 with 28 acres of land. Bikaji, Kunbi, with 26 acres of land, owes Rs. 400 at 24 per cent interest. The land in this village is undoubtedly fertile; but under present conditions, it is doubtful whether these debts can be paid off without the lands being sold unless special credit facilities for discharging such debts are provided.

The most common rate of interest on mortgage debts is 15 per cent and that on unsecured debt is 24 per cent. The whole of the debt has been taken from Mahajans. The purposes for which the debts were incurred will be clear from the following:—

	Rs.
Old debts	6,200
Marriage	2,050
Household expenses	101
Land revenue and sub-rent	149
Purchase of seed and bullocks	980
Litigation	500
	9,980
Total	9,980

Deducting Rs. 6,200 for old debts, the purposes of which cannot now be determined, we have a balance of Rs. 3,780. Of this, Rs. 2,651 (i.e., for marriage, household expenses, litigation) should be classed as unproductive and Rs. 1,129 as productive, or 30 per cent productive and 70 per cent unproductive.

Wages and costs of cultivation and the general standard of life here are lower than near the towns.

Statements.

An idea of the profits of agriculture can be formed from the statement of Krishna, son of Govinda by caste Hatkar. He has a holding of 33 acres 12 gunthas and has taken on sublease 15

ores 12 gunthas for Rs. 130. He estimates his profits of agriculture as follows:—

Expenses of cultivation:—

Seed.

	Rs.	a.	p.
Cotton, 3 meunds	12	0	0
Juar, 2 kuros	1	8	0
Tur, 1 kuro	1	0	0
Dhan, 1 kuro	0	8	0
Wheat, 6 kuros	11	0	0
Mung, one Paili	0	2	0
			26 2 0

Wages.

	Rs.	a.	p.
One servant	100	0	0
Cleaning the field	20	0	0
Sowing	6	0	0
Weeding	75	0	0
Harvesting	45	0	0
Lohar	6	12	0
Carpenter	8	4	0
			261 0 0

Capital Depreciation on bullocks and bullock feed	60	0	0
Improvements	9	0	0

Total ... 356 2 0

Total excluding rent and sub-rent per acre for 49 acres = Rs. 7-4-0 per acre.

	Rs.	a.	p.
Rent	12	0	0
Cesses	1	14	0
Sub-rent	130	0	0
			143 14 0

Total ... 143 14 0

Total output:—

1	Rate in December last.	Total value.	Value at present prices.
	2	3	4
	Rs.	Rs. a. p.	Rs.
Cotton, 12 khandis	93	1,116 0 0	690
Juar, 13 khandis	15	195 0 0	195
Tur, 4 khandis	20	80 0 0	80
Dhan, 2 khandis	10	20 0 0	20
Wheat, 3 khandis	35	105 0 0	105
Mung, 2 kuros	1	2 0 0	2
Total		1,518 0 0	1,092
Less expenses of cultivation excluding rent and sub-rent.		356 0 0	356
Net profit on 49 acres		1,162 0 0	736
Net profit on one acre		23 12 0	15

The ordinary rent is about 6 annas an acre only. This also should be deducted from profits.

The debt is therefore equal to about $1\frac{1}{2}$ years' net profit from agriculture when cotton was at Rs. 93, but to about $2\frac{1}{2}$ years' net profits after the recent fall in the price of cotton. On account of facilities for grazing cultivators keep a number of cows for breeding bullocks and for manure. Their income from non-agricultural sources such as cattle-breeding, *ghee*, sale of fuel, etc., is considerable.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 18,250.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.		From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
	2	3	4	5	6	7	8	9		
I										10
Padha	1	3	6	1	6	17

APPENDIX E-IX.

COTTON ZONE.

WAGDHARA, TALUQ WUN, DISTRICT YEOTMAL.

A village, some 2 miles south-west of Wun town, situated on the bank of the Nirgora river, with a total area of 876 acres occupied and 71 acres of land unfit for cultivation and out of occupation. The village is typical of the Yeotmal uplands near Wun. The proximity of Wun railway station and the market provides good marketing facilities. The total land revenue is Rs. 721 which is equivalent to 12 annas per acre. The cropping is as follows:—

	Acres.
Cotton	318
Juar	184
Wheat	21
Tur	59
Mung, Urid	26
Grass	201
Linseed	40
Other	10

The average value of land is said to be Rs. 150 per acre and the average letting value is Rs. 7 per acre or about 8 times the assessment. The subletting figures are for the current year. Seven persons holding 228 acres on Rs. 191 have sublet this land for Rs. 1,560.

There are 32 occupants in the village, the average area per kabjedar being 23½ acres. But there are many kabjedars who hold considerable land in other villages.

According to the statements of the kabjedars the gross value of their total crops in this village comes to Rs. 30,043 for 875 acres, i.e., about Rs. 34 per acre.

They state that the total cost of cultivation to be, seed Rs. 833, bullocks Rs. 2,015 and other expenses Rs. 7,925, including rent, etc., total Rs. 10,773 or about Rs. 12-8-0 per acre.

The ordinary outturn of cotton is said to be 280 pounds. The khandi of 784 pounds of cotton averages about Rs. 75 in value at present. The average value of 280 pounds therefore is about Rs. 27 and with this they get about Rs. 5 of tur. Total Rs. 32.

But the cotton outturn may possibly have been slightly underestimated owing to poor crops for two years past.

The average outturn of juar is said to be 700 pounds per acre. At the local rate the value will be about Rs. 32. In addition they get about Rs. 7 of karbi and Rs. 5 urad. Total Rs. 44.

The average value of cotton and juar crops on the 318 acres and 184 acres, respectively, mixed with 59 acres tur and 26 acres urad in this village alone will be about Rs. 22,000. Taking the value of outturn of the remaining area as estimated in the accompanying statement of Tukaram Patel, it is clear that the average outturn of the whole village must be at least Rs. 30,000 when cotton is round about Rs. 100 per khandi, though it has since fallen to Rs. 75.

It is universally stated that the cost of juar cultivation is about two-thirds that of cotton. So with less costs and, more valu-

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able outturn, juar will clearly be more profitable here than cotton in future unless the price of cotton rises again.

There is no co-operative society in the village. The villagers stated that when their sowkars advanced them loans on individual responsibility at 12 per cent it would be useless for them to take money from the co-operative credit bank which, besides charging the same rate of interest, demanded joint and unlimited responsibility and gave less facilities. Yeshwant Balaji, Sambhasheo Balaji, Mudha Khandu, Jairam Govinda, Dhobya Mahar, and Ramkrishna Tukaram, of the kabjedars of the village, do considerable money-lending in the village. They are owed here Rs. 14,080. Wun sowkars and a few others also lend money in this village. The common rate of interest on mortgages or simple debt other than secured loans is 1 per cent per mensem. Seasonal loans are taken on *sarai* before the harvest and generally repaid with interest at the harvest.

Debts.—There are 32 kabjedars, of whom 15 are free from debt and 17 are indebted. The total secured debt is Rs. 5,600 and the unsecured is Rs. 13,102. The total debt on the village is Rs. 18,702, which works out at Rs. 584 per kabjedar or Rs. 1,102 per indebted kabjedar or 21 per acre or 25 times the land revenue. Of the indebted kabjedars, the following are heavily indebted:—

	Rs.
1. Jhitru Sambha, 15 acres at Rs. 15 here and 50 acres elsewhere	5,800 A rich man.
2. Tukaram Laxman, 21 acres at Rs. 7...	... 2,200
3. Ragho Khandu, 41 acres at Rs. 33	... 4,000
<u>77 acres at Rs. 68</u>	<u>... 12,000</u>

It will thus appear that 75 per cent of the total debt is due only from these three persons.

(1) Jhitru Sambha originally borrowed Rs. 2,000 unsecured from Jairam Govinda at 1 per cent per mensem and bought a field. He then borrowed Rs. 3,800 from the Wun money-lender Vithal Naga, Komti, on a mortgage at Rs. 1-8-0 per cent per mensem in March 1924 for purchasing more land as no one else had money available. 18 per cent is a rather abnormal rate here. The rate long established by custom with the local money-lender here, i.e., 12 per cent has not yet risen as has been found elsewhere. This man owns 50 acres in Godgaon where he lives and is prosperous.

(2) Tukaram Laxman owes Rs. 2,200 at 12 per cent, borrowed by his brother for civil litigation.

(3) Ragho Khandu owes Rs. 4,000 at 12 per cent to Madhu Khandu, his brother, for purchasing 14 acres of land and marriage of his son.

No one is hopelessly indebted in this village however.

If we exclude the debts of these three persons, the total debt on the 14 indebted kabjedars amounts to Rs. 6,702 or Rs. 477 per indebted kabjedar. And when it is realized that the villagers hold 1,183 acres land outside the village, the debts will not be considered serious at all.

The following are the purposes for which the debts were taken :—

	Rs.
1. Purchase of land	11,075
2. Marriage and ceremonials	1,925
3. Litigation	3,700
4. Seed, bullocks, manure	2,002
Total	18,702

About 30 per cent is secured and 70 per cent is unsecured. Similarly, 70 per cent is for productive and 30 per cent for unproductive purposes. Here, as in most places in Berar, people have borrowed big sums for purchase of land. Long-term loans at reasonable rates of interest are required to amortise these debts now.

Cost of maintenance.—There are 62 adult males, 82 adult females and 77 children in the families of the 32 kabjedars. The average family here consists of a little over 6 persons. They estimate their cost of living at Rs. 14,250 for food and Rs. 3,700 for clothing. Total Rs. 17,950 or Rs. 560 per family. This they say they actually spend. People are well-to-do and can normally afford to spend a good deal. But actually Rs. 300 is quite sufficient to keep a family in ordinary comfort. The villagers state that they made about Rs. 3,200 from non-agricultural sources, e.g., sale of *kadbi*, *ghee*, labour and carting.

Here, as elsewhere, proper savings bank facilities and thrift propaganda would change all this and prevent useless expenditure.

Statement.

Tukaram Laxman says—

We sow 4 kuros of wheat and expect in ordinary years to get 2 local khandis per acre—9 maunds or 720 pounds.

Juar.—We sow 2 pailies juar, i.e., 3 seers per acre and get usually 2 khandis—9 maunds or 720 pounds.

Cotton.—We sow 6 seers of cotton seed per acre and expect to get 10 maunds of 14 seers per maund, i.e., 280 pounds per acre of cotton (rui).

Tur is sown 2 pailies (3 seers) per acre, together with the cotton. We expect to get 10 kuros, i.e., 180 pounds worth Rs. 9.

Linseed.—Raghoji sowed $4\frac{1}{2}$ kuros or 54 seers in 8 acres and got 3 khandis (large 8 pailies), i.e., 720 seers, i.e., 180 pounds per acre. The price is Rs. 35 per khandi, i.e., value of crop was Rs. 105 or Rs. 13 per acre. The soil in which he sowed this was very bad. The ordinary outturn should be at least double this.

The average price of cotton nowadays is Rs. 100 per large khandi of 392 seers of cotton.

The average price of wheat is Rs. 35 per large khandi of 240 seers or 7 seers per rupee.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 15,191.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
	2	3	4	5	6	7	8	9	10
Wagdhara ...	3	2	5	2	2	1	1	16	32

APPENDIX E-X.
COTTON ZONE, BERAR.

KUPTI, TALUQ PUSAD, DISTRICT YEOTMAL.

An average village, representative of the Hivarkhed tract in the extreme south-west of Yeotmal district and of Berar, situated on the Hivarkhed-Pusad-Akola road, 36 miles from Pusad and 70 miles from the railway. Its area is 1,506 acres and population 365 persons. The total occupied area is 1,051 acres with an assessment of Rs. 990-8-0. Net-cropped area is 858 acres and is under the following crops:—

	Acres.
Cotton	364
Juar	313
Wheat	53
Minor crops	126

Land value varies from Rs. 50 to Rs. 250 per acre. Average price per acre is about Rs. 125. Letting value averages Rs. 7 an acre. It used to be Rs. 15 to Rs. 20 three years ago. Fall in value due to fall in cotton prices.

Finance.—The villagers borrow mostly from the Umarkhed sowkars who are Komptis and Marwaris. On mortgages Rs. 15 to Rs. 24 per cent per annum is charged, while on simple loans Rs. 25 per cent is the common rate of interest. People do not know how to keep accounts and trust their sowkar for the correctness of accounts. As a rule, receipts are not given. Those who insist on getting them, get them. But a borrower never likes to displease his sowkar. In spite of the high rate of interest which people have to pay, they prefer the mahajan to Government. They say that the mahajan is very accommodating and gives time for repayment. They are against taccavi for the following reasons:—

- (1) Joint responsibility.
- (2) Is advanced only once a year and only for agricultural purposes.
- (3) Rigorous realization.
- (4) Village officers have to be tipped before certificate of solvency can be obtained.

They say that if these objections could be removed, they would like taccavi. They know nothing of co-operative credit societies and cannot say whether they would like them or not.

An idea of the cost and profits of cultivation can be had from Ganpat Nawsaji's statement. He owns 13 acres of land and cultivates a little of others on *batai*:—

	Rs. a. p.
Cost:—	
1 servant	70 0 0
Repair of par	5 0 0
Cotton seed for bullocks	12 0 0
Grazing in Government forest	4 0 0
Hadish	1 0 0
Dandi for tiffan	0 8 0
Dandi for bakhar	0 8 0
Doris	2 0 0
Total	95 0 0

	Rs. a. p.
Carpenter	7 0 0
Kurhya	1 0 0
Pach	2 0 0
Cotton seed	5 0 0
Wheat seed	8 0 0
Land revenue	13 0 0

Total expenses of 13 acres of his own land and 7 acres on batai total 20 acres or about Rs. 85 for 13 acres.

131 0 0
or
6 8 0

per acre.

This is for those who work in the field themselves and have a servant and a pair of bullocks. Those who depend entirely on hired labour require more.

He says he got last year—

	Rs.
2 khandis cotton	180
12 maunds juar	96
4 maunds wheat	48
2 maunds tur	60
1 maund chillies	2
6 pails hung	6
1 maund rice	24
	Total
	416
He also got	
1½ khandi cotton from batai	135
Mala produce	25
Labour	19
	Total
	586

Rs.

416 or Rs. 32 per acre.

—85 expenses.

331 or Rs. 25-8-0 net per acre.

This statement was disputed by Senaji who said that considerable amount was required for cotton picking and other operations and that very few cultivators worked in their fields. Only an hour after we found this very gentleman working in his field with his two wives and two children. But it cannot be disputed that those who employ paid labour get less net profit. But very few depend only on hired labour.

It should not be forgotten that these figures are of the last three years, which were not normal years.

The debt is a little more than two years' income.

People sell their cotton in Umarkhed. Some of them sell it to their sowkars.

Since the note was written, the price of cotton in Amraoti has fallen from Rs. 100 to Rs. 60 per khandi which means about Rs. 55 per khandi in this far distant place.

This reduces Ganpat Nawaji's gross income on 13 acres from Rs. 416 to Rs. 346 and his net profits from Rs. 331 to Rs. 261 or to Rs. 20 per acre.

The man employing some hired labour would not get more than Rs. 15 net profit at present.

It is fortunate that here cultivators can turn over from cotton to more wheat and juar if they desire, as the rainfall is usually heavier and the climate more suited to wheat than farther north in Berar.

Debts.—There are 50 kabjedars holding 1,051 acres at Rs. 990-8-0. Of them, 13 are entirely free from debt. The total debt amounts to Rs. 29,010. Of this Rs. 22,595 or 80 per cent is secured and Rs. 6,415 or 20 per cent is unsecured. The debt works out at Rs. 580 per kabjedar, Rs. 784 per indebted kabjedar, Rs. 27 per acre. 29 times the land revenue.

Of the total land, 373 acres or 30 per cent is mortgaged for Rs. 22,595. It is assessed at Rs. 376. The burden of mortgage debt on the land mortgaged comes to Rs. 66 per acre. The average value is Rs. 150 per acre.

Of the indebted persons, the following have heavy debts :—

	Acres.	Rs. a. p.	Rs.
1. Gopalya Hanya, Mahar	9	11 8 0	2,100
2. Tukaram Bhoju	5	4 12 0	1,600
3. Nana Umaji	15	19 0 0	2,000
4. Balaji Yogaji	14	12 0 0	1,550
5. Lalji Malji	6	7 0 0	2,060
6. Sakharam Maneji	16	18 0 0	2,800
Total	65	72 4 0	12,110

It will appear that about 40 per cent of the total debt is due from the above six persons. All of them are indebted to the full extent of the value of their land and there is no hope of saving them. The remainder should be able to pay their debts, but the interest charges amount to not less than 6 times the present land revenue. A land mortgage bank would perform valuable work here in liquidating old debts. If we exclude the above six persons, the total debt on the remaining 31 indebted kabjedars will be Rs. 16,900 or Rs. 545 per indebted kabjedar or Rs. 17 per acre or 8 times the land revenue or about 14 per cent of the value of the land.

All the debts are taken from sowkars. The purposes for which they were taken are—

	Rs.
1. Repayment of earlier debts	22,935
2. Marriage and ceremonials	1,735
3. Agricultural purposes	4,340
Total	29,010

Here, as in several other places, the bulk of the debt is old. Most of it is said to be for the purchase of land. In the boom period, people bought land at any price, hoping that the high prices of cotton would continue. They are now passing through the aftermath of the cotton boom.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 1,958.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total
1	2	3	4	5	6	7	8	9	10
Kupti	3	10	12	8	1	2	5	9	50

APPENDIX E-XI.
COTTON ZONE, BERAR.

ANWI MIRZAPUR, TALUQ AND DISTRICT AKOLA.

Mr. Rajurkar, M.L.C., and Mr. Dighe, M.L.C., very kindly accompanied us and assisted us at our enquiry in this village.

A village, 1½ miles from Borgaon railway station and 13 miles by road from Akola Khas, which is the market for the sale of cotton. Total area of the village is 938 acres and the land revenue is Rs. 1,821 or nearly Rs. 2 per acre.

The cropped area is 889 acres, which is distributed under the following crops : —

	Acres.
1. Cotton	535
2. Juar	214
3. Tur	3
4. Udid	6
5. Wheat	150
6. Others	76
Total	889

Sources of finance.—Here, as elsewhere, the mahajan is the chief source of credit.

There are two co-operative societies in the village, but they are in a bad way and the co-operative movement has not succeeded in making any impression on the people. An earnest attempt we are told is now being made by the Central Bank to improve the condition of these societies. We shall be interested to see the results.

People like taccavi loans, but complain that they cannot be obtained for all purposes and whenever they are wanted. The adequacy of the amount of individual loans was also questioned. For all these reasons, the mahajan continues to enjoy the monopoly of the money-lending business. People borrow from adatyas also, but the adatyas do not advance money in April and May for sowing the crops and preparing the land for cultivation. Adatyas only advance loans after they have seen the promise of the standing crops. People borrowing from adatyas generally sell their produce through these adatyas, though it is not binding legally on the borrowers to do so. No complaint was made against the dealings of adatyas. People like them and think that their dealings are honest. As the adats depends on the price, adatyas are anxious to get as high price as possible for the produce of their clients. The most common rate of interest is 24 per cent. About 60 per cent of the cultivators borrow every year in April and repay after harvest. The labouring classes also sometimes take advances, but the interest and the principal are repaid in service.

Debts.—There are 59 kabjedars in the village. Of them, 32 are free from debt and 27 are indebted. The total debt is Rs. 36,143. Of this, Rs. 19,156 or 54 per cent is secured and Rs. 16,987 or 46 per cent is unsecured. Of the total debt of

Rs. 36,143; Rs. 24,985 or 75 per cent is due from the following kabjedars :—

	Rs.
1. Tulsiram Nandram (5.34 acres at Rs. 13) ...	5,455
2. Shaikh Subhan (57 acres at Rs. 128) ...	4,300
3. Jan Mohammad (41 acres at Rs. 92) ...	6,000
4. Jairem Raghoji (8 acres at Rs. 13) ...	3,230
5. Vishnu Balkrishna (11.36 acres at Rs. 24) but this gentleman has 800 acres of valuable land elsewhere.	6,000
Total ... 123 acres at Rs. 270	24,985

These five hold lands in other villages also.

If these five heavily indebted persons are excluded, we find the following incidence of debt on the remainder :—

Rs.
225 per kabjeddar.
552 per indebted kabjeddar.
15 per acre.
7 times the land revenue.

The financial position is obscured by the fluctuation in cotton prices. The average price of land was Rs. 175 per acre and the average letting rate Rs. 10-8-0 when we visited the village. Assuming that the value of land may fall further to Rs. 100 per acre, these debts still represent 15 per cent only of the value of the land held. Many of the debts are the ordinary seasonal short-term loans taken during the agricultural year and were about to be paid off as soon as harvest operations were completed :—

Sources of debt—

	Rs.
1. Government ...	6,247
2. Co-operative ...	11,192
3. Sowkar ...	18,704
Total ...	36,143

Purposes of debt—

1. Repayment of old debt ...	1,300
2. Marriage and ceremonials ...	6,250
3. Purchase of land ...	2,000
4. Litigation ...	960
5. Improvement of land ...	11,137
6. Agricultural expenses ...	14,496
Total ...	36,143

Leaving out the old debt, 80 per cent is for productive and 20 per cent is for unproductive purposes.

There are two co-operative societies in the village with a previous membership of 31. Of these, 11 have paid off their loans and ceased to be members of the societies. Of the remaining 20 members of the societies, only 8 are kabjedars in this village and the details of debts of the 12 absentee persons are not available. We only know the debts owed to the societies. The total debt due from these 20 members is Rs. 39,604 or Rs. 1,980 per head. As usual, the members of the co-operative societies in this village are more heavily indebted than those

who are not members. This explains the general prejudice against the co-operative movement. No one is anxious to join the existing societies or form a new society.

Costs and profits from cultivation.—From the statements of the cultivators themselves the cost of cultivation, including the assessment, varies between Rs. 10 to Rs. 18 per acre, according to the amount of hired labour employed.

The cultivators estimated the outturn from cotton from 1 to 2½ khandis per tiffan of four acres according to the soil. At Rs. 100 per khandi the gross outturn would vary between about Rs. 25 to Rs. 60 per acre but the average soil, they said, would not produce more than about Rs. 40 gross in an ordinary year when cotton was at Rs. 100 per khandi. This was about the price when we visited the village. The standard outturn for the district is 320 pounds per acre = $\frac{320}{788}$ of a khandi worth Rs. 40-12-0 at Rs. 100 per khandi. Since then the price of cotton has fallen to Rs. 70 per khandi, so that the average gross outturn at this price would be $\frac{40 \times 70}{100}$, i.e., Rs. 28 only. In addition they get about Rs. 2 of tur sown with the cotton. At this price it would hardly be safe to estimate the net profit at more than Rs. 16 per acre (i.e., Rs. 30 — Rs. 14 costs). Juar yields about 480 pounds, they say, worth about Rs. 25 plus Rs. 8 of kharbi. The costs of juar cultivation with hired labour they estimated at Rs. 10 per acre, balance Rs. 23 per acre, but not more than half the kharbi is sold. It is impossible to forecast the future, but at present prices juar is apparently more remunerative than cotton.

The average letting value here was Rs. 10-8-0 per acre and the average value of land Rs. 175 per acre as stated above, but presumably these values must also come down with the fall in the price of cotton.

On the whole, this village has weathered the cotton boom well, but the cultivators will have to live carefully to live within their means in future.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 5,098.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Anwi Mirzapur ...	17	11	5	8	4	3	3	8	59

1. Shaikh Subhan, son of Shaikh Bahadur,
2. Shaikh Bannu Shaikh Lal,
3. Jairam Raghoji,
4. Gendaji Patil,
5. Dumnaji Sheorao,
6. Amruta Nathu,
7. Vishwanath Virbhan and
all the other villagers.

All state that about 60 per cent of the cultivators borrow money just in the beginning of the agricultural season and repay it after the crops are harvested. Such loans are advanced *sawai* whatever the period of repayment. Such loans are generally repaid within five or six months.

Loans taken for marriage, ceremonials, litigation and other purposes are ordinarily repayable in a year. Interest at 2 per cent is charged.

All these loans are taken from the sowkars of Akola. Most of us take these loans from cotton adatyas. Adatyas charge Re. 1 to Re. 1-4-0 per cent, because we have to sell our cotton through them. We have to pay 1 per cent adat charges in addition to cotton market cesses. Adatyas do not advance loans in Ashad. These loans we have to take from Marwaris. Adatyas begin advancing loans in Shravan when they see the condition of crops and can make an idea of the outturn. Thus for weeding and subsequent expenses, adatyas advance. They make up the accounts after all the cotton is sold and then realize the advances made by them. Adatyas do not finance us all through the year or for all purposes. Adatyas' transactions are not fraudulent. We get the full market price for our cotton. They try to obtain as much price as they can, because their commission depends on the price we get. If we do not approve of the market rate, we are not forced to sell cotton. Adatyas deduct their advances and pay us the balance. So their debts do not accumulate.

We repay Marwaris' debts after the sale of produce every year in normal year. (We require Rs. 10 per acre for cultivation.) Debts taken for marriage, etc., remain unpaid in bad years and thus they accumulate.

Co-operative.—We have two co-operative societies here with 31 members. All are cultivators. Their outstanding debt is Rs. 27,873-13-4 + Rs. 11,730-4-11 = Rs. 39,604-2-3.

Of the 31, only 20 are indebted. The other 11 are no longer members. They are shown on the registers as they have a little deposit left in the society. It will be returned when they ask for it. The average debt per member comes to Rs. 1,980.

We do not want to join the co-operative society or form new ones, as we do not like to be responsible for others' debts and lose our lands for others' default.

Taccavi loans cannot be had when we want them and for the purpose for which we want them. Moreover, village officers

have to be pleased before solvency certificate can be obtained. These and rigorous realization are the reasons why we do not care for taccavi.

Value of land	...	Good land, Rs. 500 per tiffan or 4 acres.
		Second class, Rs. 75 per acre.
		Bad, Rs. 25.

Land revenue of first class land is Rs. 3 to Rs. 3-8-0 per acre. This yields one khandi per acre.

The highest that a tiffan of good land fetched was Rs. 1,500. At that time rate of cotton was Rs. 250. The ordinary price has been Rs. 1,000 a tiffan for long time. It has fallen to Rs. 500.

Non-agriculturists.

Sukhya.

Motiram, Mahar.

Motiram, Sonar, and others.

There are 30 or 50 houses of labourers. We do labour. We get 6 annas to 8 annas a day according to urgency. In other times 5 annas a day. Women get 3 annas for morning and 3 annas for afternoon work. For picking cotton they get 8 annas a maund. We live on wages. When we need money, which we do for marriages, we borrow from the big cultivators and repay the debt with interest by serving at Rs. 8 to Rs. 12 a month. We do not need any finance except for marriages. We get labour in the village on the railway line and the railway station. Boys up to 15 years get Rs. 9 a month. As all the members of the family work, we do not need financial help. Only in illness, we find it difficult to maintain, as our savings are inconsiderable. But we do not borrow for this.

APPENDIX E-XII.

COTTON ZONE, BERAR.

KARANJA RAMJANPUR, TALUQ BALAPUR, DISTRICT AKOLA.

Karanja Ramjanpur is a village in Balapur taluq of Akola district on the Shegaon-Akot road, 10 miles from Shegaon and 40 miles from Akola. It lies in the rich Purna valley in the saline tract of this district. Soil of the village resembles that of Adsul in Akot taluq.

The population of the village is 807. The area of the village is 2,760 with an assessment of Rs. 6,403, or Rs. 2-6-0 per acre. The occupied area is 2,679 acres. The area under crop is 2,496 acres and 164 acres represent grass lands and new fallows. The number of occupants or kabjedars (persons who own land in right of peasant proprietorship) is 140. Out of these, 90 are resident in the village and 50 live in surrounding villages. Out of the total area occupied, *i.e.*, 2,679 acres, 650 acres are given out for cultivation on leases; *i.e.*, one-fourth land is cultivated by tenants and three-fourths by the peasant proprietors themselves. The letting value has been Rs. 15 per acre during the last two years. Three years before this the letting value was Rs. 25 per acre according to villagers. Examination of recent sales noted in the record of rights registers discloses an average sale value per acre of Rs. 236. Villagers say that the value is Rs. 200 now.

Cost of cultivation.—According to the estimate given by the cultivators themselves the total cost of cultivation amounts to Rs. 14,367 for 1,424 acres, *i.e.*, Rs. 10 per acre. Ganpat, son of Nathu, stated that his cost last year (and even annually) was Rs. 700 in round figures for 56 acres which gives an average of Rs. 12. The outturn of this man was Rs. 2,210, leaving him Rs. 27 per acre as his net profit. Valya Mahar owns no land of his own, but cultivates the land of others on lease. He stated that his cost of cultivation was Rs. 160 for 30 acres as his family worked in the field, and his income was Rs. 560, thus leaving him a profit of Rs. 400 for 30 acres or Rs. 15 per acre.

Debts.—There are 140 kabjedars in the village. Of them, 81 are indebted and 59 are free from debt. These indebted kabjedars hold 1,394 acres at Rs. 2,975 in the village and 1,064 acres at Rs. 2,980 elsewhere. The total debt amounts to Rs. 2,79,887 after deducting Rs. 12,000 borrowed by Purushottamdas Satidas for money-lending business. Of the total debt Rs. 1,64,793 or 59 per cent is secured and Rs. 1,15,094 or 41 per cent is unsecured. Of the total debt Rs. 1,04,099 is due from the 16 members of the co-operative society owning 920 acres at Rs. 2,311. The members owe Rs. 78,000 to the society and Rs. 26,099 to mahajans. The incidence of debt on members comes to Rs. 6,506 per member, Rs. 113 per acre and 48 times the assessment.

Total debt on 65 non-members comes to Rs. 1,75,888. They hold 1,538 acres at Rs. 3,827. Of these 65, the following three are heavily indebted :—

		Ks.	Rs.
1. Ramchandra Maroti	...	110 acres at 292	...
2. Murlidhar	...	559 acres at 1,665	...
3. Sheoram Paikaji	...	190 acres at 481	...
		859 acres at 2,438	1,14,220

Sheoram Paikaji may possibly be saved, but the other two are indebted beyond all hope of redemption. If we exclude these debts, the total debt due from 62 kabjedars comes to Rs. 61,668 or Rs. 994 per indebted kabjedard or Rs. 90 per acre held by them or 44 times the assessment. Even these persons are not so heavily indebted as the members of the co-operative credit society. Total land mortgaged (including that owned by borrowers in neighbouring villages) is 2,458 acres, and even if we assume the value of land at Rs. 200 per acre, the value of land comes to Rs. 4,91,600 or Rs. 5,00,000. In other words, the borrowing persons have borrowed to the extent of one-third of the value of the land. The most common rate of interest for mortgage debt seems to be Re. 1-8-0 per cent per mensem or 18 per cent per annum. The minimum is 12 annas per mensem or 9 per cent per annum and the maximum is 2 per cent per mensem or 24 per cent per annum. In simple debts the rate appears to be 2 per cent per mensem or 24 per cent per annum.

Sources of debt are the Co-operative Central Bank, Akola, to the extent of Rs. 78,000 and the local money-lenders to the extent of Rs. 1,91,490.

Purposes of debt can be classified as follows :—

Productive—		Rs.
Purchase of land	...	35,617
Cultivation and improvement of land	...	56,898
Business	...	1,550
	Total	94,065
Unproductive—		
Repayment of old debt	...	1,27,969
Maintenance	...	24,017
Marriage and ceremonials	...	22,786
House building	...	1,900
Pilgrimage	...	3,250
Litigation	...	5,900
	Total	1,85,822

The unproductive debt is roughly 50 per cent more than the productive debt. Old debt is the chief handicap here.

In considering debts we must make mention of the difficulty in which the Co-operative Central Bank at Akola has been landed by financing some people of this village. A co-operative society

was started in this village in 1913 with 11 members. In course of time the membership rose to 22. It is now 16. The landed estate owned by the present members in this village is 920 acres assessed at Rs. 2,128; and in the boom years no attempt at recovery was made. Prices fell with the result that on 30th June 1928 the debt had increased to Rs. 78,000. With the consent of the members of the society the Central Bank has evolved a scheme for the satisfaction of this debt. They have obtained an award for the sum and through the civil court have got a receiver appointed who is now in possession of the land. The total expenditure this season (1920-30) up to date is Rs. 17,000, inclusive of Rs. 1,600 land revenue, Rs. 7,500 construction of a godown, Rs. 3,500 cattle shed, Rs. 3,000 purchase of 20 pairs of bullocks, and Rs. 500 implements. The yield of the crop this year is estimated at Rs. 14,000. The interest charges of the bank alone are Rs. 6,000. The year is a bad one, groundnut and juar failed and cotton alone has yielded the bank Rs. 10,000. But it is pleaded that if the land had been left in the hands of the borrowers as before, the bank would not have got anything and might have been compelled by Government to pay land revenue. The experiment is being carried on under the supervision of an Agricultural Assistant by the Department of Agriculture for a period. The villagers think, and we also saw, that the land is being well looked after. The borrowers expect to get back their land at the end of 15 to 20 years. But whether the profits of the land will be such as to satisfy this debt, with Rs. 6,000 annual interest within that time, is very doubtful. Meanwhile the Agricultural Department in their first year have spent more than the value of the gross outturn. Possibly in the end the land will have to be sold.

Village finance.—Villagers favoured the idea of warehouses where their produce could be stored and money obtained against the produce. They stated that they would prefer it to joint and several liability of the co-operative societies. Money-lenders explained that the agriculturists did not realize the advantages of punctual repayments, and that it did not occur to them to pay whatever they could without demand. The money-lenders have to employ servants to go round and make recoveries. This increases the rate of interest.

They suggested that help should be given to sowkars in realizing their loans. They suggested that arrangements should be made to advance money to people on the mortgage of their land and that the same should be recovered by instalments fixed on the basis of half the letting value of borrowers land, half being reserved for their maintenance.

Cost of maintenance.—Individual estimates of the cost of maintenance differ from cultivator to cultivator. But people agreed that a family of five persons does not require more than Rs. 300 a year. Labour require about half of this and well-to-do big cultivators 50 per cent more than this. No one said that he was starving. On the contrary every one gave such high figures of their estimated expenditure that it seems surprising that debts are not even greater if the estimate of crop outturns given by the cultivators are not underestimated. This village, though not a

typical one, provides an interesting if extreme example of the results of extravagance and improvidence. The laxity of control and neglect of the first principle of sound banking business by the Central Bank are responsible for the critical situation with regard to this co-operative credit society which has now arisen.

The facts speak so clearly for themselves that further comment by us is unnecessary.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 29,854.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total
1	2	3	4	5	6	7	8	9	10
Karanja R.	30	33	14	13	14	10	10	16	141.

STATEMENTS.

Ganpat *walad* Nathu—

Members of my family are four, myself, my wife and two children below five years of age. I own 12 acres of land, but take other people's land on cultivation. This year I have taken 44 acres on lease for five years, agreeing to pay Rs. 700 per year. I had taken 28 acres for Rs. 700 on a five years lease during the last five years. I paid all my lease money. I had not to borrow for payment of my lease money. The land I cultivate is good land. Five years ago I purchased land 5 acres for Rs. 1,800.

Last year I had the following land under cultivation :—

12 acres of my own.

28 acres of one Shankarlal.

16 acres of Sampat.

Out of this 38 acres were under cotton.

12 acres were under juar.

6 acres were under wheat and gram.

My expenditure on cultivation was Rs. 700 and my family expenditure, exclusive of grain which I got from my own cultivation, is Rs. 300. I got Rs. 2,200. I paid lease money Rs. 700 out of this. My savings for my family maintenance was Rs. 2,200—Rs. 1,400 (Rs. 700 costs of cultivation and Rs. 700 lease money) balance Rs. 800. In normal years I should get double this amount.

Aleya Mahar—

I own no land. I cultivate land of other people. Last year I cultivated land on *batai*. I required Rs. 160 cash for my cultivation, exclusive of the stock of khadi which I had. I got crop worth Rs. 500.

APPENDIX E-XIII.

COTTON ZONE, BERAR.

ADSUL, TALUQ AKOT, DISTRICT AKOLA.

Is a fairly large village, 33 miles from Akola on the Akola-Shegaon road. The population of the village is 573 and area is 2,151 acres. The total land revenue of the village is Rs. 4,609-8-0. The total occupied area is 1,942 acres and is distributed under the following crops :—

	Acres.
1. Cotton	1,085
2. Juar	554
3. Gram	77
4. Wheat	15
5. Til	16
6. Lafeh	17
7. Groundnut	6
8. Others	272

The village is typical of the rice-cotton growing tract of the Akot taluq, one of the most fertile parts of Berar. Recent sale figures show that the average selling value of land in the village is Rs. 206 per acre and the letting value is Rs. 10-8-0 per acre. At one time land values were far lighter.

Finance.—People obtain finance mostly from the Telhara, Shegaon and Akot mahajans. The most common rate of interest charged is 24 per cent. People have to pay Re. 1-8-0 per cent per mensem even on mortgages. Loans borrowed for agricultural purposes from April to June are repaid after the harvest. Loans taken for land improvement and ceremonials are repaid in two to five years, but the agreement is always to repay it in two years. But it is seldom repaid within the stipulated time and the borrowers have to pay penal interest at the rate of 3 per cent per mensem. Taccavi is popular, but it is not granted in time and in sufficient amounts. There is no co-operative society in the village, but some kabjedars have joined a society in the neighbouring village and obtain loans from the society. General opinion is against the co-operative movement, as people do not like to take risks for others. One kabjedar, Bisanlal, has borrowed Rs. 5,000 from the Imperial Bank on the security of gold. As he was not present in the village, the terms of this loan could not be ascertained.

Debts.—There are 108 kabjedars in the village, holding 1,942 acres of land in the village at Rs. 4,348 and 2,870 acres on Rs. 6,697 elsewhere. Thus the entire land in possession of the kabjedars is 4,812 acres assessed at Rs. 11,081.

Of the 108 kabjedars, 57 are free from debt and 51 are indebted. The total secured and unsecured debt on the village

is Rs. 1,29,272. As elsewhere, there is the usual small number of persons with very heavy debts—

	Rs.	
1. Amrut Lopaji (80 acres at Rs. 222)	... 6,200	
2. Kisan Tank (36 acres at Rs. 78)	... 10,730	He is hopelessly involved and his land cannot be saved. He borrowed Rs. 10,600 at 12 per cent to purchase this land in the cotton boom.
3. Narsingdas Maniram (5 acres at Rs. 14)	... 9,300	
4. Bisanlal Ramlal (450 acres at Rs. 989)	... 20,000	
5. Jisan Shivaji (63 acres at Rs. 143)	... 4,300	
6. Hatam Ali Bakar Ali (77 acres at Rs. 145)	... 22,000	
7. Gopāl Nanakram (87 acres at Rs. 199)	... 13,000	
Total	... 798 acres at Rs. 1,790	85,530

Nos. 2, 3, 6 and 7 all are indebted beyond hope of redémption. The debts of 1, 4 and 5 could be amortized by a loan from a land mortgage bank without risk.

It will be seen that of the total debt of Rs. 1,29,272, Rs. 85,530 or 62 per cent is due from only seven kabjedars. If this debt and these debtors are excluded, the debt on 47 kabjedars come to Rs. 43,742 or Rs. 930 per indebted kabjedat or Rs. 433 per kabjedat or Rs. 10 per acre or 4 times the land revenue.

The burden of debt on the seven heavily indebted kabjedars works out as under :—

Rs.
12,218 per head
115 per acre.
52 times the land revenue.

The result then is as follows :—

There are four hopelessly indebted out of 102 kabjedars.
Seven debtors out of 102 account for 62 per cent of the total debt.
57 out of 102 have no debts.

Sources of debt—

	Rs.
1. Government	... 210
2. Co-operative	... 7,200
3. Imperial Bank	... 5,000
4. Mahajan	... 1,16,862
Total	... 1,29,272

Purposes of debt—

	Rs.
1. Repayment of old debt	... 4,570
2. Marriages and ceremonials	... 20,480
3. Purchase of land	... 44,950
4. Land improvement	... 43,055
5. Agricultural expenses	... 10,151
6. Pilgrimage	... 2,146
7. Litigation	... 600
8. House building	... 570
9. Business	... 2,750
Total	... 1,29,272

Deducting the old debts, the purposes for which could not be ascertained, 75 per cent is for productive and 25 per cent for unproductive purposes. Of the total debt, 60 per cent is secured and 40 per cent unsecured.

Costs and profits of cultivation.—Cotton is at present the most important crop.

The people themselves estimated the outturn of cotton at $2\frac{1}{2}$ local khandis (of 320 seers) per tiffan of 4 acres, i.e., $\frac{640}{4} \times \frac{5}{2}$ or 400 pounds per acre.

The juar outturn they said was 2 khandis (of 480 seers) per tiffan, i.e., 480 pounds per acre. The juar outturn is certainly an underestimate. The normal outturn for the district is 750 pounds per acre and the Agricultural Department informs us that the average outturn in this fertile tract is over 800 pounds.

At 10 seers per rupee the standard outturn of juar 750 pounds would be worth Rs. 37-8-0 and we see no reason for assuming the normal outturn here to be less.

When cotton was at Rs. 100 per standard 392 seer khandi, the average outturn per acre admitted would be worth about Rs. 51. And during the cotton boom of course cotton went to Rs. 250 per khandi which meant gross outturn of over Rs. 120 per acre in this tract.

But at the pre-war price of about Rs. 70 the outturn estimated by the cultivators is worth Rs. 36 only.

They give the usual costs of cultivation; the heavier the crop the heavier the picking charges and the assessment here is over Rs. 2 per acre.

Taking the costs of cotton cultivation at Rs. 15 per acre, the net profit at present comes to Rs. 21 per acre against Rs. 36 per acre when the season opened in November last, and over Rs. 100 per acre at the peak of the cotton boom a few years ago.

The cost of juar cultivation is slightly less, say, Rs. 12, to take a safe figure. The net profit from juar will be not less than Rs. 25 per acre, excluding kharbi.

At present prices cotton seems less profitable than juar.

During the present season the price of cotton has fallen from Rs. 100 per standard khandi to Rs. 60 and has now halted round about Rs. 70. At Rs. 60 the net profit from cotton would be Rs. 15 per acre. During the present year, therefore, cultivators may have got anything between Rs. 35 and Rs. 15 per acre net profit from their cotton according to the time when they marketed it. With such extreme fluctuations within a few months the whole business of cotton cultivation becomes a pure gamble.

It is certainly impossible under such circumstances for us to give an accurate estimate of the average profits from cotton cultivation when prices rise and fall with such rapidity.

We attach the statements of Pandu Sadasheo and Tukaram Chabadaji. The latter seems to have swelled his estimate of

expenditure by including Rs. 275 for feed of bullocks, while ignoring on the credit side an average income of some Rs. 325 from kadbi, which he subsequently admitted.

Cost of maintenance.—There are 108 kabjedars with 149 adult males, 188 adult females and 235 children. According to their estimate they spend Rs. 55,473 on their maintenance which comes to Rs. 513 per family or Rs. 102 per head. The cost of living no doubt is high in Berar, but this is a very lavish rate of expenditure. An average cultivator does not actually spend more than Rs. 300 a year on food and clothing, as will appear from the statement of Pandu Sadashive. We have seen in other Berar villages also that an average cultivator requires from Rs. 250 to Rs. 300 a year.

The average agricultural income for the village comes to Rs. 538 per kabjedar. Kabjedars have other sources of income beside agriculture. They keep shops, trade in grain and cloth, do labour and sell *ghee* and kadbi. They estimate their income from all these non-agricultural sources at Rs. 23,951 or Rs. 221 per kabjedar. The chief cause of indebtedness is the purchase of land and so-called improvement of land. Of the total debt of Rs. 1,29,272, Rs. 88,005 or 68 per cent is due to these two causes. During the boom period people borrowed money and purchased land at very high prices. Now with the fall in cotton prices, land values have also gone down and the purchasers find themselves left with land which at present prices is worth far less than the amounts which they borrowed to purchase it.

This is one of the principal economic troubles in Berar at present. It corresponds closely to the crisis which arose in England when the value of land fell after the war to a level below the sums borrowed to purchase it. The land mortgage corporation resulted in England. A similar malady in Berar now calls for similar treatment.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 29,700.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Adaul	30	17	14	15	6	5	8	13	108

STATEMENTS.

Pandu Sadashive—

I own 10 acres at Rs. 30. I own a pair of bullocks. I purchased one bullock year before last for Rs. 30. The old one is of my cow. Average working life of a pair is 10 years. The

bullock I have purchased will not work for more than two years as it is old.

I have three persons in my house. I require two seers a day of juar, $\frac{1}{2}$ seer dal a day and Rs. 2 a week for oil, salt and other things.

	Rs.	a.	p.
1 $\frac{1}{2}$ khandis juar a year	75	0	0
182 seers of dal	45	8	0
Oil, salt, vegetable, etc.	96	0	0
Wheat	9	0	0
Rice	3	0	0
Sugar, gud, etc	...	...	...
Total	228	8	0
Clothing	50	0	0
Grand total	278	8	0

I sow—	Rs.	a.	p.
8 acres cotton—4 mds seed (16 seers a maund)	8	0	0
2 acres juar—3 pailis	0	15	0
Tur—1 paili	0	8	0
Mung—1 seer	0	2	0
Til—1 seer	0	8	0
Cleaning the fields	6	0	0
Ropad and Kunda	2	0	0
Cleaning juar fields	5	0	0
Sowing and davarani	10	0	0
Weeding	50	0	0
Cotton picking	37	8	0
Carpenter	2	4	0
Implements	1	8	0
Rent	30	0	0
Total	154	5	0

Outturn—	Rs.	a.	p.
3 khandis cotton	300	0	0
1 $\frac{1}{2}$ khandi juar	56	4	0
1 $\frac{1}{2}$ maund tur	4	8	0
1 maund mung	3	0	0
4 pailis til	2	0	0
Cost of cultivation	365	12	0
	154	7	0

now worth Rs. 220 only.

now only Rs. 285-12-0.

211 5 0 now only Rs. 131-7-0.
Rs. 21 per acre; now only Rs. 13 per acre.

I am indebted to the extent of Rs. 2,500. I borrowed Rs. 1,250 six years ago for purchase of land at Re. 1-4-0 per cent from a Marwari of Talegaon. I have not even paid the interest for the last three years. I mortgaged my old and new land for it. Two or three years back I borrowed Rs. 200 and executed another mortgage for (interest on Rs. 1,250 and Rs. 200 borrowed) a sum of Rs. 1,320. I borrowed Rs. 50 last year and Rs. 30 this year from the same creditor at 2 per cent for weeding.

I paid Rs. 200 last year and Rs. 250 a year before towards the interest. I borrowed two years ago Rs. 200 from a Marwari of Kolhara at 2 per cent. I have neither paid the interest nor the principal.

I cannot say how can I manage my affairs.

Tukaram Chabadaji—

I own 131 acres of land at Rs. 315.

I own 13 bullocks. Of them I purchased only one pair for Rs. 300. The rest are of my own cows. I purchased the pair two years ago. I paid the price from my own savings.

18 tiffans or 72 acres are under cotton—

	Rs.	a.	p.
Cotton seed 1½ khandi ...	50	0	0
10 tiffans, 40 acres, juar, 4 maunds seed ...	12	0	0
8 acres under wheat, 7 maunds seed ...	31	8	0
4 acres under gram, 4 maunds gram ...	18	8	0
4 acres under 1 palli tur ...	0	8	0
2 pallis mung ...	0	8	0
1 palli til ...	0	4	0
2 pallis udid ...	0	8	0
2 acres under groundnut, 2 pallis ...	1	4	0
Chillies ...	0	12	0
Total ...	115	12	0

	Rs.	a.	p.
4 servants ...	600	0	0
Bullocks feed ...	225	0	0
Cleaning cotton fields ...	108	0	0
Kopyla cleaning ...	27	0	0
To Nagar ...	15	0	0
Sowing ...	37	8	0
Harrowing ...	84	0	0
Weeding ...	500	0	0
Picking cotton ...	264	0	0
Carpenter ...	20	4	0
Lohar ...	40	0	0
Implements ...	3	0	0
Land revenue ...	315	0	0
Bullocks ...	30	0	0
Cesses ...	49	0	0
Total ...	2,317	12	0

Rabi sowing ... 8 0 0

2,325 12 0

115 12 0

2,441 8 0

or Rs. 18 per acre cost of cultivation

Outturn—	Rs.	a.	p.
Cotton 24½ khandis (full) ...	2,450	0	0
Juar 25 khandis ...	1,125	0	0
Wheat 5 khandis ...	450	0	0
Gram 1 khandi ...	90	0	0
Lac 8 maunds ...	24	0	0
Tur 2 maunds ...	12	0	0
Mung 2 maunds ...	9	0	0
Til 2 maunds ...	6	0	0
Udid 3 maunds ...	9	0	0
Groundnut 1 khandi ...	20	0	0
Chillies 1½ maunds ...	6	0	0

Total agricultural income ... 4,201 0 0

2,441 8 0

1,759 8 0

or Rs. 13 per acre net

There are 16 persons in the family. We require—

	Rs.	a.	p.
12 khandis juar	540	0	0
3 khandis wheat	270	0	0
3 maunds rice	25	0	0
2 maunds dal	20	0	0
96 seers sweet oil	42	0	0
3 tins kerosene	12	0	0
3 maunds sugar	9	0	0
5 maunds gud	15	0	0
3 maunds salt	6	0	0
Miscellaneous	150	0	0
Total	1,089	0	0
IV. Clothing	500	0	0
Grand total of expenditure	2,441	8	0
Feeding charges	1,089	0	0
Clothing	500	0	0
	4,030	8	0

I do no other business and have no other income. I am not indebted. I save after meeting all expenses Rs. 500 to Rs. 700. I admit that I have not included the price of kadbi from my 40 acres of juar. It is worth from Rs. 300 to Rs. 350 per year. Some I feed to the bullocks and some I sell. The kadbi from 4 acres is sufficient for one pair of bullocks per year.

General.—The tenants say: "We borrow from the mahajans of Telhara, Shegaon and Akot. 2 per cent is the maximum rate of interest. Even on mortgages we have to pay Re. 1-8-0 per cent. Money is borrowed for cultivation every year and it is generally repaid after the crops are harvested. Loans taken for the purchase of lands are agreed to be paid in a year or at the most two years. On default penal interest up to Rs. 3 is charged. We do not take taccavi as it is not distributed in time and it causes great harassment. We have no co-operative society in the village. Some of the kabjedars living in Panchgawan are members of a co-operative society there.

APPENDIX E-XIV.
COTTON ZONE, BERAR.

BELKHED, TALUQ MURTIZAPUR, DISTRICT AKOLA.

An average-sized village on the Murtizapur-Amraoti road, 26 miles from Amraoti. The population is 565 and total area is 1,697 acres. The total occupied area is 1,484 acres with an assessment of Rs. 2,419-8-0. Total cropped area is 1,162 acres and is distributed under the following crops:—

	Acres.
Juar	357
Bajri	38
Wheat	75
Tur	80
Cotton	582

and the rest is under minor crops. 300 acres is current fallow and 12 acres is potkharab.

We examined some 19 sale-deeds and found that 142 acres of land was sold for Rs. 12,550, showing an average of Rs. 88 per acre. The highest price in the village which came to our notice was Rs. 158 per acre.

The average letting value is Rs. 9 per acre. Average cost of cultivation according to the statements of the kabjedars themselves is Rs. 12-8-0 per acre, and the average net profit Rs. 15 per acre for the last two years. The standard outturn for cotton is 320 pounds and for juar 700 pounds per acre. Cultivators say that in good land they get 15 maunds or 420 pounds cotton and in ordinary land 8 to 9 maunds or 252 pounds per acre. Thus the average will come to 320 pounds cotton per acre which is the standard outturn for the tahsil. The price of this according to the present rate of Rs. 70 a khandi of 784 pounds will be about Rs. 30. Deducting Rs. 12-8-0, the cost of cultivation, the net profit will be Rs. 17-8-0 per acre. Cultivators admit that they on an average get Rs. 15 net per acre. According to this estimate the price of the cotton crops of the village will be Rs. 8,730. People say that juar is more paying than cotton in these days, but they do not think they will bring more area under juar as they have a presentiment that cotton prices will again rise.

There are 56 kabjedars in the village, cultivating 1,484 acres in the village and 1,480 acres elsewhere. The total area in possession of these 56 kabjedars is 2,964 acres on Rs. 4,386-2-0. The average holding will thus be 52 acres.

The secured debt is Rs. 24,190 and unsecured debt is Rs. 27,678, the total being Rs. 51,868, *i.e.*, 48 per cent secured and 52 per cent unsecured. It may be observed that the figures of secured debt shown outstanding in the record of rights cannot be relied on without verification. These debts were contracted some years ago and several of them have been redeemed. Fifteen debtors were present at our enquiry and we found that two of them had paid up their mortgage debts in full and six had repaid substantial amounts. The actual outstanding mortgage debt is therefore considerably less than the amount shown in the record of right.

The sources and the purposes for which the debts were taken can be seen from the following table :—

<i>Sources.</i>		Rs.
Government	...	890
Mahajan ...	...	50,978
	Total	51,868
<i>Purposes.</i>		
Repayment of earlier debt	...	29,027
Family maintenance	...	2,015
Marriage and ceremonials	...	4,202
Litigation	...	1,800
Purchase of land	...	4,325
Cultivating expenses	...	10,499
	Total	51,868

Of the kabjedars, 19 are free from debt with the exception of Tulsiram Baliram (who owns 116 acres on Rs. 225 and is indebted to the extent of Rs. 13,675) and Pandu Gangaram (17 acres on Rs. 35 owing Rs. 1,525). No one is hopelessly indebted. These two, however, are involved beyond hope of redemption and will eventually lose their land. Leaving these two out of account, the average debt per kabjedar is Rs. 654 or per indebted kabjedar Rs. 911 or Rs. 13 per acre or 8 times the land revenue. The total debt is covered by one year's agricultural income only. The kabjedars have other sources of income as well, e.g., money-lending, shop-keeping, sale of bullocks and carting. Their total admitted income from these sources exceeds Rs. 10,000.

Cost of maintenance.—The estimate of individual kabjedars varies according to the social status and the number of persons in the family. The total amount, according to their estimate, required for maintenance comes to Rs. 19,392 or Rs. 347 per family of five persons. This is unnecessarily high as will appear from the figures given by Deorao Sheoram, Tulsiram Baliram and several others. Deorao has only his wife to support and he says he requires Rs. 337 for food and Rs. 235 for clothing. Tulsiram has his wife and two children to maintain and he says that he requires Rs. 205 for food and Rs. 176 for clothing. An average cultivator's family does not require more than Rs. 275 to Rs. 300 to live in ordinary comfort.

Finance.—Kabjedars borrow money for seasonal expenses in Ashad and Shraavan and repay what they borrow at Nag Diwali, five months after. For this they have to pay *sawai*. People desire that taccavi loans should be given for all purposes and whenever required. Dhanaj sowkars, as also the Karanja and Amraoti sowkars, finance the people of this village. Cultivators do not borrow from adatyas, because they live far away from their village and can only advance small sums. Moreover, the adatyas do not lend for the summer operations when most of the cultivators require financial help. The cotton is sold in the Amroati market whence they get satisfactory weighment and prices. They sell through adatyas and are satisfied with the present arrangement.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 19,738.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Belkhed	10	13	6	5	7	...	9	6	56

STATEMENTS.

Baliram Januji—

I own 5 acres in this and 22 acres in other villages. I pay Rs. 55-8-0 land revenue.

I owe Rs. 1,100. I had borrowed Rs. 1,000 four years back to purchase land at 1 per cent from Jairam, my nephew. I have paid interest and Rs. 600 towards this debt. I owe Rs. 400. I possess receipts of repayment.

I borrowed Rs. 100 five or six months back for agricultural purposes and I have repaid that amount about 10 days back. I had taken this from Motilal, Marwari, at 2 per cent and *sawai*. I borrowed every year for seasonal expenses and repay after the crops are harvested. That is what others do in the village.

I hope to repay something towards the mortgage debt.

My household expenses are nearly Rs. 755, cost of cultivation comes to Rs. 297.

Rs.
755
297
55 land revenue.

1,107

100 I shall pay towards mortgage debt.

22 acres at 1,207 Rs. 55 per acre.

Jagannateh Durga—

I borrowed Rs. 750 at Re. 1-2-0 per cent on the mortgage of my land in 1923 from Gopikisan Radakisan of Dhanaj. I had agreed to repay the amount in six years. I paid only two instalments of Rs. 205 each. Other instalments remain unpaid as my crops have been failing. I do not know how to repay it. My land is poor. I may bring Rs. 150 a tiffin.

I one year did cloth trade and lost Rs. 185. I have Rs. 150 old debt to pay.

Jhaingarsa Balasa—

I own 137 acres at Rs. 251. I had borrowed Rs. 1,000 for litigation to save my brother from a criminal prosecution. I

could not save him. He is now in jail. Interest was 2 per cent. I paid the debt with interest 15 days ago.

I require Rs. 954 for household expenses.

252 for clothes.

1,000 for cultivating charges.

2,206

1,240 paid debt with interest.

251 land revenue.

Total ... 3,697 This is the least he must get.

I am not indebted now. I do not generally borrow.

General practice with the cultivators here is to borrow in Asad small sums for seasonal expenses and to repay them in five months after. Such loans are advanced on *sawai* or *dedhi*. If we borrow Rs. 100 at Pola, we have to pay Rs. 125 on Nag-Divali day. On default 3 per cent is charged. No doubt taccavi will be of great help, but it is never given in time and hence we make no attempt to get it. If we can get in time, we shall never go to sowkar. We do not know what co-operative credit is.

We do not borrow from adatyas for two reasons—(1) They it to Karanja also. The difference in rates is about Rs. 5 after deducting the carting charges and hence we prefer to go to Amraoti. The other advantage is of honest weighment in the Amraoti market.

We do not borrow from adatyas for two reasons:—(1) They live far and (2) have no sufficient capital. We sell our cotton through any adatyas we like. We have no complaints against adatyas or their ways. We get full price.

We have to hire carts to take cotton to Amraoti. We have to pay Rs. 5 a cart and food for the driver. A cart gets about 7 or 8 turns a season to go to Amraoti with cotton. Every kabjedar has a cart.

Average price of a pair of bullocks is Rs. 125. The working life of a pair is 10 years. About 90 per cent of cultivators have to purchase their bullocks. Crazing is insufficient.

Wages in the village are paid in kind—3 pails juar a day is the rate for a man. Cotton picking is paid at 4 annas a day. There are about 150 labourers in all, small cultivators work in their own field and work for others also.

Good land is sold at Rs. 100 an acre. Second quality is sold at Rs. 75 an acre. Third quality is sold from Rs. 25 to Rs. 50.

In good land the average yield is 15 maunds per acre. In other lands the yield is 4 maunds to an acre.

APPENDIX E-XV.
COTTON ZONE, BERAR.

POTI, TALUQ MANGRUL, DISTRICT AKOLA.

A village of 1,948 acres, situated near the Mangrulpir-Karanja road, 15 miles from Karanja in the Mangrulpir taluq of the Akola district. This village is typical of the Mangrul taluq where soils similar to the Basim uplands lighter than those of the Akot and Balapur taluqs, prevail. Occupied area is 1,945 acres and the land revenue is Rs. 1,953-4-0.

The value of land here is said to be between Rs. 50 and Rs. 150 and the average about Rs. 100 per acre at present. But if the present low price of cotton continues, Rs. 80 per acre would be a safer figure for the future.

The villagers say that during the boom in cotton prices the average price of land rose to Rs. 300 per acre, *i.e.*, three times the present, but it has fallen as usual with the fall in cotton prices. The cropping is as follows:—

	Acres.
Cotton	863
Juar	532
Others	372

The cultivators say the outturn varies very greatly according to the quality of the soil, and in ordinary years the cotton outturn will vary between 120 lbs. and 392 lbs. (half a khandi) per acre according to the soil.

They say the cotton, etc., is sold at Karanja, the nearest cotton market, where the prices are the same as at Akola and elsewhere, and that they cart the cotton to Karanja in their own carts for sale. At Rs. 100 per khandi of 392 seers the value of the cotton crop here would, according to this statement, be in a normal year between about Rs. 15 and Rs. 50 per acre: at Rs. 70 per khandi, the present price, the value would be between Rs. 11 and Rs. 35.

They estimate the expenses of cultivation with hired labour, plus rent, etc., at between Rs. 10 and Rs. 14 per acre. The margin of profit on the poor soils would then be *nil* at present. But they say the ordinary holding is mixed cotton and juar land and the average actual expenses about Rs. 10 per acre, while the average cotton outturn at present prices is worth about Rs. 25.

The juari and kadbi they use for food and fodder and do not usually sell.

They say that the outturn of juar varies between 5 maunds per tiffan and 15 maunds per tiffan, the average for the village being in their opinion about 10 maunds for one tiffan of land. One tiffan is 4 acres and the local maund is 96 seers. The average outturn they say is therefore only 240 seers per acre or 480 pounds per acre. They say the average local price is Rs. 10 per maund. So the average juar outturn for the village in a normal year would be worth Rs. 25. They also get about 700 poolas of kadbi worth about Rs. 42 to Rs. 49 per tiffan, *i.e.*, about Rs. 11 per acre of kadbi.

Total gross outturn of juar is then about Rs. 36. Actually only part of the kadbi is sold. The average net outturn from mixed cotton and juar would be about Rs. 16 to Rs. 18. In addition they get about Rs. 2 worth tur or urad, sown with the cotton and juar. The average outturn for the holding at present may be about Rs. 17 per acre in a normal year. But as the expenses of cotton are greater, we should take, say, Rs. 12 per acre for cotton and Rs. 8 per acre for juar expenses. So cotton in this village is at present clearly less paying than juar and can yield no profit at all on the lighter soils.

Finance.—The few big men keep sufficient in stock in ordinary years to cover their expenses of agriculture until the coming of the next crop. But nearly all the cultivators borrow money as required for purchasing seed, weeding, picking, etc., and pay off what they can when the crop comes.

We have taken down as a typical example the statement of Utragi Jangi who has 25 acres on Rs. 23 rent in this village and some 80 acres in Belkhed Jagir village. He says for the last 30 or 40 years he has had a "current account" with Chaure of Karanja of some Rs. 1,000 at 15 per cent interest. He pays off in full or in part when he markets his cotton according to the year, good or poor, and proceeds to take advances as required throughout the year, totalling about Rs. 1,000. He says last year he paid off all arrears. He has now Rs. 1,100 outstanding. He says the crop is not good this year so he will pay off about Rs. 500 to Rs. 600 and leave the balance outstanding.

There are the following cultivators in the village who lend money in this way:—

Local Mahajans.

	Rs.		
1. Maroti Jayaji Kunbi	1,375	at 2 per cent per mensem.	
2. Punjaji Acharji Kunbi	1,000	do.	do.
3. Ramaji Asaraji	625	do.	do.
4. Champat Ramaji	1,600	at Rs. 1-12-0	do.
5. Mazaji Laxman	300	at 2	do.

Mahajans not local.

1. Ragho Musak, Mahar	1,500
2. Kundanlal Hirnaut, Marwari	8,000
3. Tukaram Bheosan, Kunbi, of Mahari.	2,000
4. Gangaji Bhagaji	1,200
5. Raghujji Bepuji	1,000

Thanaji Rauji is the only person in the village who sells groceries, oil, salt, etc. He also has a few acres of land. He does not make advances. He is only a petty shopkeeper and does not allow long credit.

The village buy their clothes mostly from shop-keepers in Karanja and from a few Kachis who come to the village selling cloth. They usually pay when the crops are sold in December or January and get credit for any cloth which they take at other

times of the year. Usually whatever is due is paid off then, unless the crop is very bad. One per cent per month interest is charged.

This we find to be the ordinary system of financing agriculture throughout this tract as elsewhere in Berar. The cultivators have always a current account with a balance practically always in favour of the sowkar.

The following are said to be the only persons in the whole village who do not annually take advances from the sowkar for financing their agricultural operations :—

- (1) Nari Perraji, Kunbi.
- (2) Harbaji Jayanji.
- (3) Ramji Asraj.
- (4) Kishan Hambirji.
- (5) Punjaji Kalaaji.

All except two of these men are themselves the money-lenders of the village. The villagers say that if the crop is very bad practically no repayments are made, but more advances are taken. When the crop is moderate only about half the outstandings are paid off. When a good year comes arrears are paid up. The usual rate is 25 per cent, *i.e.*, if Rs. 100 is borrowed in June or July, etc., Rs. 125 will be repaid when the crop comes. If repayment is not made then 25 per cent per annum is charged on this balance. When the arrears reach a stage when the money-lenders think it unsafe to have it unsecured, they get a mortgage written.

The local money-lenders are not willing to accept any scheme of co-ordination for receiving advances from the bank at low interest for lending out at reasonable rates to solvent cultivators.

They say the Sirkar can do anything they like, but they are not going to change their ways. This is the general response throughout this tract.

Total number of kabjedars is 54. Of them 15 are free from debt. The totals debts of the village at present are as follows :—

Debts secured by mortgages Rs. 18,700 with 18 per cent as the common rate of interest. Debts given without any security, on bonds, pro-notes, and loan Rs. 46,975. The average interest is also 18 per cent per mensem.

Thus the total secured and unsecured debt comes to Rs. 65,675 or Rs. 1,216 per kabjedar or Rs. 1,684 per indebted kabjedar or Rs. 22 per acre or 21 times the land revenue.

Of the kabjedars, the following are heavily indebted :—

- (1) Bhagwat Shreeram (7 acres at Rs. 9-4-0) owes Rs. 3,000.
 - (2) Tukaram Ramji (23 acres at Rs. 24) owes Rs. 7,150.
 - (3) Tukaram Vithoba (110 acres at Rs. 117) owes Rs. 5,600.
 - (4) Ganpat Mudhaji (86 acres at Rs. 132) owes Rs. 14,000.
- 226 acres at Rs. 282-4-0 owes Rs. 29,750.

All of these except No. 3 seem involved beyond hope of redemption. It will be seen that about 48 per cent of the total debt is due from only four persons. If we exclude this, the total debt on 34 indebted kabjedars amounts to Rs. 35,925 or Rs. 1,056 per indebted kabjeddar or Rs. 20 per acre of their land or 22 times the land revenue. These debts could be liquidated however by long-term loans from a land mortgage bank.

Purpose of debt.

	Rs.
Purchase of bullocks ...	100
Field cultivation ...	18,775
Marriage ...	21,300
Maintenance ...	4,300
Litigation ...	10,500
Loss in business ...	1,200
On singing and dancing girls ...	3,350
Pilgrimage ...	450
Purchase of land ...	5,700
Total ...	65,675

The ordinary cost of cultivating 1,769 acres taken at Rs. 10 per acre only would be Rs. 17,690, which explains the item of Rs. 18,775. At the time of our enquiry the cotton crop was being marketed, and here, as elsewhere, the annual advances taken had not been yet repaid or adjusted. The gross value of a normal cotton crop at an average of Rs. 35 per acre on the 863 acres under cotton would be about Rs. 30,000 and villagers say that in normal years about Rs. 20,000 of advances are repaid to sowkars after this crop is harvested. At present prices the cotton crop is, however, not worth more than some Rs. 22,000.

There are 54 kabjedars with 97 adult males, 136 adult females and 120 children. The average family in the village is of six persons. According to their individual estimates the total expenditure on "maintenance" comes to Rs. 564 per family per year. This is not surprising when we find that Rs. 3,350 have been spent on dancing girls and over Rs. 10,000 on litigation. A family of six really requires—

	Rs. a. p.
4 khandia juar ...	120 0 0
6 kudos wheat ...	15 0 0
9 kudos dal ...	25 0 0
Oil ...	15 0 0
Salt ...	2 0 0
Kerosene ...	7 8 0
Vegetables ...	15 0 0
Chillies ...	12 0 0
Gud ...	8 0 0
Total ...	219 8 0

Clothing—

				Rs.	a.	p.
4 dhotis	...	...	...	9	0	0
4 duptas	...	...	...	6	0	0
4 kurtas	...	...	...	5	0	0
2 pagotis	...	...	...	8	0	0
2 pairs of shoes	...	...	...	6	0	0
2 sadis	...	...	...	12	0	0
2 cholies	...	...	...	2	0	0
For children	...	...	...	20	0	0
				<hr/>		
Total	...			68	0	0
				<hr/>		
Total	...			219	8	0
				<hr/>		
Total	...			287	8	0

Men of higher status require 25 per cent more and of lower status 25 per cent less. Labourers do not generally spend more than Rs. 175 a year. Many of the kabjedars of the village do carting. They sell *ghee* and *kadbi* and do labour. The income from all these sources as estimated by the villagers themselves comes to Rs. 11,254 or Rs. 208 per kabjedar, including the income of the local money-lenders.

The villagers seem to spend more on luxuries here than in many other places we have visited. About 33 per cent of the total debt is due to expenditure on marriages and ceremonials, 16 per cent on litigation and 5 per cent on dancing girls.

They were evidently carried away by the cotton boom.

There are in all 54 kabjedars with 1,954 acres of land, the average holding being about 36 acres, half of which is under cotton and half under *juar* and other crops at present. The alleged normal cotton outturn now worth Rs. 25 only, reached a value of Rs. 90 at the height of the boom. At an average net outturn at present, say, Rs. 17 per acre, the average income of a kabjedar is Rs. 578. Some get more, others with smaller holdings get less.

But at the height of the boom the average income may have reached Rs. 1,648 per kabjedar assuming that half the holding of 36 acres was under cotton which produced Rs. 90 gross per acre instead of Rs. 25 at present.

In all ages and in all ranks of society the sudden accretion of wealth demoralizes a certain percentage of the community. No doubt they have been hoping from year to year for a return of peak prices and for a bumper harvest. But crops have been poor and prices have continued to fall, until they stand today at the pre-war level. Here, as elsewhere, the cultivators are no doubt learning by bitter experience. A thrift campaign is, however, urgently necessary. Even now in only three cases can it be said that the capital debt has risen beyond hope of redemption. But with the heavy rates of interest the total interest charges come to about Rs. 15,000 or 8 times the land revenue and the amortization of the existing debts at low interest by a land mortgage bank alone can prevent the bigger debts mounting up with compound interest to irredeemable amounts.

If the rates of interest were lower, there should be less cause for anxiety, but we must face the facts that at the present price of cotton the repayment of principal *plus* 25 per cent interest will be beyond the paying capacity of those with larger debts, although these debts may not represent at present even 40 per cent of their assets.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 18,085.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Poti	9	9	10	11	2	3	...	10	54

STATEMENTS.

Ganpat Madhoji, Tukaram Raoji, Sitaram Abhiman, Baburao Tukaram, Raghoji Badarji, Marsaji Laxmanji, Chinkaji Beosanji and the other tenants say—

The ordinary value of average land in this village is about Rs. 100 per acre, some land is worth more and some less. The worst land is worth about Rs. 75 per acre. In the worst land we are not likely to get more than 60 seers cotton per year, worth about Rs. 15* at present. In the better soil we get more. In some good fields we may get half a khandi per acre worth in ordinary years about Rs. 50†. The outturn varies very much according to the quality of the soil and the rainfall. The average outturn for ordinary average soil would be from 8 to 10 maunds (of 15 seers) per acre, worth from Rs. 32 to Rs. 40 in ordinary years. We do not expect to get more than Rs. 35‡ for the cotton per acre in ordinary years.

The costs of cultivation also vary according to the quality of the soil. In the lighter soil they will be about as follows, when bullocks are hired and everything is done by hired labour :—

				Rs. a. p.
Weeding	...	...	...	4 0 0 per acre.
Hoing	...	...	...	2 0 0 do
Sowing	...	...	...	0 8 0 do.
Bakharing	...	...	...	0 4 0 do.
Picking about	...	...	...	0 5 0 per maund or Rs. 1-4-0 per acre.
Seed	...	...	...	0 12 0 per acre.
Cleaning	...	...	...	0 12 0 do.
Rent and cesses	...	...	...	0 9 0 do.
or about Rs. 9-2-0 per acre in all.				

*Now worth only Rs. 11 at present prices.

†Worth now Rs. 35.

‡Worth about Rs. 25 at present prices.

In better soil the cost may be Rs. 14 per acre as we have to do more weeding and the rent is heavier and the cost of picking is more. A pair of bullocks can cultivate 20 acres, and the cost of bullocks for 20 acres would be about Rs. 210 on inferior land and about Rs. 240 on the better land. Their working life is about eight years. If the cultivator and his family works all the time himself and keeps his own bullocks, the cost would be less, but the cost varies very much according to each cultivator's labour.

The clothing of an ordinary family in this village would cost about Rs. 50 per annum.

The profits from juar are about the same as from cotton, but we do not as a rule sell the juar, but keep it for food. The expenses for juar are less than for cotton as less weeding is required and we pay for the cutting in kind out of the crop. The expenses on mixed juar and cotton cultivation would not be more than Rs. 10 per acre. The outturn of juar varies from year to year, from 5 maunds per tiffan of 4 acres to 15 maunds per tiffan. The average outturn for the village may be taken at 10 maunds of juar for one tiffan of land. The average price of juar when sold is about Rs. 10 per maund. We also get about 700 poolas of kadbi in a tiffan which sells from Rs. 6 to Rs. 7 per 100 poolas when sold.

APPENDIX E-XVI.

COTTON ZONE, BERAR.

CHANDAS, TALUQ BASIM, DISTRICT AKOLA.

A village of 2,413 occupied area situated in the western half of the Basim taluq of the Akola district, 8 miles west of Malegaon on the Mehkar-Malegaon road, 64 miles east of Buldana and 27 miles west of Basim. The total assessment is Rs. 1,942 which represents 12 annas per acre.

The total cropped area is 2,054 acres and is distributed as under :—

	Acres.
Cotton	910
Juar	592
Wheat	113
Groundnut	200
Miscellaneous	239

Land values and finance.—The tenants after discussing the question assert that the average value of land in the village is about Rs. 100 per acre. Some land is worth Rs. 125, while some will fetch Rs. 50 only, but this is the worst land. In January 1929, 86 acres were sold for Rs. 7,292 at an average of nearly Rs. 90 per acre. They estimate that the total value of land in the village would therefore not be less than Rs. 2,40,000. We examined 20 leases and found that the average letting value up to now is Rs. 9 per acre or 12 times the average assessment.

But having regard to the recent great fall in the price of cotton we do not think it safe to estimate the total value in future at more than Rs. 2 lakhs at Rs. 80 per acre.

The main source of finances is the sowkar Ladh Ram, Marwari, who is the principal money-lender in the village. He has advanced Rs. 15,000 in this and the surrounding villages. He usually charges 12 per cent. The villagers say that he is a good man and tempers justice with mercy and does not trouble them. He does not advance money to every one, but only to those whom he trusts. Vithoba Nanaji, a local cultivator, is another money-lender. He advances petty sums and his business is not very extensive. Darga Das of Harral near Risod, some 12 miles away, is another money-lender. He is reported to do over one lakh of rupees of lending. He is also well spoken of.

Most of the cultivators borrow money as required for cultivating expenses, weeding, food, etc., and repay when the crop is marketed. The sowkars here charge 12 per cent for their loans to old customers and 25 per cent to new customers.

Trimbak Laxman says that he originally borrowed Rs. 800 for marriage, etc., some 20 years ago and has kept a running account repaying and borrowing from time to time. He sold 12 acres for Rs. 1,250 two years ago and sold some cotton and paid Rs. 1,600. He still owes Rs. 300. He is unable to give a detailed statement of how much he has repaid. Tenants say that they do not know how to keep accounts and accept the sowkars, accounts as correct.

Debts.—There are 102 occupants in the village, of whom 61 are indebted and 41 have no debts. The secured debt is Rs. 10,050 and unsecured is Rs. 32,680. From the unsecured a sum of Rs. 10,000 should be deducted as it is owed by two Marwari money-lenders who have borrowed that amount to do money-lending. Thus the total debt amounts to Rs. 32,730 which works out at Rs. 320 per kabjedar or Rs. 536 per indebted kabjedar or Rs. 16 per acre or $16\frac{1}{2}$ times the assessment. The 61 indebted kabjedars hold 1,150 acres at Rs. 307. The incidence per acre on this land is Rs. 29 per acre as against Rs. 100 present and a possible Rs. 80 future average value. Excluding three men Lahnu, Shaik Bhikan and Ramji Raghaji, whose land is heavily mortgaged, the mortgage debt per acre on land mortgages comes to Rs. 23. Nearly all the mortgage debt could therefore safely be amortised at a low rate of interest by a land mortgage bank. The cultivators stated that they would prefer to be financed direct by the Government with taccavi loans rather than that advances should be made to their mahajans at low rates of interest for making loans. Their objection to this latter scheme was that the mahajans would charge them higher interest than the Government. The people in this tract are more cut off from the towns and are less progressive than the Beraris below the ghats.

The debts were incurred for the following purposes :—

	Rs.
1. Repayment of old debt ...	1,000
2. Cultivation expenses ...	13,110
3. Purchase of land ...	8,350
4. Marriage and ceremonials ...	8,250
5. Family maintenance ...	850
6. House building ...	800
7. Pilgrimage ...	270
8. Litigation ...	100
Total ...	32,730

Cultivation of cotton.—Tenants say they usually get in average land two local khandis per tiffan of 4 acres or 10 maunds of 15 seers per acre. They say that one local khandi of 20 maunds sells at Rs. 75 when the price of the Akola standard khandi is Rs. 100. Now that the price of the Akola khandi is about Rs. 70, the price of local khandi will be about Rs. 52. The value of cotton in one acre will then be Rs. 26. The figures of local crop experiments seem to show that the cotton outturn is underestimated.

Juar.—Sells at Rs. 9 a maund of 88 seers. The average outturn they say is 3 maunds per acre. They sell all cotton, but not all the juar. They get Rs. 7 to Rs. 8 worth *kadbi* per acre which they feed to their cattle and do not sell.

The average cost of cultivation for juar and cotton according to the cultivators' statement is Rs. 10 an acre. Their holdings are always mixed as they sow both cotton and juar, but the juar

provides the cattle feed and the expenses of cultivation are otherwise less. It would be fair to take Rs. 12 and Rs. 8 as representing the costs of cotton and juar cultivation, respectively. The average net outturn for cotton will be Rs. 14 and for juar Rs. 19 (leaving the *kadbi* out) according to the cultivators. In addition they get about Rs. 2 of tur which they sow with the cotton and the same amount of urad with the juar. As has been remarked above, the cotton outturn has been probably underestimated. But the cotton prices have gone down so much that juar is probably more profitable than cotton at present, but with correct estimate of the cotton outturn, the difference between the profits of cotton and juar cultivation would possibly not be so much.

Groundnut.—In 4 acres 50 seers are sown. The price is Rs. 16 for a palla of 120 seers. Previously the villagers got Rs. 300 worth crop in a tiffan of land, but they state that for the last two years, they have been getting crop worth Rs. 100 only. The average outturn is Rs. 200 for 4 acres or Rs. 50 an acre. The cost of cultivation is about the same as that of cotton. Groundnut is no doubt a most valuable crop both for outturn and for rotation purposes and the area under it will probably now extend. According to the estimates of the cultivators themselves the total value of the cotton, juar and groundnut crops comes to Rs. 33,670, *i.e.*, to more than the total debt. If the value of the wheat and other crops is added to this, the proportion of debt to income will further be reduced. The average holding is of 24 acres which at Rs. 16 per acre would yield an average net profit of Rs. 384. But in the boom period when cotton sold at Rs. 250 in the Akola Mandi the net income must have been not less than Rs. 1,400 per holding.

Cost of maintenance.—This differs according to the number of persons in the family and their standard of living. The kabjedars' own estimates are as follows: There are 114 adult males and female 179 adults and 194 children in the families or 489 persons in all, and they estimate their total expenditure at Rs. 38,250 or Rs. 96 per head. They stated that in estimating their expenditure, they took into account the expenses they are obliged to incur on certain festivals and at deaths and births, etc. According to our enquiries in many Berar villages, we find that Rs. 300 a year is quite sufficient for the upkeep of an average middle class family of five. Circumstances of this village are not different from other villages and there seems to be no reason why a family of five should require Rs. 470. If a man earns more, he is justified in spending more, but they cannot complain of poverty under the circumstances.

On the whole, the village seems to have weathered the cotton boom well. The price of cotton is now little more than one-fourth what it was at the peak. Here, as elsewhere, the cultivators still seem to have rather extravagant ideas; but the number who lost their lands and have ruined themselves as a result of the boom are at the most only 2 or 3 in number. As usual, debt incurred for purchase of land in the boom is an important item Rs. 8,350. Marriage and ceremonials account

for Rs. 8,250. The largest item, however, is Rs. 13,110 for cultivating expenses, and more than half the cultivators habitually take short-term loans for their agricultural expenses repayable at harvest, all of which were still outstanding. As our enquiry was made before the harvest was over, this item is not surprising. At Rs. 10 per acre the total annual agricultural expenses of the village are between Rs. 20,000 and Rs. 24,000. The indigenous sowkars here, as elsewhere in this tract, seem to be functioning well in financing the seasonal loans. The principal requirement here as throughout Berar is a land mortgage bank to amortize the larger debts at a seasonable rate of interest.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 33,871.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Chandas	13	20	22	13	14	8	6	6	102

APPENDIX E-XVII.

COTTON ZONE, BERAR.

MALGANI, TALUQ CHIKHLI, DISTRICT BULDANA.

A typical village of the Buldana plateau with an area of 1,241 acres and population of 465 persons, situated 2 miles from Chikhli on the Chikhli-Buldana road. The total occupied area of the village is 1,191 acres and the revenue demand Rs. 1,369-2-0 or about Re. 1-5-0 per acre.

Cropping.—The cropped area of the village is 951 acres and is distributed under various crops as under :—

	Acres.
Cotton	300
Juar	344
Wheat	97
Linseed	2
Gram	19
Others	189

Finance.—The villagers borrow money from the Chikhli sowkars who are mostly Telis. One Lingayat Bania, of Satgaon also finances this village. The common rate of interest for mortgage loans is Re. 1-4-0 per cent and for simple loans is Rs. 2 per month. For simple debts, pro-notes and *dastavex* are executed. Borrowers have to purchase the stamped paper.

The total amount ordinarily required for financing agricultural operations is Rs. 10,000 a year and this sum is easily obtained from the sowkars. The only trouble is the high rate of interest.

Tenants.—There are 58 kabjedars in the village cultivating 821.28 acres at Rs. 969-1-9 in the village and 214 acres on Rs. 231-7-0 elsewhere. The remaining 130 acres of land in the village is being habitually let out on *theka* to others.

Land values.—The average-letting value is Rs. 14 per acre. Good cotton and juar land is sold for Rs. 150 an acre nowadays. Light soil is sold at Rs. 60 to Rs. 75 per acre. The average value is about Rs. 125 per acre.

Debts.—The total debt due from the kabjedars is Rs. 55,729 of which Rs. 38,515 or 67 per cent is secured and Rs. 17,214 or 33 per cent is unsecured. The sources and purposes for which the debt was taken are as given below :—

<i>Sources.</i>		Rs.
Mahajan	...	54,546
Co-operative	...	1,149
Government	...	34
Total		55,729

Purposes.

	Rs.
Repayment of earlier debt	... 30,109
Seed, manure and agricultural operations	... 10,328
Purchase of land	... 8,300
Building agricultural houses	... 850
Marriage and ceremonies	... 4,761
Litigation	... 591
Maintenance	... 790
Total	... 55,729

Leaving out the old debts, 80 per cent is for productive and 20 per cent for unproductive purposes. More than 50 per cent is old debt which here, as elsewhere, is a heavy burden on the people.

People welcome the idea of a land mortgage bank or any other institution for supplying long-term credit at a cheap rate of interest. They say that Government should give taccavi more liberally and for all purposes if it really wants to help the people.

Of the 58 kabjedars, 12 are free from debt. The debt thus works out at Rs. 960 per kabjedar or Rs. 1,211 per indebted kabjedar or Rs. 47 per acre. The following are indebted beyond hope of redemption :—

1	Area held.	Rent paid.	Debt owed.
	2	3	4
	Acres.	Rs.	Rs.
1. Tukaram Yado	36	34	4,335
2. Bhawani Singh	31	41	5,565
3. Gajaba	28	37	4,020
4. Sadashiv Punjabi	48	41	5,377
Total	143	153	19,297

They, between them, owe nearly 40 per cent of the total debts of the village. They ask that Government should advance taccavi on a long-term in sums equal to the market value of their lands. They say this will save them from ruin.

Members of co-operative societies.—Of these members, 9 are indebted to the society to the extent of Rs. 1,149 and to sowkars to the extent of Rs. 16,576. They hold 269 acres of land at Rs. 305. The average debt is Rs. 1,969 per indebted member, or Rs. 61 per acre or 54 times the assessment. Here, as elsewhere, the members of the co-operative credit society have borrowed freely from all sources and hence are more heavily indebted than others. The so-called co-operative credit society is

simply an agency for borrowing more money. These 9 members are responsible for about half the debt of the village. Mr. Kshirsagar, the Honorary Secretary, Central Bank, Buldana, very kindly attended the enquiry and helped us to find out the facts.

Cost and profits of cultivation.—This differs from cultivator to cultivator according to the nature of the soil, methods of cultivation and personal industry. But the people agreed on the following estimate as a fair average :—

	Per acre.
	Rs. a. p.
Preparatory tillage, i.e., removal of kopal and kunda	1 8 0
Summer bakhering	1 4 0
Cotton seed 12 lbs. per acre	0 6 0
Sowing charges	1 8 0
Two weedings	6 0 0
Hoeing	3 0 0
Picking at Re. 0-4-0 a maund	5 0 0 if the crop is 20 maunds.
	or 2 8 0 if the crop is 10 maunds.
Average	3 12 0
Land revenue	1 8 0
Total	21 6 0

This is for cultivation done entirely by hired labour and hired bullocks. A cultivator working himself and owning a pair of bullocks requires much less. A pair of plough bullocks is bought at Rs. 125 to Rs. 150 and works on an average for six to eight years. People say that a pair of bullocks will suffice for 16 acres. The depreciation will therefore be Re. 1-2-0 per acre. Juar cultivation requires about two-thirds of the cost of cotton cultivation.

Outturn.—In good soil people say that they get 20 maunds of 14 seers or 560 pounds and in ordinary soil, 10 maunds or 280 pounds. They consider 15 maunds per acre to be a fair average for the village, i.e., 420 pounds per acre worth Rs. 40 when the khandi is Rs. 82 in Khamgaon, but not more than Rs. 35 at the present price of Rs. 70 per khandi at Khamgaon. With the fall in cotton prices, people say that the net profit from cotton is less than from juar. The net profit will vary from Rs. 20 to Rs. 25 per acre. But everything depends on the price of cotton.

Subsidiary income.—Some cultivators have a subsidiary income from carting and labour. Some sell *ghee* and *karbi*. The total income from all these sources is estimated at Rs. 8,700 or an average of Rs. 152 per kabejdar.

Costs of maintenance.—There are 89 adult males, 107 adult females and 124 children in the families of 58 kabjedars. Thus the average family in the village consists of a little over five persons. Their individual estimates of their cost of living total Rs. 14,450 or an average of Rs. 250 per kabjeddar. The average holding in the village is a little over 18 acres. The net average annual income from an average holding would not appear to be less than Rs. 340. The village is near the market town of Chikhli, where ample employment is available.

Thus in a normal year there is a good margin for other expenses. But in years of partial failures of crops, they cannot save anything.

The interest charges on the total debt approximates to Rs. 10,000 per annum or over seven times the land revenue.

There can be no economic development until the old debts are amortized at a reasonable rate of interest. This could only be done by a land mortgage bank. If this can be done, the existing financial agencies will suffice for short-term requirements.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 8,900.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Malghani	15	8	12	6	3	4	7	3	58

APPENDIX E-XVIII.
COTTON ZONE, BERAR.

ANJANI BUZRUK, TALUQ MEHKAR, DISTRICT BULDANA.

A big village of 6,689 acres in the Mehkar taluq of the Buldana district, 10 miles from Mehkar on the Mehkar-Basim road. The total cropped area is 6,394 acres and the land revenue demand Rs. 7,242. The principal crops are—

	Acres
Cotton	1,600
Juar	1,037
Wheat	1,825
Others	1,932

The kabjedars hold 3,936 acres at Rs. 5,001 in other villages. Thus the total land owned by these kabjedars is 10,625 acres at Rs. 12,243.

Land values.—After the fall in the prices of cotton, the average price of land averages nowadays Rs. 175 per acre and the average letting value is Rs. 14 per acre. This is a fairly prosperous village. The village is not far off from the Hyderabad State borders.

Finance.—People borrow either from local mahajans or the co-operative society. The mahajans are either Marwaris, or Komtis. Some of the bigger cultivators also do a little money-lending. On mortgages the most common rate of interest is 18 per cent and on simple bonds 24 per cent. 24 per cent on mortgages and 36 per cent on simple loans are not unusual, seasonal loans advanced for six to eight months carry, generally speaking, 36 per cent. Pro-notes, *dastavez* are instruments of credit. Loans on mortgages are generally taken for three years and simple loans for one year. Majority of the borrowers repay in time. These do not have to pay penal rate of interest. Big and respectable money-lenders pass receipts and are said to keep proper accounts. Upstarts do not pass receipts and even when loans are repaid, file civil suits to recover the loans. People therefore suggest that money-lenders should be compelled to keep accounts on books supplied by Government on payment and that the mahajans should give copies of accounts to borrowers.

People say that co-operative bank charges Rs. 12 and on default Rs. 15 interest. They therefore do not feel enthusiastic about it. There are 23 members of the society; but their borrowings are not confined to the bank alone, as they borrow from mahajans as well.

Seasonal loans are taken in Ashad and generally repaid at the harvest.

Debts.—There are 164 kabjedars in all, of whom 108 are indebted and 56 are free from debt. The total debt is Rs. 1,37,866 which is made up of Rs. 67,921 or 49 per cent secured and Rs. 69,945 or 51 per cent unsecured. It works out at Rs. 840 per kabjeddar or Rs. 1,267 per indebted kabjeddar or

Rs. 12 per acre or 11 times the assessment. Of the indebted kabjedars, the following are heavily indebted :—

	Acres.	Land revenue.	Debt.
1	2	3	4
	Acres.	Rs.	Rs.
1. Akbar Ali ...	10	12	2,000
2. Udaji Mate ...	7	11	2,250
3. Kailaspuri ...	55	59	10,700
4. Deoba Kanhu ...	11	14	2,600
5. Narayan ...	20	24	3,000
6. Bhaorao ...	250	297	5,054
7. Vikram ...	9	12	8,000
8. Shankarsingh ...	96	93	4,225
9. Syed Amir ...	85	99	7,000
Total ...	543	621	44,829

Nos. 6 and 8 can be helped by amortization. The others seem bound to lose their land in the absence of any special conciliation proceedings. It is seen that 7 out of 164 or 4 per cent only are more or less hopelessly indebted. It will be seen that about 35 per cent of the total debt is due from the above nine persons only. If these are excluded, the total debt on 99 indebted persons will be Rs. 93,037 or Rs. 939 per indebted kabjeddar.

The 23 members of the co-operative society own 1,252 acres at Rs. 1,421 and owe Rs. 13,407 to the bank and Rs. 43,696 to mahajans. Thus the total debt due from these 23 members is Rs. 57,105 or Rs. 2,482 per member or Rs. 45 per acre or 40 times the assessment.

It is clear that the members of the society are very much more heavily indebted than non-members and that it would be most misleading to calculate the indebtedness of the province on the basis of the debts of co-operative society members.

The purposes for which debt was taken are as under :—

	Rs.
Repayment of old debt ...	27,216
Arrears of land revenue ...	1,200
Marriage and ceremonies ...	34,864
Purchase of land ...	29,615
Seasonal agricultural expenses, seed, wages, etc. ...	27,821
Litigation ...	7,150
Total ...	1,27,866

Costs and profits of cultivation.—These differ from kabjedar to kabjedar and depend on various factors, i.e., the nature of the soil, method of cultivation, individual industry, rain, etc. But an idea of the average cost can be had from the following estimate made by the cultivators themselves:—

Cotton—

			Rs. a. p.
Koplya, etc.	...	...	1 8 0 per acre.
Seed and sowing	...	...	3 0 0
Weedings (2)	...	...	3 0 0
Davaran	...	...	1 8 0
Picking	...	...	3 12 0
Assessment	...	...	3 8 0
Total			16 4 0

A pair of bullocks is bought for Rs. 100 and works for six years and manages 20 acres. Depreciation will be 12 annas per acre. Total expenses Rs. 17 per acre.

Juar.—The cost of juar cultivation is about two-thirds of that of cotton.

These estimates are for those who employ hired labour. Labour is less expensive in this upland tract than in the Purna valley near the railway and big towns. Bhagwan Shivram of Shegaon who was present at our enquiry gave his own figures for cultivating 15 acres of land as follows:—

			Rs. a. p.
3 maunds cotton seed	...	...	6 0 0
1½ maunds wheat seed	...	...	24 0 0
12 pailis lac	...	...	9 0 0
1 paili tur	...	...	0 8 0
Labour on all operations: he and three members of his family work in the field. These charges represent the extra labour he has to employ.	...	...	20 0 0
Carpenter, 8 pailis	...	...	5 8 0
Bullock feed (sarki)	...	...	10 0 0
Rent	...	...	45 0 0
			120 0 0

This is what a man working in the field with the family requires.

Outturn.—Cotton.—In good soil people say they get a khandi of 20 maunds of 12 seers each per acre which means 480 pounds and 10 maunds in the ordinary land. Taking 15 maunds to be the average outturn, the value will come to Rs. 41 at the rate of Rs. 55 a local khandi or Rs. 36 at present prices. The net profit will vary between Rs. 27 to Rs. 22 at Rs. 55 per local khandi. If the price of cotton goes down further, the profits will, of course, further decrease. If the price be at Rs. 70 per standard khandi or Rs. 44 per local khandi the net profit will not be above Rs. 18 per acre on the average.

Juar.—In good soil people get 5 maunds per acre (1 maund is equal to 96 seers) and in ordinary soil 3 maunds. Taking the average at 4 maunds per acre, the gross income comes to Rs. 36 per acre at Rs. 9 a maund. The net profit will be about Rs. 28 to Rs. 30 excluding *karbi*.

Wheat.—In good soil people say they get eight times the seed sown and in ordinary land 4 to 5 times. Taking the average outturn, the value per acre will be about Rs. 39. The cost of cultivation is the same as for cotton, and the net profit will be about Rs. 27.

The average gross outturn of a mixed holding will be about Rs. 37 per acre and taking the average cost of cultivation at Rs. 12 per acre, the net profit per acre comes to about Rs. 25 per acre, but the area under cotton at present prices is apparently less paying than wheat and *juar* and will yield less than Rs. 25 per acre the all round average for mixed cropping.

Costs of maintenance.—The 164 kabjedars have 200 male adults, 266 female adults and 370 children, in all 836. The average family therefore is of five persons. According to the estimates of the kabjedars, they state that they actually spend Rs. 99,358 on food and clothing which comes to Rs. 605 per family. A man is undoubtedly at liberty to spend whatever he likes. We are concerned with what an average family of 5 persons really requires. The following estimate is prepared on this basis:—

	Rs.	a.	p.		Rs.	a.	p.
Juar 4 khandis ...	120	0	0	Dhotis 2 pairs ...	9	0	0
Wheat 10 kuros ...	25	8	0	Kurtas 4 ...	4	0	0
Rice 5 kuros ...	12	8	0	Coat 1 ...	4	0	0
Dal 8 kudoes ...	22	8	0	Dupattas ...	3	0	0
Oil ...	12	0	0	Pagotis 2 ...	4	0	0
Salt ...	2	0	0	Shoes 1 pair ...	2	8	0
Kerosene ...	8	0	0	Sadis 2 ...	15	0	0
Vegetables, ghee, chillies, etc.	36	0	0	Cholis 6 ...	18	0	0
				Children ...			
Total ...	238	8	0	Total ...	59	8	0

Grand total nearly Rs. 300.

Men of status will use sugar and *ghee* instead of oil and *gur* and may require more clothes, but small cultivators will not even require Rs. 300 a year. They may spend Rs. 650 as they allege, because they can afford to do so. One thing is clear that they have not incurred debts for maintenance as will appear from the purposes for which debts were taken.

Non-agricultural income.—The kabjedars have other sources of income as well. Bigger cultivators do money-lending, sell *ghee*, others earn by carting and labour. Still others keep shops. Some sell *kadba*. The total income of all the kabjedars from these sources, according to their own estimate, comes to Rs. 33,184 or Rs. 208 per kabjeddar.

With the exception of the 4 per cent kabjedars mentioned above, the others are in a financially strong position. The chief trouble is the present low price of cotton. In the cotton boom there was a mania for purchasing land at the high prices then prevailing. The Beraris made a very natural error in calculating

the trend of future prices and are now saddled with these debts. But, although the high interest charges give rise to anxiety, the amount of capital debt is not beyond their paying capacity, provided the debts are amortized at a low rate of interest. The present arrangements for short-term loans will suffice if a land mortgage bank for financing long-term loans is established.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 39,194.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Anjani Buzruk ...	8	23	18	24	17	18	10	46	164

ANJANI BUZRUK.

1. Malharrao of Shelgaon Deshmukh ...
 2. Gyanba of Madni ...
 3. Tulsiram of Madni ...
 4. Sheoram Patel of Ishwari ...
- } and others of these and
} other villages present.

They and the people of Anjani Buzruk after consultation made the following statement :—

We borrow from the local mahajans or Co-operative Bank, Mehkar. The mahajans are mostly Marwaris and Komtis. Some prosperous Kunbi cultivators do money-lending, but they are few. On mortgages the rate of interest charged is Re. 1-4-0 per cent, on simple debt over Re. 1-8-0 per cent. Pro-notes, *dastavez* and *akadas* are the instruments on which simple debt is advanced. The duration is generally three years. In ordinary circumstances people repay the loans according to the agreement. It is rarely that defaults are made. In the event of default, compound interest is charged and the old debt renewed. Receipts are granted and accounts are properly kept by respectable mahajans. Upstarts do not as a rule pass receipts unless a debtor presses for it. And in some cases receipts are not given even then and suits are filed. Courts do not accept oral pleas of repayment unless receipts are filed, and thus the debtors have to pay twice over. We propose that mahajans should be made to keep accounts on books obtained from Treasury Officers and certified by him to contain certain number of pages. Also the mahajans should be made to give a copy of account to their clients.

Co-operative bank charged Rs. 12 and on default Rs. 15. The rate being almost the same, we do not like the bank. As a matter of fact a mahajan is more considerate than a bank. He advances at any time and extends the time of repayment in times of need, but the bank is nowadays very strict and attaches property. That is why we do not much care for it.

A cultivator requires loans in Ashad for agricultural purposes, as wages of agricultural labour are paid in cash. In normal years this kind of loan is annually repaid after the crops are harvested.

We reserve juar for consumption and seed and sell cotton in Akola and Malegaon. We have no complaint against the cotton market practices.

Malharrao has recently purchased 14 acres for Rs. 1,450. He borrowed only Rs. 400. The rest he had with him. They are the profits of his cultivation.

Only recently 26 acres of land was sold for Rs. 1,900 here. It was not a fair price as it was sold by co-operative bank for their money. If taccavi is granted for all purposes, we shall gladly take it. At present we get only for bullocks and seed or for land improvement.

Sitaram Patel, an old man, says that the strong point of taccavi is that it is recovered rigorously. Debt therefore does not swell.

We want that some arrangement be made whereby we may get cheap money to pay off old debt which carried heavy interest.

Bhagwan Shivram of Shegaon—

I own 19 acres of land at Rs. 29. I own a pair of bullocks. I purchased it for Rs. 110 two years back. I borrowed only Rs. 50 at 2 per cent. I have paid Rs. 35. I owe only Rs. 25 now. A pair works for ten years.

Cost of cultivation of 15 acres of land.—

	Rs.	a.	p.	
3 maunds cotton seed	6	0	0
1½ maunds wheat	24	0	0
12 paili lac	9	0	0
1 paili juar	0	8	0
Labour on all operations	20	0	0
				I work with 3 other members of the family.
Carpenter 8 paili	5	8	0
10 maunds sarki for bullocks	10	0	0
Total	...	75	0	0

I incurred no other expenses. I did not purchase *dandi* or *bakhar* or anything or iron for plough.

Bansilal Narsinghdass, Marwari, one of the principal indigenous bankers and Honorary Magistrate, Buldana, states—

We have great trouble in recovering our money owing to the court's delays and delays in execution of decrees. Also people take advantage of this Insolvency Act and become insolvents. The courts do not make full enquiries.

Still the usual rate of interest is 12 per cent on mortgages and also without mortgage to solvent and substantial landholders.

I do not charge more than 24 per cent in any case. I do not lend money to people who have no assets or who are not in a position to repay and so I do not charge higher interest.

I have about one lakh's business in lending. I have about 460 acres of land also.

I got this in payment of debts during the last 50 years. I do not cultivate the land myself. I sublet it. But I get no proper profits and I do not want more land.

Mr. Amrti Waman Dalal of Buldana, Honorary Magistrate, reported to have some 20 lakhs of business, states—

To a few persons who are my cultivators, etc., I lend out small sums occasionally. But as a general rule, I do not lend sums less than Rs. 2,000. I have individual debtors to whom I have advanced as much as one lakh of rupees. I only advance on security. I have not a large number of debtors, but I deal large sums on good security.

I usually do not charge more than 9 per cent per annum. I carry on my business on my own capital. I do not take any deposits from others and I do not take advances from others for carrying on business.

I should not be prepared to take advances from a bank or elsewhere for the purpose of business as money-lending has become very risky nowadays.

People become insolvent nowadays and I lose my money.

Mr. Lanka recently did so. He borrowed Rs. 50,000 at 6 per cent without security. He is a commission agent and cotton merchant in Bombay and had a big business. I made advances to him from time to time during the last 30 years. He was recently declared a bankrupt in Bombay. I do not know how much I shall get, perhaps 4 annas in the rupee. I am in favour of a land mortgage bank. I agree with the opinion jointly submitted by us on behalf of the Co-operative Credit Society, Buldana, by Mr. Kale, M.L.C.

APPENDIX E-XIX.

COTTON ZONE, BERAR.

DHARANGAON, TALUQ MALKAPUR, DISTRICT BULDANA.

This is a very large and fertile village, about 3 miles to the west of Malkapur and not far from the borders of the east Khandedh district of the Bombay Presidency. The abadi is a large one with a number of fine two and three storied substantially built houses. The total population is 1,249 and there are a number of non-agriculturists resident here. The labouring classes find ample employment on good wages in Malkapur town adjoining. The total occupied area of the village is 2,166 acres and the assessment is Rs. 5,763 or an average of approximately Rs. 2-12-0 per acre. 2,102 acres are at present under crop. The principal crops are as follows :—

	Acres.
Cotton	754
Juar	349
Groundnut	381
Tur	60
Urad	68
Miscellaneous	121

Tur and Urad are not sown separately, but are sown with the cotton and juar, respectively, there being 814 acres under cotton and tur and 417 acres under juar and urad.

Land Values.—The general position here is very level and the soils are very rich, deep and fertile. We have examined 16 sale-deeds executed between 1927 and 1929 and found that 56 acres of land have been sold for Rs. 33,750 or an average of Rs. 612 per acre. On the 3rd April 1929, 3 acres of land were sold for Rs. 3,000 or at Rs. 1,000 per acre. We similarly examined 17 lease-deeds which showed that, during the same period 168 acres were leased out for Rs. 5,416 or at an average of Rs. 32-4-0 per acre. The cultivators state that, at the time of the cotton boom, the average value of land here was not less than Rs. 2,000 per acre, but its present value is about Rs. 600 per acre.

Costs and profits of agriculture.—We asked the cultivators to consult and give us their joint estimate of the ordinary costs of cultivation with hired bullocks and hired labour, and they gave the following estimate :—

	Per acre.
	Rs. a. p.
Cotton	
Clearing of cotton stalks, etc., and bakhering in the hot weather.	3 0 0
Cotton seed 5 to 6 seers per acre	0 12 0
Tur seed	0 2 0
Weeding (three weedings in all)	4 8 0
Sowing per acre	2 0 0
Hoing per acre	3 0 0
Picking Rs. 5 per standard khandi of 394 seers, i. e., Rs. 3-8-0 when the crop is 20 maunds per acre, and an average of Rs. 3 per acre.	3 0 0

Total ... 16 6 0

They stated that those persons who keep their own bullocks and work with their families in the fields will incur less expenses.

Juar.—The expenses for juar cultivation and for groundnut they estimated as follows:—

<i>Juar.</i>		<i>Groundnut.</i>	
	Rs. a. p.		Rs. a. p.
Seed 1½ to 2 seers per acre.	0 4 0	Seed, 20 seers	5 0 0
Urad, 3 seers	0 6 0	Weeding	4 8 0
Weeding	2 0 0	Hoeing	3 0 0
Cutting	2 0 0	Sowing	2 0 0
Sowing	2 0 0	Digging up and collecting at Rs. 1-8-0 per paili.	7 8 0
Hoeing	3 0 0		
Total	9 10 0	Total	22 0 0

Outturn—Cotton.—They stated that the average outturn in this village varied between 15 and 20 maunds of 14 seers per acre. They stated that some of the best soils were capable of producing one full standard khandi per acre: but this was above the average. They estimated the average outturn between 15 to 20 maunds per acre, which represents a value of Rs. 63-8-0 when the standard khandi is sold at Rs. 100 which was a fair average rate in Malkapur during the last two years. The price, however, has now gone down to about Rs. 70 per khandi so that the value of the average gross outturn at present would not be more than Rs. 45 per acre. They stated that in the boom year the cotton outturn was worth not less than Rs. 200 per acre; but those days had gone now and it was idle to regret. In addition they expected to obtain about Rs. 5 of tur per acre with the cotton, so that even at the present low price of cotton, the average value of the gross outturn per acre would be Rs. 50.

Juar.—They estimated the average outturn at 10 maunds of 48 seers per acre valued at Rs. 50. They stated that they usually got Rs. 6 or Rs. 7 worth of urad in addition.

There are 213 kabjedars in the village and the average holding is 10 acres only. They say that many of the cultivators use hired bullocks in which case they sell most of their *karbi*, but that a pair of bullocks could cultivate 20 acres of land and that the *karbi* of 4 acres was sufficient for their fodder throughout the year. They stated that the price of a decent pair of bullocks was between Rs. 125 and Rs. 150 and that their working life was from 8 to 10 years. They stated that in this tract there had been no cattle disease for some years. On a holding of 20 acres, the annual capital depreciation on a pair of bullocks would therefore be between 12 to 14 annas per acre only. They stated that people with smaller holdings of 8 to 10 acres either keep cheaper bullocks worth Rs. 50 and feed them less or else take bullocks on hire. They estimated the outturn of *karbi* at Rs. 8 or Rs. 9 per acre, half at least of which they sell, so that the *karbi* produced in the juar land for sale would be worth another Rs. 4 per acre. This gives, for juar, a gross outturn of just over Rs. 60 per acre.

Groundnut.—They say that 5 to 6 pails is the average outturn worth Rs. 15 per pail or Rs. 75 to Rs. 90. They say that the average gross value of the groundnut per acre would be Rs. 82. In conclusion the villagers stated that these estimates were based on the crop outturns of the last couple of years, which they estimated at 12 annas. In a good year they get more and in a bad year they get less. They stated that the expenses of a small man whose family works in the field would be less. It appears, however, that, at present prices, the net profits are approximately not less than the following :—

	Rs.	Rs.	Rs.
Cotton	...	50 minus 15 = 35	per acre.
Juar	...	60 minus 9 = 51	do.
Groundnut	...	82 minus 22 = 60	do.

Out of which they have to pay Rs. 2-12-0 per acre rent.

At the time when we visited the village, the price of cotton was about Rs. 90 per standard khandi: but the cultivators then stated that, if there was any further fall in the price of cotton, it would become less remunerative than juar.

In spite of the great fall in the price, agriculture in this village is still yielding a good income although in the boom years the net income from 10 acres of land must have been not less than Rs. 800 or Rs. 900.

Costs of maintenance and clothing.—An average family of five persons requires :

	Rs.	a.	p.
Juar 4 khandis	...	120	0 0
Wheat, 5 kudo	...	12	8 0
Rice, 10 kudo	...	20	0 0
Dal, 8 kudo	...	22	8 0
Oil	...	12	0 0
Salt	...	2	0 0
Kerosene	...	8	0 0
Vegetables, ghee, etc.	...	30	0 0
Total	...	227	0 0

People do not use rice and wheat daily, but on festivals. This includes occasional caste feasts also :—

	Rs.
Dhotis, 2 pairs	9
Kurtas, 4	5
Cost 1	5
Dripparts 2	3
Paote 1	4
Shoes 1 pair	3
Sadis 4	16
Cholis 2	8
Children 3	20
Total	73
Total expenses	300

The total amount required by the 213 kabjedars to feed and clothe themselves and their families would then come to Rs. 63,900. Even at present prices, the net profits from agriculture in the present year in this village cannot have been much less than Rs. 80,000, while, even if the whole area had been leased out to others at the present average letting value, the kabjedars would have obtained an income of Rs. 67,264, which is Rs. 3,664 more than they state, is required for their maintenance. They have, however, to pay their rent in addition to these estimated expenses.

Taking the average holding at 10 acres, at present prices the position would be—

	Rs.
Maintenance and clothing	... 300
Rent	... 27
	—
Total	... 327
	—

Net profits of agriculture not less than Rs. 400.

Subsidiary income.—But the people of this village are not solely dependent on agriculture. Some of them do money-lending and shop-keeping. The small men work on wages in their spare time: while others sell *ghee* or breed cattle. The total income according to the individual estimates of the cultivators themselves from all these sources comes to Rs. 53,221 or approximately Rs. 250 per kabjedar. It is clear that this is a most valuable village where agriculture, even under adverse circumstances, is a profitable business. It is typical of the rich portions of the Malkapur and Jalgaon haveli.

Sources of finance.—The only source of credit is the mahajan. There are several local Marwaris who do money-lending in the village and charge anything from Rs. 18 to Rs. 36 per cent. The most common rate is 24 per cent. No distinction is made between a mortgage and simple debt. It depends on the personal credit of the borrower. The Malkapur sowkars also lend money to the cultivators of this village. About 60 per cent of the cultivators borrow every year for seasonal requirements and repay at harvest. The complaint of the sowkars is that loans are not usually repaid in time and therefore they have to keep men to go round to realize them and this enhances the interest charges. Small loans are generally advanced on personal security: but when the sum grows to be so big as to cause anxiety to the sowkar, a mortgage is executed.

Debts.—There are 213 kabjedars in the village. Of them 124 are entirely free from debt and only 89 are indebted. The total debt amounts to Rs. 1,04,658. Of this Rs. 61,282 or about 61 per cent is secured and Rs. 43,376 or about 39 per cent is unsecured. The burden of debt comes to Rs. 491 per kabjedar or

Rs. 1,176 per indebted kabjedar or Rs. 47 per acre or 18 times the land revenue. The following have big debts :—

	Area held.	Rent paid.	Debt owed.
1	2	3	4
		Rs.	Rs.
1. Akram ...	4	10	2,514
2. Tikamadas ...	20	70	6,200
3. Narayandas ...	28	55	8,000
4. Ninu Dama ...	10	34	3,200
5. Shankar Ananda ...	19	74	24,000
Total ...	81	243	43,914

Only 1 and 5 can be considered to be involved beyond hope of redemption. This represents under 1 per cent of the total number of kabjedars in the village. It will be seen that about 40 per cent of the total debt is due from the above unlucky five. If these are excluded, we find that the total debt on the 84 indebted kabjedars comes to Rs. 60,744 or Rs. 723 per kabjedar or Rs. 31 per acre or 11 times the land revenue. The value of land here is Rs. 612 per acre, so that the debt is 5 per cent of the value of the land held by the debtors.

Purposes of debts.—The purposes for which the debt was taken are as under :—

		Rs.
Repayment of old debt	...	36,389
Purchase of land	...	52,949
Marriage and ceremonials	...	8,145
House building	...	7,175
Total	...	1,04,658

It will be seen that about half the debt is for the purchase of land. When the prices suddenly rose to Rs. 250 per standard khandi of cotton, yielding a net profit per acre in this village of Rs. 175 to Rs. 200 per acre, there was a natural rush to purchase land. Those who had not ready capital borrowed money to make what then appeared to be a most profitable investment. With land yielding a net profit of nearly Rs. 200 per acre, even Rs. 2,000 per acre would not appear to be too high a price. There was a natural reaction and fall in land values with the fall in the price of cotton, so that many cultivators are now saddled with debts incurred in purchasing land which is now not worth the amount of money which they borrowed in order to purchase it. Even then, all the cultivators, with the exception of the two mentioned above, would be able to pay off their debts if they received time

to do so, although the present high rate of interest which produces an annual interest charge of over Rs. 20,000 per annum will at present cotton prices be of itself a very heavy burden.

It would not be possible to find a clearer case to justify the creation of a land mortgage bank. All that these persons require is the amortization of the old debts at a reasonable rate of interest. It should be noted that, at the time of the cotton boom, the value of land in this village reached a total figure not far short of 40 lakhs of rupees and at present values, it is worth over 12 lakhs of rupees. Under such circumstances, it cannot be said that the cultivators of this village have incurred debts anything near the full limit of their credit. One school is of the opinion that the indebtedness of the agriculturist is only limited by the amount of his credit. This is one of the many instances which can be quoted to show that this opinion is erroneous. Having regard to the extraordinary boom period through which they have passed, the cultivators appear to have kept their heads very well. Although there is undoubtedly wide scope for a thrift campaign if proper savings bank facilities could be organized, there is no reason to believe that, if these debts were amortized at a low rate of interest, the cultivators would make use of the credit facilities afforded to them to incur fresh debts. We visited many of their houses and had long discussions with them, and we were all of the opinion that they were a very sane and sensible body of men deserving all possible assistance in the present misfortune which has befallen them through no fault of their own.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 46,446.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Dharangaon	61	38	28	14	8	3	7	8	167

APPENDIX E-XX.

COTTON ZONE, BERAR.

LASUR, TALUQ KHAMGAON, DISTRICT BULDANA.

Lasur lies half way between the big markets of Khamgoan and Shegaon in the Khamgaon taluq of the Buldana district. It is typical of the better portion of this taluq. The area of the village is 1,920 acres and the occupied area is 1,872 acres. The population of the village, at last census, was 554. There are thus 3½ acres per head of population. The principal crops are—

	Acres
Juar	698
Cotton	925
Tur	42
Gram	115

There are 159 kabjedars, of whom 64, holding 909 acres, are resident in the village and 95, holding 963 acres, live outside the village.

Land values.—The land of the village is fertile and valuable. We examined 20 sale-deeds and found that recent selling prices averaged Rs. 336 per acre. The price of cotton during the period had not averaged less than Rs. 100 per standard khandi: but it has since fallen to Rs. 60 and is now fairly stable round about Rs. 70. This is likely to reduce land values to an average not above Rs. 250.

Costs and profits of cultivation.—The profits of cultivation depend on the quality of the land and the skill and industry of the cultivator. The cultivators considered the estimate of Pandhari to be fairly typical of the village. Pandhari has got 11 acres 28 gunthas for which he pays a revenue of Rs. 26-4-3. This is his estimate of costs and profits of cultivation:—

Outturn.

	Rs.	a.	p.	Rs.	a.	p.
Cotton, 3½ khandis at Rs. 72	...	234	0	0		
Juar, 1½ khandis at Rs. 100	...	150	0	0		
Urad, 6 pailis	...	3	0	0		
Tur, 8 pailis	...	5	0	0		
					392	0 0

Expenditure.

Seed—

Cotton, 4 maunds	...	8	0	0
Juar, 3 pailis	...	1	2	0
Do. 2 pailis	...	1	0	0
Tur, ½ paili	...	0	5	6
				10 7

Wages—

		Rs.	a.	p.	
	Brought forward	10	7	0	
Deora	...	6	0	0	
Weeding	...	22	0	0	
Cotton picking	...	15	0	0	
Juar cutting	...	2	0	0	
Carpenter	...	3	0	0	
Lohar	...	10	0	0	
					58 0 0
Capital depreciation on cost of bullocks	...	17	0	0	
Bullock feed	...	32	0	0	
Implements	...	3	0	0	52 0 0
	Total	120	7	0	
Gross profit	...	271	9	0	
Less rent and cess at Rs. 2-8-0 per acre.	...				
Net profit per acre is Rs. 24 minus Rs. 2-8-0 or Rs. 21-8-0 per acre.					

This is a very small return for a rich village like this, when compared with the cotton boom figures. At the height of the boom, the net outturn of this holding would have been about Rs. 1,000 instead of Rs. 271.

Even when cotton sells at Rs. 100 per standard khandi, the net profit from cotton alone would be over Rs. 90 more, giving an average of Rs. 30 per acre instead of Rs. 21-8-0 at present. At present prices, the net profits in this rich village are much less than those in villages of the same fertility of the rice and wheat zones. The extreme fluctuations in cotton prices have ruined some of the unwary and have unsettled the whole economic life of Berar.

Outturn.—Ramdas Haridas Gosain, who cultivates 45 acres, says he gets on an average half a khandi per acre. But Govinda Jomaji, Beosam Atmaram, Sheoram, Sitaram, Madho Patil, Jagdeo and others say that Ramdas' lands are below the average and that for good land the average outturn is 4 to 5 khandis per tiffan (4 acres). This is the local khandi of 20 maunds of 14 seers, i.e., 280 seers. They also get 1 maund of tur worth Rs. 4 per acre with the cotton. The net profit from juar and cotton, at present prices, they say, is about the same. The only difference is that cotton is always saleable at once in the cotton markets, while juar does not find such a ready wholesale market. The juar khandi is of 20 maunds of 48 seers, or 960 seers. The price is Rs. 100 per khandi. The average outturn is about 1 khandi per tiffan, i.e., $\frac{1}{4}$ khandi per acre. There will also be Rs. 5 or Rs. 6 worth of karbi net after feeding the bullocks. They also get about Rs. 2 worth of mung and urad per acre under juar. The costs of cultivating juar are about two-thirds those of cotton.

Debts.—The total debt comes to Rs. 58,453 of which Rs. 48,422 is secured and Rs. 10,031 is unsecured. The proportion of secured and unsecured debt comes to 5:1. There are 159 kabjedars in the village, of whom 74 are entirely free from debt. Of the 85 indebted kabjedars, 58 have mortgaged their lands. In this village, about 33 per cent of the kabjedars have mortgaged lands, an usually high percentage. The debt comes to Rs. 31 per acre of occupied area, Rs. 368 per kabjedar or Rs. 687 per

indebted kabjedar and 16 times the revenue demand. The area held by the 85 indebted kabjedars is 320 acres. The debt per head of indebted kabjedars therefore comes to Rs. 687 and that per acre of land held by indebted kabjedars comes to Rs. 71. The land revenue paid by indebted kabjedars is Rs. 1,509-13-0, so that the debt is about 39 times this. Of the indebted kabjedars, the following are heavily indebted :—

	Area held.	Rent paid.	Debt owed.
1	2	3	4
		Rs.	Rs.
1. Krishnaji	6	18	1,900
2. Narayan	6	13	1,700
3. Umai	20	58	2,900
4. Bhagwan	4	11	1,400
5. Purshottam	3	6	1,300
6. Murlidhar	8	15	5,000
7. Ramkrishna	13	32	2,200
Total	60	153	16,400

They are all indebted to the extent of more than 60 per cent of the value of their lands and can, with difficulty, be saved, if at all. Long-term loans at a reasonable rate of interest is the only possible remedy. If we exclude these debts, the incidence of the balance comes to Rs. 494 per indebted kabjedar.

Members of co-operative society.—There are six kabjedars who owe Rs. 2,933 to the co-operative society. They hold a little over 40 acres of land for which they pay Rs. 6-3-7 as revenue. Thus the debt per head of indebted member is Rs. 489 which is considerably less than the village average. But this is not a fair test as the members are small kabjedars. The debt per acre held by indebted members comes to Rs. 73 against Rs. 71 for the whole village and it is 47 times the land revenue paid by indebted members as against 39 times for the whole village. But in this village the members of the co-operative society do not seem to be in a worse position than the others.

Sources and purposes of debt—

Sources.		Rs.	a.	p.
Co-operative society	...	2,933	8	6
Sowcars	...	55,519	12	0
Total	...	58,453	4	6

Purposes.		Rs.	s.	p.
Old debt ...	...	34,255	8	6
Marriage ...	...	6,775	0	0
Land and bullocks ...	...	4,430	0	0
Cultivation ...	...	4,901	12	0
Revenue ...	...	280	0	0
House building ...	...	100	0	0
Famine, and other distress ...	...	711	0	0
Trade ...	...	7,000	0	0
Total ...		58,453	4	6

Deducting item No. 1, the purposes for which cannot now be determined, and item No. 7 which is not a genuine agricultural debt, we are left with Rs. 17,197-12-0. Taking item Nos. 3, 4, 5 and 6 as productive, we have a productive debt of Rs. 9,711-12-0, i.e., 56 per cent of the ascertainable debt is productive.

Rate of interest.—The common rate of interest is 12 to 18 per cent. The people say that there has been an increase in the rate of interest during the last five years. They ascribe it to—
 (a) reaction after the cotton boom,
 (b) poor crops of the last two or three years,
 (c) irregular repayments, and
 (d) the demand for money.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 7,217.

The following statement will show the distribution of the village holdings :—

Village.	Below 5	From 6—10	From 11—15	From 16—20	From 21—25	From 26—30	From 31—40	Above 40	Total.
	acres.	acres.	acres.	acres.	acres.	acres.	acres.	acres.	
1	2	3	4	5	6	7	8	9	10
Laser	61	41	23	14	8	2	1	9	159

The requirements of the village are—

- an intensive thrift campaign with proper savings bank facilities for putting by any surplus in a good year as an insurance fund against a bad year and low prices;
- a land mortgage bank for liquidating, by amortization, the old debts which remain like a millstone round the neck of the cultivator and absorb in high interest charges from year to year whatever surplus he may be able to obtain at present.

STATEMENTS.

Ramdas Haridas Gosain says—

I have 45 acres and I pay Rs. 75 rent. The average outturn of cotton on my land is half a khandi per acre (2 khandis for a tiffan of 4 acres).

Govinda Sonaji, Beosan Atmaram, Sheoram Sitaram, Madho, Patil Jogdeo, Murlidhar Uttamchand, and all the other villagers say—

The land of Ramdass Haridass is poor land below the average, that is why he only gets 2 khandis per tiffan. But the average for good land varies from 3 to 4 khandis per tiffan. The khandi is of 20 maunds of 14 seers, *i.e.*, 280 seers. We also get 1 maund worth of tur worth Rs. 4 per acre, some with the cotton. The net profit from juar and cotton at present prices is about the same. The only difference is that cotton seed and cotton is immediately saleable in the cotton market, while juar has no such immediate market and takes time to sell. Juar is our food crop. The juari khandi is of 20 maunds of 48 seers each, *i.e.*, 960 seers. The price is Rs. 100 per khandi. The average outturn is about 1 khandi per tiffan, *i.e.*, one-fourth khandi per acre. There will also be Rs. 5 or Rs. 6 worth *karbi*.

We also get about Rs. 2 worth mung or urad in an acre which is sown with the juari.

Madho, son of Jagdeo, Kunbi—

Some 30 or 40 cultivators in this village take advances from me when the crop comes.

Gaiya Ram Govinda of Tamli owes me Rs. 2,000 on a mortgage at 12 per cent. I cannot say the exact sum owed to me in this village, but the individual sums are small.

I do not charge as high as 24 per cent, but sometimes charge 15 per cent and 18 per cent. 18 per cent is the limit.

The patwari is very heavily indebted. He owes me Rs. 150 and Rs. 5,000 to others. I do not expect to recover this. This is a special case.

I have no other debtors who are insolvent or who cannot pay me when the crop comes.

The patwari has applied for a declaration of insolvency in the court. No one else in the village has yet done so and there is no person who is insolvent.

I cannot undertake the business of taking deposits or advances from elsewhere for extending my banking. I do not want any change of any kind.

Rupchand, son of Jagdeo, is separate from this man, his brother, and makes a similar statement.

There is a co-operative society in this village. Ramdass Haridass is Secretary. There were 15 members last year. The sum due to the Central Bank is Rs. 3,500.

The members of the society have deposited Rs. 800. 7½ per cent interest is paid on these deposits.

Last year there were 25 members, but this year nine members have paid off their debts and ceased to be members.

The Secretary says this is due to lack of trust at present. Suggest compulsory deposit of all income with society.

APPENDIX E-XXI.
COTTON ZONE, BERAR.

MANEGAON, TALUQ JALGAON, DISTRICT BULDANA.

A fair-sized village on the Nandura-Jalgaon road, 12 miles from Nandura. The total area is 2,263 acres and the land revenue is Rs. 6,017. The total occupied area is 2,132 acres and is distributed under the following crops:—

	Acres.
Cotton	1,051
Juar	488
Others	593

The village contains some very good soil and some lighter soil undulating fields. It is a fairly typical of the average quality of Jalgaon taluq villages but is below the standard of the best villages.

Sources of finance.—The sole source of credit is the sowkar. Sowkars of Jalgaon and Nandura finance the villagers. A couple of big cultivators do petty money-lending and their business extends to Rs. 4,000. Some cultivators borrow from adatyas also; but they say it is not obligatory on them to sell their cotton through them, though, as a matter of course, they sell it through them, knowing them so well.

Rates of interest.—The common rate of interest is 24 per cent on unsecured debt. Interest on seasonal debts works out to 48 per cent or more as interest is charged for the whole year, while loans taken at crops are repaid at harvest, i.e., 6 or 7 months after.

Land values.—Good land is sold for Rs. 300 an acre and ordinary land at Rs. 150 an acre. With the fall in cotton prices, the value of land may go down further. We examined 18 lease-deeds and found that 110 acres were leased out for Rs. 1,960, the average letting value being Rs. 18 per acre. The highest was Rs. 31 per acre and the lowest Rs. 10 per acre.

Debts.—There are 186 kabjedars in the village, of whom 67 are indebted and 119 are entirely free from debt. The total debt comes to Rs. 48,696 of which Rs. 22,254 or 48 per cent is secured and Rs. 26,442 or 52 per cent is unsecured. The indebted kabjedars own 393 acres at Rs. 1,728. The burden of debt on the village works out at Rs. 261 per kabjedar or Rs. 22 per acre of 7½ times the land revenue. If distributed only on the indebted kabjedars, it comes to Rs. 726 per indebted kabjedar or Rs. 81 per acre of their land or 28 times their land revenue. Of the indebted kabjedars, the following are heavily indebted:—

	Area held.	Rent paid.	Debt owed.
		Rs. s. p.	Rs.
1. Narayan Souaji Balu Narayan	10	24 8 0	6,200
2. Sukdeo	6	21 0 0	1,762
3. Pundalik	8	20 0 0	1,479
4. Namdeo	15	49 0 0	1,345
Total	39	114 8 0	10,784

Nos. 1, 2 and 3 are involved beyond hope of redemption. If we exclude them, we find that the debt comes to Rs. 579 per indebted kabjedar or Rs. 65 per acre held by them or 22 times the land revenue they pay or about 25 per cent of the value of the land which they hold.

Purposes of debts.

		Rs.
Repayment of earlier debt	...	8,082
Marriage and ceremonials	...	5,570
Seed, bullocks, wages, etc.	...	19,582
Arrears of rent (lease money)	...	3,470
Maintenance and other household expenditure	...	10,422
Sowari	...	1,125
Litigation	...	445
		48,696

About 50 per cent is for productive and 50 per cent for unproductive purposes. Cultivators say that most of the items 3 and 5 consists of ordinary short-term seasonal loans which will be repaid at harvest.

Costs and profits of agriculture.—As usual, these differ from kabjedar to kabjedar. Those who depend entirely on hired labour spend more than those who do the cultivation themselves. Chāndrabhan Ganu holds 18 acres at Rs. 59. He owns a pair of bullocks which he purchased for Rs. 150 last year. He thinks the bullocks should work for another seven or eight years. He sows half the land with cotton and half with juar. He has two adult males and two adult females in the house. He has a boy of 12 years as his saldar whom he pays Rs. 18 per year *plus* food. His expenses of cultivation are as under :—

		Rs.	a.	p.
Cotton seed, 3½ maunds	...	7	0	0
Juar, 10 seers	...	1	4	0
Tur, 1 paili	...	0	8	0
Servant 1	...	18	0	0
Davarān	...	7	8	0
Sowings	...	10	0	0
Weedings	...	45	0	0
Picking at 5 annas a maund Rs. 25 actually paid to labourers. Some of the cotton was picked by the kabjedar's family and servant.	...	25	0	0
Juar cutting in addition to payment in kind	...	3	0	0
Carpenter	...	4	0	0
Repairs of implements	...	5	0	0
Bullock feed	...	30	0	0
Depreciation on bullocks	...	20	0	0
Land revenue	...	59	0	0
		235	4	0

Rs. 13 an acre including revenue and Rs. 10 an acre excluding revenue. This is the expenses of a man who has to employ some outside labour.

Cotton, 120 maunds	... 432	at Rs. 72—a local khandi when the price is Rs. 100 per standard khandi in the cotton market.
Juar, 48 maunds	... 240	
Urad	... 15	
Tur	... 10	
	697	
Less, expenses	... 222	
Net profit	... 475	or Rs. 24 net per acre.

But profits fluctuate enormously with the price of cotton. To this has to be added at least Rs. 40 worth of *karbi*, leaving *karbi* grown in one tiphān for the bullocks. People agree that half a khandi per acre can safely be taken as an all round average for cotton in the village. Chandrabhan has clearly underestimated his outturn.

Costs of maintenance.—The same gentleman gave the figures of his actual expenditure. He has two adult males and two adult females and a boy servant. Thus he has to feed five persons. He requires—

			Rs.
Juar, 3 khandis	...	...	140
Dal, 2 maunds	...	...	21
Vegetable, chillies, etc.	...	...	50
Sanwar expenses	...	...	30
		Total	241

He says he requires Rs. 50 for clothing. Thus his total expenses come to Rs. 291. The average cost of maintenance for the village is as follows:—There are 162 male adults, 190 female adults and 220 children. They estimate their cost of maintenance at Rs. 38,395 or Rs. 67 per head.

Subsidiary income.—Besides agriculture, the cultivators have other sources of income too. As stated above, some do money-lending, some trade in *karbi* and *ghee* and others do carting and labour. The total income from these sources is estimated at Rs. 6,045.

Marketing.—The villagers have no difficulty in marketing their crops as they have two cotton markets close by. Juar and other food stuffs which the cultivators sell are sold in the weekly bazar or in Jalgaon or Nandura. The village is well connected with the markets;

The general condition of the village is quite sound, though about 2 per cent of the kabjedars are hopelessly indebted, and about 5 per cent are fairly heavily involved. Poor crops for the last two years and low prices of cotton appear to be the main causes of indebtedness. Prices of cotton are going down, leaving very little margin to the cultivator to meet his obligations,

A land mortgage bank is required to amortise these debts.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 7,280.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Manegauon	38	32	9	8	4	1	5	7	9

STATEMENTS.

Chandrabhan Ganu—

I own 18 acres at Rs. 59. I own a pair of bullocks. I purchased it last year for Rs. 150. I did not borrow this amount. It will work for another five years. I shall then sell it for Rs. 50.

I have four persons to support. I require—

1½ khandi juar	...	Rs.	135	a.	0	p.	0	} Food.
2 maunds dal	...	...	21	0	0	0
Vegetables and oil	...	...	96	0	0	0
For children	...	...	60	0	0	0
Cloth	50	0	0	0		
Total	362	0	0	0		

I am not indebted.

I sow (Half cotton, half juar).

3½ maunds cotton seed	...	...	7	0	0
10 seers juar...	...	...	1	4	0
1 paili tur	...	...	0	8	0
1 servant	...	...	18	0	0
Davaran	...	...	7	8	0
Sowing	...	...	10	0	0
Weeding	...	...	40	0	0
Juar weeding	...	...	5	0	0
Picking	...	...	25	0	0
Juar cutting	...	...	3	0	0
Bullock feed	...	...	30	0	0
Carpenter	...	...	4	0	0
Repairs to implements	...	...	5	0	0
			156	4	0
Land revenue	...	...	59	0	0
Bullocks	...	...	20	0	0
		18)	235	4	0 (13
Outturn.					
120 maunds cotton	...	...	432	0	0
48 maunds juar	...	...	240	0	0
Urad, tur	...	...	25	0	0
Total	...	...	697	0	0

APPENDIX E-XXII.

COTTON ZONE, NAGPUR DISTRICT, C. P.

MATHANI, TAHSIL AND DISTRICT NAGPUR.

A fairly large village on the Bhandara road, 20 miles east of Nagpur, on the border of the cotton zone. In this tract wheat is the principal crop. The rainfall here is heavier than in the west of the district, and here we begin to approach the rice zone. Total area of the village is 1,882.99 acres with a land revenue demand of Rs. 1,340. There are 122 houses with a population of 626. Total cropped area is 1,815 acres and it is distributed under the following crops:—

			Acres.
Juar	---	---	307
Cotton	---	---	836
Wheat	---	---	432
Others	---	---	240

Total rental demand is Rs. 1,648.

Finance.—Dana, a cultivator, lends small sums of money to the fellow cultivators. He has invested about Rs. 3,000 in money-lending in the village. He started this business seven years ago with a capital of Rs. 500 (his profits from cultivation). At the time he had only 20 acres of land. Now he has 125 acres of land and his capital according to his own statement is Rs. 3,000. He charges 12 annas per cent per mensem on mortgages and Re. 1 on *purjas*. He does not borrow to lend and he has no intention to do so. His capital being small, people have to borrow from the sowkars and malguzar of Mohad, a big village adjoining this village. Mohad sowkars charge Rs. 2 per cent per month and make the following deductions:—

Rs. 2 per cent *kasar batta*.

Annas 8 writing charges.

Rs. 2 interest for the first month.

Marwari money-lenders are said to charge Rs. 3 per cent per month and the Rohillas (only 2 or 3) 1 anna to 2 annas in the rupee per month. Loans are mostly taken on *purjas* (pro-notes) and on the security of ornaments. Occasionally, loans are taken on the security of standing crops also, but such cases are extremely rare. Houses are mortgaged and loans taken when a borrower has no credit and no other security to offer. Labourers repay their loans partly in cash and partly by personal service. People feel that they have to pay rates of interest which they can ill-afford to pay. Grain loans are advanced on *saxai badhi* system. About 30 per cent of cultivators keep their own seed. Seed and small cash loans taken in the beginning of the agricultural season are generally repaid with interest after the crops are marketed. It is only in bad years that such loans are not fully repaid.

Cost and profit of cultivation.—It is extremely difficult to find out with any exactitude the cost and profits of cultivation. They depend on the quality of soil, nature of monsoon, individual industry, etc., etc. But a safe average can be found

if a few intelligent cultivators are closely examined. From the statements of Dana, Jagoba, Fakira, Dhangar, Bhiva, Tanba Teli and Gopal Dago Teli it will appear that agriculture is not a losing concern, and in normal conditions a cultivator need not borrow at all. They have given last years figures (which was not a good year) and it will appear that the cost of cultivation is Rs. 13 to Rs. 18 per acre and net profit Rs. 15 to Rs. 22 per acre. This seems to be a little too low, because all these persons have purchased lands, gold and silver from the profits of agriculture and performed marriages of their sons and daughters without getting into debt. Accepting the figures given by the villagers and taking the average net income at Rs. 18 per acre the net value of the total crop of the village comes to Rs. 23,670. Besides these, cultivators have other sources of income, e.g., carting, oilpressing, sale of *kadba*, etc. From these sources the income is Rs. 7,985. Wheat and cotton land is sold at Rs. 100 per acre and *juar* and other lands at Rs. 50 per acre. The value of the entire land calculated on this basis is Rs. 1,04,150.

Debts.—There are three shareholders and 43 tenants. The *malguzars* and 14 tenants are free from debt. The total secured and unsecured debt is Rs. 16,936 which works out at Rs. 368 per agriculturist or Rs. 584 per indebted cultivator or Rs. 12 per acre or a little more than half the annual agricultural income. Of the indebted tenants, Upasya, Chandhu, Dhandu, Dewaji and Maghu are seriously involved. Among themselves they are responsible for half the debt, i.e., Rs. 8,000. If we exclude this from the total debt, the indebtedness works out to Rs. 233 per tenant and 401 per indebted tenant or Rs. 6 per acre, or about 7 per cent of the value of this land.

The sources from which the debts are taken and the purposes for which they are taken are given below:—

Sources:—

	Rs.
1. Malguzar	1,975
2. Sowkar	14,961
Total	16,936

Purposes:—

1. Payment of earlier debt	7,170
2. Purchase of bullocks and seed...	2,864
3. Arrears of rent	950
4. Marriage and other ceremonials	2,140
5. Maintenance	2,065
6. Weeding	552
7. House building	700
8. Land improvement	495
Total	16,936

Of the total debt Rs. 1,250 about 13 per cent is secured and the rest, i.e., 87 per cent, is unsecured. Leaving the old debt out of consideration, 42 per cent is for unproductive and 43 per cent for productive purposes.

Marketing.—People generally sell their cotton and grain in the Nagpur cotton grain market through *dalals* and have to pay Rs. 2 per cart, for commission, *dharmadaya*, *gorakshan*, etc.

They are satisfied with the dealings of their *dalals*. They are against warehouses on the ground that cotton, if stocked, gets dry and weighs less. They therefore sell it as quickly as possible.

Investment.—People do not invest their savings in postal savings banks or in any other bank. They prefer to purchase gold and silver on the ground that the possession of these enhances their credit and they can raise loans easily whenever necessity arises.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 4,050.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Mathni	7	8	8	5	4	3	4	4	43

STATEMENTS.

Doma—

I am the only money-lender here. In Mohad, a village closeby, several big mahajans have their shops and the villagers borrow from them. I have lent about Rs. 3,000. My rates of interest vary from 12 annas to Rs. 2 per cent per mensem. From good clients I take 12 annas on mortgages and Re. 1 on *purjas*. From bad clients I charge higher rates. I advance grain on *sawai*—never on *dedhi*. Even in Mohad the rate is the same. *Malguzar* does not lend either grain or money.

I am doing money-lending for the last seven years. I started with a capital of Rs. 500 which was my own. At the time I had 20 acres of land. Now I have about 125 acres of land. My capital is now Rs. 3,000 which I have advanced. I cannot advance Rs. 500 to day if one asks for it as I have not that much with me. For this reason people go to Mohad for loans. People borrow for seed, bullocks, trade, ceremonials and daily expenses. Some people do not repay regularly and I have to file suits. So far I sued four persons. The principal and stipulated rate of interest was decreed. Compound interest was not allowed by court. All these decrees were obtained last month. I have not yet executed them. I shall execute the decrees if the debtors do not pay the amount after harvesting their crops. So far I have lost about Rs. 200 as bad debts. About 30 acres of land I got in lieu of debt. The rest I have purchased from the income of cultivation and *sowkari*. My debtors sell their crops in Nagpur bazar. None sells in the village as there are no purchasers here. Weighment in the cotton market is satisfactory, but one or two are ordinarily deducted on a cartload for bad fruality. We have to pay Re. 1 *dallali* and Re. 1 cotton market dues on each cart. We cannot sell without a *dalal*.

I sowed 18 maunds of cotton seed and got 10 khandis. My total produce last year was :—

Cost of cultivation :—

		Rs.
Cotton	...	36
Juar, 10 kuros	...	16
Wheat at Rs. 25	...	150
Tur	...	5
Javas, 4 kuros	...	8
Mung, 6 pailies	...	1
		<hr/> 216
Rent	...	152
Weeding	...	75
Pay of servants	...	1,000
		<hr/> 1,443

Outturn :—

	Rs.		Rs.
10 khandis cotton	1,000 0 0	at 100 a khandi.	
20 khandis juari	300 0 0	at 15 a khandi.	
22 khandis wheat	550 0 0	at 25 a khandi.	
3 khandis tur	75 0 0	at 25 a khandi.	
2 khandis jayas	60 0 0	at 30 a khandi.	
10 kuros moong	12 8 0	at 25 a khandi.	
50 worth chillies	50 0 0		

Total ... 2,047 8 0

I let out 10 acres for Rs. 50. I took a field of 22 acres on lease for Rs. 75. I took 5 acres of land on sub-lease for Rs. 100.

Cotton land is sold at Rs. 100 per acre.

Wheat land is sold at Rs. 100 per acre.

Juari and light soil land is sold at Rs. 75 to Rs. 50 per acre.

I am not indebted at all. I cannot lend more money.

I do not like to borrow to lend. I am content with the limited business I have.

Jagoba Fakir, Dhangar—

I own 63 acres. Of this, I purchased 7 acres five years back for Rs. 160. I purchased it with my own money, which I earned from cultivation. I am not indebted. I have one brother. He is separate from me. For his *pat* I had to borrow Rs. 275 six years ago. I have paid off that debt.

Of 63 acres, 17 acres is fallow for pasture. The rest is under cultivation. I grow cotton, wheat, juar, *javas*, etc.

Cotton outturn is 15 maunds per acre. Wheat outturn is 5 or 6 times the seed. Juar outturn is at least 10 times the seed. It is generally more.

I have 2 pairs of bullocks. I have 2 servants on Rs. 200 a year.

Rs.	
200	servants.
50	weeding charges.
65	seed of all kind.
25	feed for bullocks.

340

I have no other agricultural expenses. Bullocks I have and need not purchase for another year.

I get—5 khandis cotton	...	...	500	
12 khandis wheat	...	...	300	at Rs. 25.
4 khandis juari	...	...	72	at Rs. 18
1 khandi til and jvas	...	...	40	
2 khandis tur	...	...	50	
10 kuros miscellaneous	...	...	10	
chillies	...	...	10	
			982	
			340	
			642	

I shall marry one of my daughters next year. A marriage should not cost more than Rs. 150. Boy's marriage costs at least Rs. 400. I shall not have to borrow for my daughter's marriage from cultivation. I do my own cultivation for the last 15 years. I had two bad years in this period.

I inherited sowkari of Rs. 1,000 from my father. I got nothing back as I was too young to understand. I thus got no advantage of it.

Bhiva Tanba, Teli—

I own 16 acres of land. My rent is Rs. 16. I inherited a debt of Rs. 200 about seven years back. The interest on it is Re 1 per cent per mensem. I have not been able to repay it. I have been paying interest on it. Last year I borrowed Rs. 100 at Rs. 2 per cent per mensem for my brother's marriage and Rs. 125 for a pair of bullocks at the same rate of interest. Today I am indebted to the extent of Rs. 450. I acquired 3 acres of land for Rs. 200 last year. I paid that myself. I did not borrow for it. I deal in *kadba* and thus make about Rs. 125 per year. I do some cultivation on *batai*. The system is that I work with my bullocks in the owner's field. We divide the crops equal. Seed and cultivation charges are also divided. In this way I get about a khandi of wheat. My own land yields me 3 khandis of juar and wheat plus Rs. 32 to Rs. 40 of grass, as 4 or 5 acres is fallow. I require 6 khandis grain for annual consumption. I have two sons and my wife to support. I use cowdung for manure. In open season cowdung cakes are made, but in rains manure is made of it. I purchase no manure.

I require 2½ kuros of juar seed for my land. I get 2½ khandis. I require 5 kuros juar for wages and no more. This is all. Rs. 16 a khandi is the rate. Thus I spend Rs. 5 and get Rs. 40. In addition I get Rs. 32 to Rs. 40 from grass after feeding my bullocks. Thus my income is: Rs. 40 + Rs. 32 = Rs. 72 and expenditure is Rs. 8 + Rs. 16 rent = Rs. 24.

I do not press oil as I do not know how to do it.

Following are the charges which a money-lender takes before advancing money :—

- (a) Rs. 2 per cent *kasar (batta)*.
- (b) Annas 8 writing charges.
- (c) Rs. 2 per cent interest for the first month.

Marwari and Rohilla money-lenders charge 3 per cent per mensem. In Mohad there are such sowkars.

Grain is advanced on *sawai*. Standing crops are not sold.

Gopal Dago, Teli—

I own 45 acres of land and pay Rs. 67-8-0 rent. Of this, 10 acres was acquired by me for Rs. 500. I had Rs. 300 with me and I borrowed Rs. 200. This was four years ago. I borrow that amount at $1\frac{1}{2}$ per cent per mensem. I paid off all this last year. I have borrowed Rs. 50 on security of ornaments at 3 pies per rupee per mensem for giving to my servants. I have no debts. I never had. It is not necessary to borrow. Cultivation gives enough for maintenance. I have married two sons and three daughters. I used to borrow and pay off from the earnings of agriculture. I generally keep my own seed. Cotton seed has to be purchased.

I sell my cotton in the Nagpur cotton market. I cannot say what charges I have to pay. I know that about Rs. 2 per cart is the expenditure. We go to Nagpur as weighment is favourable there. We depend entirely on *dalals* and we believe in him. In grain market grain is auctioned. Thus we get good price. I do not want any store-houses. Cotton gets dried up and lighter in course of time. I therefore sell it as early as possible.

I have purchased 7 tolas of gold and 50 tolas of silver. I am not aware if money can be deposited in banks.

APPENDIX E-XXIII.

COTTON ZONE.

PACHGAON, TAHSIL UMRER, DISTRICT NAGPUR.

This is a bazar village, with a population of 1,120 persons, adjoining the Nagpur-Chanda road, 14 miles south of Nagpur in the Umrer tahsil. The total area of the village is 3,717 acres, of which 1,625 acres are under crop at present. The cropping is as follows:—

	Acres.
Cotton	705
Wheat	558
Barley	94
Others	268

The cropping of the village as a whole is fairly typical of the southern portion of the district and of the Umrer tahsil. It will be noted that wheat is practically of the same importance as cotton here. The typical soil is a quite good loam producing good crops of wheat and cotton under normal conditions. The rainfall in this tract is as a rule heavier than in Berar further west, and the conditions are therefore more favourable for wheat and winter crops. There is a large area out of occupation which the malguzars reserve for growing hay and grass for sale in Nagpur, where it fetches a high price. The income from this source is very considerable and the siwai income fixed at last settlement was therefore Rs. 778. The cutting and carting of grass and forest produce provide ample employment, not only to the labourers but also to the cultivators in the slack season. Cropping is on the whole rather slovenly as elsewhere in the Umrer tahsil. There was some misunderstanding with regard to our survey here, and the villagers seemed to think that the minute enquiries of the committee might be used for settlement purposes. It took some time to disabuse them on this point. We had, however, great difficulties in finding out from them the real costs of cultivation and the crop outturns, etc., for these reasons.

Cost of cultivation.—According to the statements of the cultivators, however, it appears that the ordinary cost of cultivation, if the cultivator does his own field labour, does not exceed Rs. 10 for cotton and wheat, including rent, and Rs. 8 for other crops. The people employing hired labour spend some Rs. 6 or Rs. 7 per acre more for cotton cultivation, but only 10 per cent of the cultivators depend entirely on hired labour; about 20 do not employ any labour at all, while the remaining 70 work in their fields and also employ some hired labour in addition. Our enquiries show that the cost of cultivation in this village are similar to those elsewhere.

As regards the cotton outturn, people say that they get one khandi of cotton in 3 acres at Rs. 100 per khandi, this would produce Rs. 33 gross per acre or about Rs. 20 net. While at Rs. 75 per khandi, the present price, the gross produce would be worth Rs. 25 and the net outturn about Rs. 12 or Rs. 13 per acre. Profits vary very greatly according to the fluctuating price of cotton, but there is no doubt that the outturn is underestimated. There is no reason to believe that the normal outturn of cotton

here would be less than 300 pounds per acre, worth at Rs. 75 per standard khandi about Rs. 28 and at Rs. 100 per khandi not less than Rs. 38.

It seems clear that if the profits from cultivation of cotton when the price of the standard khandi is Rs. 100 were less than those of wheat, there would not be so large an area grown with cotton.

For wheat the villagers admit an outturn of 4 or 5 times the seed. They are not very clear about how much seed they sow, but state that cutting of the crop is paid in kind, also contributions to the village carpenters and other menials, while the crop is being cut, *i.e.*, before it is measured or weighed.

They admit that the ordinary outturn would be between 500 and 600 pounds per acre. We can safely assume that it is not less than 500 pounds per acre, which at a price of 8 seers per rupee would be worth about Rs. 33. The wholesale price of wheat in this tract is actually higher than this owing to its proximity to Nagpur. The cultivators sell their produce mostly in Nagpur and have no difficulties in marketing as the village is situated on the main road. The small cultivators who have only a small surplus to sell usually sell their produce in the village when they require cash for other necessities.

Cost of maintenance.—The individual estimate of the expenditure on food and clothing varies as usual. The big and well-to-do cultivators consume *ghee* and sugar, while the poorer cultivators use oil and *gur*. There is the usual large number of cattle, and most of the *ghee* consumed for food is produced from the cultivators' own cattle. The average of the various estimates on food and clothing, etc., for the average family of five persons works out to about Rs. 250 per annum.

In this village the average holding is of 24 acres. As the average net profit from agriculture is not less than Rs. 20 per acre, there is in ordinary years a considerable surplus from cultivation.

Subsidiary income.—The tenants have the usual income from subsidiary sources as well. Some of the big men have an income from money-lending, others are shop-keepers and sell *ghee* and cattle, while many earn income in the weekly bazar. The income of the smaller tenants or the agricultural labourers from cutting and carting of grass fields, etc., is considerable.

According to their own statements, the average income per tenant from these sources works out at Rs. 41, but in many cases we found that the subsidiary income has not been disclosed.

Land values.—According to cultivators' statements land here is worth on an average about Rs. 75 per acre, but this seems to be an underestimate, having regard to the position of the village near the main road to Nagpur. People, however, state that the price is low, because they hold occupancy rights, and that if they were granted rights of transfer, the land would be more valuable.

Sources of finance.—People easily obtain their finance in kind and cash from the village malguzars, from a few big tenants as well as from the sowkars of Nagpur and Umrer.

The rates of interest here approximate to 10 per cent on mortgages and 18 to 20 per cent on unsecured loans, rate of interest depending very much upon the personal credit of the borrower. Most loans are borrowed on *purajs*. The numbers of illiterate tenants is, as usual, comparatively small, and the number of persons who know how to calculate interest and know how to keep accounts is smaller. They say that they depend on the sowkars for the correctness of their accounts and that receipts as a rule are usually not given for repayments, but some of the more intelligent ones insist on being given receipts.

The usual interest on grain loans is *sawai* or *daorhi barhi*, i.e., 25 per cent or 50 per cent. The landless artisans, etc., do not as a rule borrow money, because they have no credit, but some of them occasionally take petty advances often on very high rate of interest.

There is no co-operative credit society in this village, and the villagers, when we discussed matters with them, seemed to know nothing about the meaning or working of co-operative credit. The people were very anxious to be financed with taccavi, but they said that taccavi was not given to them.

There are four co-sharers in the village, two of them are substantial money-lenders, the other two are widows. One of the widow co-sharers, Mt. Kosaliya, owes Rs. 850, so it was said to the male co-share, but her assets are very much greater than this. The other widow co-sharer, Mt. Punja Bai, is saddled with a debt of Rs. 43,000 incurred by her late husband in cotton and grain speculation. After his death this debt has descended to his widow; but this is not an ordinary agricultural debt and should not be included in the ordinary debt of the cultivators of the village.

There are 98 tenants in all. Of them 59 are indebted and 39 are free from debt. Their total debt amounts to Rs. 32,817 or Rs. 334 per tenant or Rs. 556 per indebted tenant. The tenants hold 1,625 acres at Rs. 2,502 in the village and 735 acres at Rs. 873 elsewhere. Thus the total land these tenants hold is 2,370 acres at Rs. 3,375.

The total debt represents Rs. 13-8-0 per acre or 9 times the rent. On analysing the debts it will be found that only the following are heavily involved:—

	Rs.
1. Mahado Raghoo (8.31 acres at Rs. 10)	1,000
2. Ganpat, Kunbi (18.05 acres at Rs. 26)	1,100
3. Madhora (34.63 acres at Rs. 42)	2,175
4. Raghoo Isa (24.09 acres at Rs. 48)	1,725
5. Beharlal (2.84 acres at Rs. 19)	4,750
Total — 97.92 acres at Rs. 145	10,750

No. 5 holds 72 acres at Rs. 87 outside the village. He does money-lending also and is an excise contractor. The other four are more or less hopelessly indebted.

Thus it will appear that 30 per cent of the total debt is on the above five persons only. If we exclude these items, the total debt on 54 tenants comes to Rs. 22,067 or Rs. 408 per indebted tenant :—

	Sources.	Rs.
1. Malguzar	...	19,840
2. Mahajan	...	12,977
	Total	32,817

	Purposes.	Rs.
1. Marriage and ceremonials	...	11,305
2. Arrears of rent	...	250
3. Seed, manure, wages, etc.	...	11,320
4. Purchase of land	...	3,045
5. Purchase of bullocks	...	2,061
6. House building	...	3,090
7. Trade	...	1,746
	Total	32,817

Of this, Rs. 2,900, *i.e.*, 6 per cent, is secured and 94 per cent is unsecured. 33 per cent is for unproductive and 67 per cent is for productive purposes.

It will be seen that over one-third of the debt is for ordinary agricultural expenses. Many of the tenants who have debts habitually take seasonal loans for financing their agricultural operations, while others take intermediate loans from time to time for replacing their bullocks. The ordinary amount of finance annually required would not exceed Rs. 15,000, and this may be stated to fairly represent the total amount of ordinary loans borrowed and repaid during the year. Villagers here are certainly intelligent and able to look after their own interests and could safely be given the rights of transfer in their lands; and in fact this might increase their enterprise. There is good scope for a co-operative credit society to finance these seasonal loans if one is started here.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 7,573.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Pachgaon	25	18	15	7	10	3	9	10	97

STATEMENTS.

Biharilal, son of Nilkan Lal, Pachgaon—

I hold about 13 acres of land and pay Rs. 19 rent. I grow cotton, juar, wheat, tur, etc. I own a pair of bullocks.

My cultivation expenses :—

and outturn :—

7 acres kharif.			
100	a servant.		
9	cotton seed.		
40	weeding.		
7	a khandi picking charges.		
70	feeding charges of bullocks.		
<hr/>			
226			
7 acres rabi.			Rs. 50 (half khandi of cotton.)
Rs.	a.	p.	Rs.
19	0	0	154
			7
			khandi wheat.
1	4	0	12
			10
			kuroo jvas.
18	0	0	
			166
			50
44	4	0	
226	0	0	Total ... 216
19	0	0	
<hr/>			
Total	289	4	0

Then he states that this is not the correct result. He gives a revised statement :—

I have 6 bullocks for all my land which is 47 acres (in two villages) at Rs. 80 rent.

Cost of cultivation of this land.—

Rs.	Kharif.	Rs.	Rabi.
350	for 4 servants.	69	wheat seed.
150	feeding of bullocks.	4	jvas seed.
24	cotton seed.	50	harvesting.
50	weeding.	10	threshing.
4	juar seed.		
22	picking cotton.	124	
12	Juar cutting	622	
10	threshing of juar.	80	
<hr/>		<hr/>	
622		826	
<hr/>			
Outturn :—		Rs.	
Cotton	2½ khandia juar	...	250
Wheat	16 khandia	...	352
Jvas	2 khandia	...	46
Tur	2 khandia	...	40
<hr/>		<hr/>	
Total		...	688

I save Rs. 275 a year in cultivation. I realize that I have made an absurd statement. The fact is that I cannot make a statement of cost and yield as I have never kept accounts.

I am indebted to the extent of Rs. 4,600. It is made up as:—

Rs.	
1,200	Bharatsingh at 1 per cent per mensem <i>malguzar</i> of this village. I had borrowed to start with Rs. 1,000 seven years back. I have been paying some and borrowing again. This is the present balance.
1,050	Narayansingh at Re. 1-4-0 per cent per mensem <i>malguzar</i> of this village. This was borrowed this year to purchase a field. I purchased a field for Rs. 1,225. The balance of Rs. 225 was with me.
450	Janba Teli of this village at Re. 1-4-0 per cent per mensem. This was taken 4 years back for agricultural purposes.
300	Rama Patil of Chikha village at 1 per cent per mensem. This was taken 4 years back for agricultural purposes.
1,700	Pamalal of this village at Re. 0-8-0 per cent. It was taken on personal security to repay old debt which I could not do.
300	Kaluram of Nagpur at Re. 1-8-0 per cent per mensem. I have an account with him for the last 3 or 4 years.
300	Miscellaneous on small sums.
<u>5,300</u>	Total.

I have performed four marriages; three were of girls and one of a boy. In a girl's marriage about Rs. 600 are spent and in a boy's about a Rs. 1,000 (Rs. 1,800 + Rs. 1,000 = Rs. 2,800). All these ceremonies took place within the last five years.

I own a *kirana* shop. Income from that shop is about Rs. 300. This shop is about seven years old. I had 20 acres of land when my father died. I had no *kirana* shop. He had a liquor contract. I did not do this business for the last 10 years. I have taken a shop this year in Nawagaon for Rs. 575.

My land is worth Rs. 60 per acre. There are 12 members in my family. I require grain worth—

Rs.	
300	(grain).
300	clothing.
200	miscellaneous ghee, sugar, etc.
<u>900</u>	say 1,000.

I have lent out Rs. 1,800 at Re. 1-4-0 per cent per mensem.

APPENDIX E-XXIV.

COTTON ZONE.

RIDHORA, TAHSIL KATOL, DISTRICT NAGPUR.

Ridhora is fairly typical of a large part of the Katol tahsil. It is situated on the Jamb river, some 4 miles south east of Katol itself, 2 miles distance from the 1st class Nagpur-Katol road and the railway line. Its total area is 1,343 acres and population is 2,137. Total occupied area is 1,200 acres of which 1,163 acres is the tenancy land. Land revenue is Rs. 1,200, while the rental demand is Rs. 3,197. Main cropping of the village this year was :—

	Acres.
Juar	525
Cotton Juar	35
Juar tur	317
Cotton	125
Wheat	22
Rest under miscellaneous crops.	

There are 10 co-sharers in the village. Santosh Rao holding Re. 0-12-5. Others own small shares in this village. Santosh Rao owns two other villages and a patti in another village. He is a rich man and has extensive money-lending business. In all he has invested Rs. 60,000. Other co-sharers also own small shares in other villages and some of them do a little money-lending also. Of them, seven are indebted and three are free from debt. Their total debts amount to Rs. 26,100 which, considering the assets of the proprietary body, is not a cause for anxiety. The home-farm consists of 674.26 acres which, alone is said to be worth much more than the debt.

There are 152 tenants, including the malik-makbuzas. They hold 1,163 acres at Rs. 3,197 in this village and 1,596 acres at Rs. 2,099 elsewhere. Thus the total area they possess is 2,759 acres at Rs. 5,296. Of the tenants, 73 are entirely free from debt and 79 are indebted. The total debt amounts to Rs. 39,603. Of this Rs. 8,900 is secured and Rs. 30,703 is unsecured. Simple debt is a little more than 3½ times the mortgage debt. The indebtedness works out at Rs. 260 per tenant or Rs. 501 per indebted tenant or Rs. 14 per acre or 7 times the rent.

Of the indebted tenants the following seem to be hopelessly involved :—

Np.	Area.	Rent.	Debt.	Value of land.
1	2	3	4	5
		Rs. a. p.	Rs.	Rs. Rs.
19	3-67	6 8 0	800	525 at 150 an acre.
29	0 70	3 8 0	140	210 at 300 an acre.
49	6-46	17 12 0	2,000	1,300 at 200 an acre.
51	0-55	2 12 0	300	160 at 300 an acre.
83	1-07	5 8 0	1,300	300 at 300 an acre.
5	12-45	36 0 0	4,540	2,495

They hold only 1 per cent of the tenancy land in the village, but owe 12 per cent of the tenancy debt.

If we exclude these, the incidence comes to Rs. 474 per indebted tenant or Rs. 12 per acre or 6 times the rent.

The land in the village is very valuable and according to the people the price varies between Rs. 150 to Rs. 500 per acre. Only the south-east corner of the village is poor and high lying, but the rest is good in quality and in position. The average price can safely be fixed at Rs. 300 per acre. The subletting value varies from Rs. 10 to Rs. 40 an acre. All round indebtedness is less than 5 per cent of this valuation.

Source of debt.—The major part of the debt has been borrowed from the malguzar and the rest from the sowkar.

			Rs.
Malguzar	...	...	45,803
Sowkar	...	...	19,900
		Total	65,703

The common rate of interest is from 12 to 18 per cent.

Purposes for which borrowed.—The purposes for which the debt has been incurred can be seen from the following table:—

			Rs.
Old debt	...	...	32,775
Bullocks	...	...	1,963
Marriage, etc.	...	...	5,100
Purchase of land	...	...	10,800
Litigation	...	...	100
House building	...	...	300
Expenses of cultivation	...	...	10,440
Land improvement	...	...	400
Famine and other difficulties	...	...	3,575
Miscellaneous	...	...	250
		Total	65,703

From the above it will be seen that 50 per cent of the total debt is for the repayment of earlier debt and about 16 per cent for the purchase of land. That is to say, about 66 per cent comes under the long-term loan category; and if arrangements can be made to amortize this, little more is required here. 16 per cent is due to expenses of cultivation and consists of short-term loans, which people annually borrow at seed time and repay at the harvest. Rate of interest on this loan is 25 per cent which seems unnecessarily high. If rights of transfer to tenants are granted, they will have first rate credit and will get cheaper money.

Co-operators have made no attempts to start co-operative societies in this tract.

Costs and profits of cultivation.—According to Laxman Tukaram, he requires Rs. 187 to cultivate his 9 acres of land, including the feed of and depreciation on bullocks and rent. His outturn, according to his statement, is Rs. 421. Deducting the cost, the net income comes to Rs. 234 for 9 acres or Rs. 26 per

acre. Sham Sambu, Mali, who is said to be a typical cultivator, stated that he required Rs. 170 to cultivate his 9.50 acre of land excluding rent and got a gross outturn of Rs. 507 which gives a net income of Rs. 337. He pays Rs. 21-8-0 rent for his holding. Deducting it he gets Rs. 34 per acre net profit. Taking the net income from all crops at an average of Rs. 25 per acre the total value of the tenants' crop alone comes to Rs. 68,975 which is about twice the amount of tenants' debt. Orange cultivation is done on large scale in this tract and people make a good income from the sale of oranges. This very valuable crop of course costs a good deal to produce.

Cost of maintenance.—Cost of living here is as high as in Berar and an average family of five persons does not require less than Rs. 250 for food and clothing. There are people who require more than this, but there are others who spend much less. It appears that on an average, a cultivator does not require more than Rs. 250 a year for his normal expenses. The average holding in the village is of 18 acres. The total net income from agriculture per tenant comes to not less than Rs. 370 according to tenants' own statements.

There is also a considerable income from non-agricultural sources. The general financial condition seem sound.

Requirements.—Land mortgage bank for long-term facilities.
(2) Rights of transfer to bring down rates of interest on short-term and intermediate loans.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 29,875.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Ridhora	51	32	20	17	9	9	8	11	157

APPENDIX E-XXV.

COTTON ZONE.

MALEGAON, TAHSIL SAONER, DISTRICT NAGPUR.

This is a very fine village, with an old established abadi with the usual grocers' shops, etc., with a total area of 1,420 acres, situated on the Koiler river adjoining the Nagpur-Saoner road and the railway line, some 22 miles from Nagpur and a short distance from Saoner.

The soils are deep rich and fertile, typical of the heavy black cotton soil of the Saoner tahsil and are suitable to both rabi and kharif cultivation. At present, however, juar and cotton are the only crops of importance, the cropping being as follows:—

			Acres.
Juar ...	...	...	500
Cotton ...	...	...	574
Wheat ...	...	...	35
Others ...	...	...	154
		Total	1,263

The total land revenue of the village is Rs. 2,350. According to present land values the malguzari rights here are worth not less than one lakh of rupees. The total population of the village is 587. The present malguzar is Laxmichand, Marwari, a prosperous money-lender.

Finance.—The malguzar and local sowkars are the local credit agencies, while Asaram, Marwari of Kelod also advances money to cultivators in this village. We find here the system of taking *batta* or one month's interest deductions on all loans when advanced. The most common rate of interest is 24 per cent, compound interest being charged as usual when interest falls in arrears; while there is the usual stipulation for penal interest at higher rates in cases of default.

Debts.—There are 109 cultivators in the village in all, of whom 89 are indebted in a greater or lesser degree. Practically all these people regularly take seasonal advances for their agricultural expenses repayable at harvest.

There is no co-operative credit society, nor have any taccavi loans been advanced. We discussed these matters with the villagers. They state that they object to joint responsibility and prefer to borrow money at higher rates of interest, if necessary, than to take taccavi or money from the co-operative credit societies on joint and unlimited liability. On the whole, the cultivators are an independent and substantial body of men.

Land values.—The land in this village and in surrounding tracts has always been valuable, and according to cultivators' own estimate at present varies between Rs. 300 and Rs. 1,000 per acre, and the present price of average land does not appear to be less than Rs. 500 per acre.

The 109 cultivators of the village hold 982 acres in this village and 630 acres elsewhere: total 1,622 acres at Rs. 1,615 rent.

If this land is worth on an average Rs. 500 per acre, its total value would be not less than 8 lakhs of rupees; even at Rs. 100 per acre it will be worth over Rs. 1½ lakhs. Although with the varying and fluctuating price of cotton it is not safe to take too high a valuation of land, it seems perfectly certain that the value of the land held by these tenants can never fall below Rs. 3 or Rs. 4 lakhs. Their total secured and unsecured debt amounts to Rs. 55,616, of which Rs. 11,120 is secured and Rs. 44,496 is unsecured. The total debt does not represent more than 7 per cent of the value of their land according to their own valuation. If we take the value of land at half that figure, their total debts still will not be more than 15 per cent of their land value. The following 11 persons are the principal debtors:—

	Rs.	a.	p.
1. Janardan (85 acres at Rs. 254). He owns a share in a village.	5,000	0	0
2. Shrawan Gana Mali (1.50 acres at Rs. 3-8-0) ...	500	0	0
3. Ramchandra Govind (24 acres at Rs. 77-8-0) ...	2,400	0	0
4. Bhagwan Punja (3.36 acres at Rs. 8) ...	600	0	0
5. Raghnath Tukaram (22 acres at Re. 1-8-0) ...	300	0	0
6. Dada Bapu (28.18 acres at Rs. 86) ...	3,000	0	0
7. Rajaram Govinda (6.72 acres at Rs. 25) ...	1,500	0	0
8. Dhanya (97.80 acres at Rs. 20) ...	600	0	0
9. Ganpati Baji (16.44 acres at Rs. 51) ...	1,600	0	0
10. Sadashiv Balaji (46 acres at Rs. 206) ...	6,500	0	0
11. Gopal Keshorao (66.30 acres at Rs. 195) ...	3,900	0	0
Total ...	25,900	0	0
or per head ...	2,354	8	0

Of these Nos. 2 and 5 alone can be said to indebted beyond reasonable hope of redemption, i.e., less than 2 per cent of the total. These two persons, one of whom holds 22 acres and other 1.50 acres, can scarcely be considered to be real cultivators at all. Excluding the debts of these 11 persons, the debt upon remaining cultivators represents Rs. 303 per tenant or Rs. 380 per indebted tenant.

Sources and purposes of the debt are as follows:—

Sources.			Rs.
1. Malguzar	...	...	4,716
2. Sowkar	...	...	50,900
Total			55,616
Purposes.			Rs.
1. Repayment of earlier debt	...	...	32,403
2. Marriage and ceremonials	...	...	8,815
3. Maintenance	...	...	3,848
4. Sinking of wells	...	...	360
5. Cultivating expenses	...	...	8,350
6. Litigation	...	...	1,900
Total			55,616

About 58 per cent is for the repayment of old debt. Of the balance 38 per cent is for unproductive and 4 per cent for productive purposes.

Cost and profit of cultivation.—The fertility of the soil in this tract is well-known and the outturns of cotton and juar are normally very heavy. That this is so, is shown from the value of the land according to the cultivators' own estimates, but as regards the normal gross outturn, we found it extremely difficult to obtain a coherent statement in this village. One tenant of 15 acres stated that his normal outturn was 6 khandis of cotton, worth Rs. 600, 10 khandis of juar, worth Rs. 180, 1½ khandi of tur, worth Rs. 30, 1,200 poolas of kadba, worth Rs. 100; total Rs. 910 or on average of Rs. 61 per acre. He stated, however, that he was required to keep two servants on wages at Rs. 75 per year for cultivating these 15 acres and also spent Rs. 75 on weeding and Rs. 35 on picking of cotton. He said that he also had two pairs of bullocks, on whose feeding he spent Rs. 125, including *karba*.

He says his land is worth Rs. 7,500 or Rs. 500 per acre, but according to him the net profits from agriculture are only Rs. 27 per acre.

It is quite certain that one of these two statements is incorrect. This was the statement of Mansha, son of Kodu Mahar. The prosperity of the cultivators and the value of their land is indicated from the fact that a Mahar with 15 acres of land could afford to keep two servants and two pairs of bullocks.

Another big cultivator Kodosao Narayanji, Lodhi, of Saoner, who is also a money-lender, stated that the cost of cultivation in ordinary land, including the rent, which in this village averages some Rs. 3, is about Rs. 15 per acre. He also stated, however, that the best land, if manured, costs considerably more than this to cultivate; but that the gross yield was worth not less than Rs. 100 per acre. This man expressed the opinion that agriculture in this village was a profitable concern, and that there was no real reason why a good cultivator should be indebted.

It appears from our enquiries that some of the best land in the village was capable of yielding up to 1 khandi of cotton per acre, but that land is not all of the same quality and the outturn from the inferior soil is of course considerably less.

The average holding is of about 16 acres, and according to the standard of living prevailing in this rich village, cultivators allege that they spend between Rs. 250 and Rs. 300 per annum upon food and clothing of their family. The value of agricultural produce must of course vary with the price of cotton, while the cultivating expenses vary no less according to the personal industry of the individual cultivator and the amount of hired labour which he employs. Cultivators at first attempted to convince us that they all employ hired labour for their cultivation, but when we asked them where all these labourers came from and to whom these very large sums in wages were paid, they stated that all but the big cultivators worked in each others fields as extra labour was required and received wages from each other. It appears, therefore, according to their own statements, that much of the so-called wages of labour was rather a pooling of labour resources among the cultivators. Assuming according to their statements that they expended Rs. 15 or Rs. 16 per acre

or more for cultivating expenses, including the rent, it is clear from their own statements that much of this so-called expenditure came back again to them in the form of subsidiary income when they work in the fields of others.

Communal life in the village appears to be still strong. One of the difficulties of the enquires of this kind in a village near the headquarters of the province is that winged rumour went before us and when these intensive enquiries were commenced all sorts of ideas were set afoot with regard to their object.

We were told by some cultivators that they had heard that Government intended to extend the assessment of income-tax to agricultural incomes, while others said that they thought that our enquiry was being made to pave the way for settlement.

It took us a considerable time to win any measure of confidence from these people. But before we left them several people said that they were quite satisfied that we had no ulterior motives; and when we had explained to them the purpose of our enquiry, they said that it was no good attempting to conceal facts with regard to the ordinary income from agriculture in this tract, and that we ourselves could judge from the value of the land itself the ordinary profits which they obtained. They agreed that land of value varying between Rs. 500 and Rs. 1,000 per acre must give a greater profit than Rs. 26 or Rs. 27 per acre under ordinary circumstance, otherwise nobody would be willing to purchase it at that price. Our enquires show that the outturn of cotton and juar in this very fertile portion of the district is considerably above the ordinary average outturn for the district as a whole. Having regard to the admitted value of land we feel that no purpose would be served by any further discussion of the income from agriculture.

Subsidiary income.—Subsidiary income according to the cultivators themselves in this village is very important. There is ample demand for carts on the Saoner-Nagpur road, and in fact throughout the open season one meets hundreds of carts of agricultural produce coming and going to Saoner and Nagpur. The cultivators admitted that any one could earn a substantial income from carting if they wish to do so. There are also a large number of cattle and the income from cattle-breeding and *ghee*, etc., is substantial while several of the big men earn money from money-lending. The position in a nutshell would appear to be as follows:—

The tract is a very rich and fertile one. During the cotton boom some of the cultivators were earning extraordinary high incomes. The extreme fluctuation and continued fall in the price of cotton has disturbed the economic condition of the village, as the cultivators are always hoping for better prices and find it extremely difficult to draw up a budget of income and expenditure when their income is varying so greatly from year to year. Still even at these low prices in this particular tract the cultivation of cotton is remunerative, while the juar outturns, which have always been heavy, probably now give a better profit than cotton, if for no other reason, at least because

the juar provides in addition the *karba* with which their cattle are fed and a surplus of which they sell at very high prices in Nagpur city.

It will be seen that although the debts represent a very small portion of the assets of the cultivators, the old debts are the principal burden upon them; and if these could be amortized at a low rate of interest by a land mortgage bank their economic position would be very greatly improved.

But still even at Rs. 250 per acre, which is half the tenants' own estimate of the value of land, an average holding of 16 acres is worth Rs. 4,000, while the average debt per tenant, excluding the 11 persons with large debts, works out at Rs. 303 only. Unfortunately all tracts in the Central Provinces are not as fertile as rich as this.

The average individual is not usually prepared to disclose the total amount of *cash and precious metals* in his possession, but it is interesting to note that according to the cultivators' own statements in this village, they have in their possession at present 722 tolas of gold and about 10 times this amount of silver.

From the statements of the cultivators it appears that they have gold and silver worth Rs. 23,748.

The following statement will show the distribution of the village holdings :—

Village.	Below	From	From	From	From	From	From	From	Above	Total.
	5	6-10	11-15	16-20	21-25	26-30	31-40	40		
	acres.	acres.	acres.	acres.	acres.	acres.	acres.	acres.	acres.	
1	2	3	4	5	6	7	8	9	10	
Malegaon	25	18	15	7	5	3	9	10	97	

STATEMENTS.

Mansha, son of Kodu Mahar—

I own about 15 acres of land. I pay Rs. 75 rent with cesses. I require Rs. 4 worth juar and Rs. 10 worth cotton seed. I require Rs. 125 for the feed of my cattle. I have 4 bullocks. I have two servants for agriculture at Rs. 115 + Rs. 60 = Rs. 175. Weeding charges are Rs. 75, I paid this year Rs. 35 for picking.

Outturn.

6 khandis cotton	---	Rs.	600
10 khandis juar	---	...	180
1½ khandis tur.	---	...	30
1,200 pendi karba	---	...	100

Total	---	...	910

I am indebted to the extent of about Rs. 2,000.

	Rs.	
	500	Lakhua, malguzar at Rs. 2 per cent per mensem.
	600	Jhingra, Dhimar at Re. 1-8-0 per cent per mensem.
	400	Bhagu at Re. 1-8-0 per cent per mensem.
	300	Ashram, Marwari at Re. 1-8-0 per cent per mensem
	200	Tikaram of Kelod.
Total	...	<u>2,000</u>

All this is my inherited debt except Rs. 200, which I recently borrowed for pilgrimage. I have been regularly paying towards the debt. I have seven persons to support and hence I cannot manage to pay off the debt.

I have to go to various sowkars as one man is unwilling to finance. My land is worth Rs. 7,500.

Kodusao Narayanji, Lodhi—

I own land paying rent Rs. 300. I got only 20 acres of land from my father. The rest I have acquired myself. I do money-lending also. I paid for 25 acres of land and got about 80 acres in debts.

Cost of cultivation is Rs. 15 per acre, *i.e.*, Rs. 300 for a plough (for very indifferent land) and the yield is Rs. 26 per acre, *i.e.*, a net profit of Rs. 11 per acre.

For good land Rs. 50 per acre is the cost of cultivation and it yields Rs. 100 per acre, *i.e.*, Rs. 50 net profit.

A good cultivator should never stand in need of debt. Agriculture pays. The indebtedness is due to improvidence. Litigation and ceremonials are the real evils to be attacked.

On mortgages the rate of interest is 12 annas to Re. 1 per cent per mensem. On small unsecured sums Rs. 2 per cent per mensem is charged. I have invested Rs. 40,000 in Government paper, because money-lending is getting insecure. People are becoming dishonest and become insolvent.

I am in favour of granting transferable rights to occupancy tenants. Such tenants bent upon disposing of their holding do so at any cost and have to undergo extra cost; by transferable rights being given to them they will save considerably amount. Transfers of occupancy lands are common and it is no use retaining these legal impediments which affect the tenants adversely.

There is no co-operative bank here. I do not think it will succeed here. People do not like joint responsibility.

APPENDIX E-XXVI.

RICE ZONE.

ADAYAL, TAHSIL AND DISTRICT, BHANDARA.

Adyal is a large and important village, 14 miles south-east of Bhandara town on the Bhandara-Paoni road. It has a good school and a police station-house. The total population is 3,311, and there is a large non-agricultural population. An important weekly bazar is held here, which is particularly noted for the sale of cattle. The weaving of silk bordered cloth and the preparation of bamboo-matting baskets are the principal subsidiary industries in this village. They are confined, however, to certain of the lower castes. The abadi or village site itself is a large one, containing a number of substantial and well-built houses. Some of the tenants are big men, while there is also a number of shop-keepers.

The total area of the village is 3,109 acres. The general surface is very level and 1,334 acres are under rice in good embanked fields, nearly all of which is irrigated from tanks and most of which was actually assessed as such at last settlement. There are 300 acres under wheat and 759 acres under other rabi crops, practically all of which is double-cropped with a second crop of linseed, lac, tur or gram. There are a large number of tanks, three of which are big ones in excellent order, having a sufficient supply of water. The soil merges from a rich sandy clay loam into a lighter sandy loam. Towards the west, there is a big block of fertile clay loam capable of growing good wheat crops. Towards the east, the village gradually merges into a range of forest-clad hills where the soil becomes lighter. The cropping of this large village and the soil is typical of a large tract.

There is a considerable area out of occupation for nistar and grazing and fuel is readily available.

Malguzars.—In this old established and important village, there are four shareholders holding some 200 acres of home-farm. The land revenue of the village is Rs. 2,250 and, according to present prices, the malguzari rights in it are worth not less than Rs. 90,000. The malguzars owe Rs. 28,000 in all. But Rs. 15,000 of this is owed by Sitaram Sheoram. He holds malguzari rights in a third of this village and also owns a share of Chakara, another village. The average interest on his debt is 12 per cent and most of it is old debt. He appears to be heavily indebted, but could be cleared by a long-term loan at a low rate of interest from a land mortgage bank. Sitaram Sheoram, however, according to his own statement, seems to be a thoroughly bad cultivator. According to him, his costs of cultivation exceed his normal outturn, although his admitted outturn averages above Rs. 30 per acre. He was unable to explain how he spent more than Rs. 30 per acre on cultivation, but stated that, in addition to the cost of his seed and capital depreciation on his bullocks, he spent a further Rs. 1,700 upon agricultural operations in 57 acres.

It is possible that he may lose his property before long, as he does not seem to be an efficient man of business. Abaji, son of Jairam, the lambardar, owes Rs. 4,400, but he has a considerable area of home-farm and a large number of cattle and is very prosperous. The other two shareholders owe Rs. 4,400 and Rs. 5,050 each, but they are rich men and are in a perfectly sound financial position. The interest on their debts is 12 per cent. They belong to an old family of Gandlis, who inherited this valuable property.

Land values.—The value of land varies a good deal according to the quality of the soil. Six acres of absolute-occupancy land sold for Rs. 825 or nearly Rs. 140 per acre. The double-cropped rice land is worth from Rs. 100 to Rs. 150 per acre and the wheat land between Rs. 50 to Rs. 80 per acre.

Costs and profits of agriculture.—The tenants statements indicate that the costs of rice cultivation, including the rent, vary between Rs. 10 and Rs. 18 per acre, according to the amount of hired labour employed for agricultural operations. This includes the rent and the capital depreciation on the price of agricultural cattle, the working life of which is about eight years. As a matter of fact, very many of the smaller tenants work in their own fields and employ very little outside hired labour. The area of the average holdings is not above 10 acres. 44 tenants have holdings in this village above 15 acres in area, while 138 have holdings of 15 acres or less. Although depreciation on the assumed purchase value of bullocks is also included in our estimates of the cost of cultivation, very many of the cultivators here breed their own cattle. We can safely estimate the average costs of rice cultivation, including the rent, at not more than Rs. 15 per acre; but the expenditure of many of the smaller tenants would be less than Rs. 10 per acre. For wheat cultivation the expenditure is less.

According to the tenants own estimate of average outturn over the whole cropped area, both rice and wheat, the value of the gross crop comes to Rs. 56,440 at an average of Rs. 32 per acre; but in these estimates the rice outturn has usually been estimated at only 6 times the seed.

The rice here is transplanted and it is said that 160 lbs. to the acre are sown so that 6 times is 960 lbs. In this district the standard normal outturn for transplanted irrigated rice is 1,650 lbs. and unirrigated 1,050 lbs. Mr. Gordon, I.C.S., Settlement Officer, in paragraphs 61 to 64 of his Settlement Report explains why he is quite satisfied that these figures are fair.

We should be on very safe grounds if we were to accept the average all round rice outturn at not less than 1,300 lbs. per acre worth at present prices, about Rs. 43, but a large portion of this area is also double-cropped. The all round average from the rice area, including the double-cropped area, cannot therefore be less than Rs. 50 per acre in a normal year. In Katangi of the Gondia tahsil also visited by us, the malguzar gave a

detailed statement showing the gross outturn to be worth in that village Rs. 64 per acre. The wheat area of 300 acres only will, of course, yield a varying outturn according to the character of the season; but we can take 500 lbs. worth at present prices over Rs. 30 as a very safe average figure. The normal price of wheat in this district is about Rs. 6 per maund of 40 seers and is always high. It appears then quite clear that the all round gross outturn of all crops must be more than Rs. 32 per acre, estimated by the cultivators. We shall be on very safe ground indeed, however, if we accept the all round average at not less than Rs. 35 to Rs. 40 per acre gross outturn. This would produce an all round net outturn of about Rs. 20 to Rs. 25 per acre, but there is no doubt that many tenants must be getting much more than this.

Cost of maintenance.—The individual tenant's estimate of his expenditure upon the food and clothing of his family, as usual, varies very greatly according to the size of his family and individual status. In a large and fairly well developed village of this kind the general standard of life is higher than in more distant places. The ordinary expenditure for an ordinary cultivator with a family of five persons is shown to be between Rs. 200 and Rs. 225* per annum. This included the cash value of grain which is consumed for food.

Non-agricultural income.—In addition to the income from agriculture, most of the tenants obtain a good deal of mohua, which they use for food, from mohua trees abounding in the jungle. Some of them also grow *singara* nuts in the tank; but many of them find a good source of income in the hot weather from the picking and collecting of tendu leaves which are sold for making *bidis* in Bhandara. The Kumhars here support themselves by making tiles, large numbers of which are sold, while the weavers make silk-bordered cloth and the Gonds, Basors, etc., make bamboo baskets for sale. One of the principal sources of income, however, here is carting. Nearly all the tenants and some of the landless inhabitants own carts which they ply regularly for hire in connection with the big market in this village, exporting grain to Bhandara. Dina, Teli, purchased 3.91 acres of occupancy land on Rs. 6 rent for Rs. 500 recently. He borrowed Rs. 150 at 25 per cent interest towards this sum, while the balance of Rs. 350, he admits, he had accumulated from cart hire. He says that the other members of his family now do the cultivation of this field, while he himself plies his cart for hire and earns about Rs. 300 per year in carting grain, timber, baskets, etc., to Bhandara and Nagpur. It is admitted that any person with a cart who cares to do so can earn Rs. 300 a year by carting from this village. The big bazar also provides employment for persons as *hamals*, weighmen, etc., etc. The income in this village from non-agricultural purposes is very important, as elsewhere. In fact more than half the population are non-agriculturists and are dependant, for their livelihood, on income other than from agriculture.

Sources of financing.—There is no co-operative credit society here and the mahajan is the sole source of finance. Among these, the principal are—

(1) Ganpatrao Pande, a very big landlord and money-lender of Bhandara, who is also the Member of the Legislative Council (Rural). He carried on money-lending through his agents throughout a large part of this district and has a local shop here;

(2) Jageshwar Rao and Gopal Rao Buti, very rich malguzars and money-lenders of Nagpur, who own many villages in this district and who have also a money-lending agency here;

(3) Naik, a big money-lender of Bhandara;

(4) Sitaram Sheoram; and

(5) Jageshwar.

The common rate of interest is 2 per cent per mensem. On mortgages 12 per cent is originally charged. 18 per cent is charged on the security of ornaments and no difference is made between gold and silver ornaments. The most common form of borrowing is on the *mahin khat* system. This is explained in our note on mauza Sondar of this district. As repayments are made by small monthly instalments, people find it convenient to borrow on this system, though in the long run they have to pay a higher rate of interest than on any other form of borrowing. Grain is advanced on *sawai badhi*. Absolute-occupancy tenants and malik-makbuzas can get loans at cheaper rates of interest than occupancy tenants. But people here do not want the right of transfer. They think they may lose their lands.

Mahajans use their own capital. Deposits are not received. People favour the idea of a land mortgage bank, provided occupancy tenants are given a right to mortgage their land to such a bank.

In the whole of this tract, although the tenantry appear to be fairly intelligent, they do not seem to have learnt the economic advantage of prompt repayments and of thrift. The mere fact that unlike the tenants elsewhere they are not anxious to obtain the rights of transfer is an index of their irresponsibility in money matters. They think rather of getting money to spend than of repaying it promptly. This produces a vicious circle in which the interest charges are bound to rise. We received, on the other hand, a number of complaints against the big absentee money-lenders. The allegation was that the local agents were not always very honest in their dealings and thought rather of getting some profit for themselves and showing a regular profit to their masters than of the welfare of the people. It was alleged that often they did not give receipts for repayments which they pocketed themselves, and also often claimed commission for themselves when loans were granted. There is no doubt that these absentee money-lenders cannot have that personal contact with the local cultivators which is one of the best features of the village sowkar's business, but the personal desire for profit remains none the less. The only duty of the local agents is to show a regular income, and they are concerned

rather with recovering as much interest as they can than with recovering the principal. After all, the principal, when recovered, has only to be invested again with some other borrower.

For this reason, in many cases, the cultivator is not pressed for, and is sometimes discouraged from, repayment of more than the interest. The system of money-lending in this tract is, we feel, bound to have a certain demoralizing influence over the tenantry, producing in the long run, a contest of wits between the borrower and the money-lender's local agent, the borrower trying to obtain as much money as he can as loan and to repay as little as possible, and the money-lender's local agent striving to recover enough interest every year to show a reasonable profit on the working of the local shop. There is wide scope for the extension of the co-operative credit movement to this tract, for financing short-term loans, provided there is full supervision and education in the underlying principles and implications of co-operation. In this tract, a land mortgage bank could, of course, do much to relieve cultivators from their burden of old debts, and as an educative influence towards the prompt repayment of liabilities and a greater thrift. Strict recovery of kists must always be one of the essential features of the business of a land mortgage bank and the educative value of prompt recovery alone, in such a tract, would be very great.

On the whole, the tenantry appear to be prosperous and contented; but they have had a succession of favourable seasons and a crisis might quite easily arise, if and when a cycle of bad years occurs. Although we consider the existing methods of finance here to be much less satisfactory than in many other parts of the province and have thought it desirable to sound a note of warning, we do not desire to appear unduly pessimistic. About half of the indebted tenants owe quite small sums which can easily be repaid at harvest time, and should be so repaid if the local system of finance was on a sounder basis, and very much could be done here by a concentrated thrift campaign, provided the influence of the old established money-lenders could be broken down, and the tenantry could be made to realize that it is not to their advantage to allow a debt to run on at a high rate of interest when they are in a position to pay off the principal.

Loans are not advanced on the security of crops. Sowkars do not insist that the borrowers should sell their produce through them. The sowkars approve of the idea of licensing money-lenders.

The sowkars say that the rate of interest has been constant for the last 40 years. Indebtedness, they say, has increased and is attributed to dearness of labour, ease-loving habits of the cultivators and uncertainty of crops. It is largely due to the high value and fertility of the soil in this tract, and the money-lender's knowledge of the consequent good credit of the borrowers. The total tenancy debt comes to Rs. 35,615 or Rs. 207 per tenant or Rs. 273 per indebted tenant or Rs. 16 per acre or 12 times the

rent. Of the indebted tenants the following are heavily indebted:—

Name.	Acres.	Rent.	Debt.
1	2	3	4
Apbaji Sakharam ...	18.32	15	Rs. 2,795
Shamir Khan ...	16.38	20	2,825
Savji Upashya ...	22.09	47	2,290
Haji Miyan ...	6.29	16	1,000

Shamir Khan and Haji Miyan are losing money in trade and are kept going by agriculture. But they are not really primarily agriculturists. If we exclude the debts of these four persons, the debt comes to Rs. 159 per tenant or Rs. 212 per indebted tenant or Rs. 12 per acre or 9 times the rent, or about 15 per cent of value of the land which they sold.

The sources of and purposes for which these debts were incurred are shown below:—

	Sources.	Rs.
Mahajana	50,321
	Purposes.	
Old debt	22,260
Marriage and ceremonials	9,580
Seed, manure, labour	6,941
Bullocks	2,643
Purchase of land	3,379
Distress	1,669
Arrears of rent	80
House building	410
Trade	3,645
Improvement of land, etc	614
Litigation	100
	Total ...	50,321

Of this, Rs. 21,900 or 38 per cent is secured and 62 per cent unsecured. 44 per cent is old debt. Of the balance, 26 per cent is for unproductive and 74 per cent for productive purposes.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 16,359.

The following statement will show the distribution of the village holdings:—

Village.	Below	From	From	From	From	From	From	Above	Total.
	5	6-10	11-15	16-20	21-25	26-30	31-40	40	
1	2	3	4	5	6	7	8	9	10
Adyal ...	83	36	13	17	17	3	1	7	177

APPENDIX E-XXVII.

RICE ZONE.

KATANGI, TAHSIL GONDIA, DISTRICT BHANDARA.

A large village of 1,833 acres, 2 miles from Gondia on the Gondia-Balaghat road. The village is closely cropped, the soils are fertile and embanked and secure from ordinary crop failures, and the crop outturns are good. The agricultural conditions are typical of the whole of this tract.

Landlord.—This village is one of those held by the Kampta zamindar in superior proprietary right. The inferior proprietor and resident malguzar is Maniram, Powar, a Darbari and formerly an Honorary Magistrate and a man of great influence in the locality. He holds 249 acres of home-farm in this village and has no cultivation elsewhere. He is an excellent cultivator and has set a good example to his tenants and, from the profits of his agriculture, has built in the village a very fine house worth some Rs. 40,000.

The abadi is a large one with well-built large houses, and the cultivators, on the whole, seem to be very prosperous. Owing to its proximity to Gondia, however, the rates of wages are higher than elsewhere. Gondia, as we have explained in a separate note, is a thriving industrial town with several large *bidi*, glass and shellac factories where employment is readily available at 8 annas to 12 annas a day. In this village also, there are 4 small *bidi* factories providing employment to about 150 persons at a rate of 8 annas to 10 annas per day.

Costs and profits of agriculture.—The high cost of hired labour has added somewhat to the cost of cultivation here. The malguzar gave his own estimate for a holding of ten acres as follows:—

	Rs.
One servant for two months ...	16
Three labourers for a month at 1½ khandis each ...	36
Three labourers for cutting 4 khandis ...	32
One labourer extra ...	7
Seed, 5 khandis ...	40
Lakhori seed, 1½ khandis ...	24
Wages ...	32
Rent ...	20
Depreciation on cost of bullocks at Rs. 105 per pair and working life seven years.	15
Depreciation on implements ...	4
Menials ...	24
Total expenses or Rs. 25 per acre including rent ...	250
Output—	Rs.
Rice 6 khandis per acre or 60 khandis ...	480
Lakhori 10 khandis ...	160
Total output ...	640 or 64 per acre
Net profit on 10 acres Rs. 39 per acre,	

The other cultivators state that they do not get more than 4 to 5 khandis per acre in a normal year, but that they also do not do all their agricultural operations by hired labour. The standard crop for unirrigated transplanted rice is over 4 khandis, i.e., 1,050 lbs., but for irrigated transplanted rice it is 1,650 lbs. to an acre or 6 khandis.

The total occupied area of this village is 1,407 acres, the tenancy and malik-makbuza land covering 1,129 acres. Practically the whole of the rice area is double-cropped and transplanted and there is no reason to suggest that the net profits of the average cultivator who employs less hired labour than the malguzar should be less than the malguzar's net profits from rice cultivation.

We can safely take the all round average net profit at not less than Rs. 35 per acre, at the low price at which the dhan has been valued. But the normal price is not less than Rs. 10 per khandi or 25 per cent more.

Cost of maintenance.—Here the costs of food and clothing are rather higher than in some other parts, owing to a higher standard of living due to proximity to Gondia town. The ordinary expenditure for a family of five appears to be about Rs. 250 per annum.

There are 103 tenants in the village and the average holding is about 11 acres, which should yield an annual income of at least Rs. 380.

The small cultivators do practically all their field operations without hired labour and, therefore, obtain a considerably greater profit. They also earn a subsidiary income from agricultural labour in the fields, and from carting, *bidli* manufacturing and casual labour which is at all times in demand in Gondia town, adjoining. The total income from non-agricultural sources, as stated by the tenants themselves, comes to Rs. 11,295 or about Rs. 110 per cultivator. The cultivators of this village may, therefore, be said to be in a very satisfactory position.

Sources of finance.—There is a co-operative society with 21 registered members in the village. The malguzar also does a little money-lending.

The principal financiers are the absentee money-lenders—Naik and Ganpat Rao Pande of Bhandara. The common rate of interest is 24 per cent although the society members have to pay 12 per cent.

Debts.—The malguzar is indebted to the extent of Rs. 4,700, but his assets are many times greater than this sum and his financial position is perfectly sound. Of the 103 tenants, 56 are entirely free from debt and only 47 are indebted. The

indebted tenants hold 680 acres on Rs. 854 rent and their total debts amount to Rs. 13,280. The principal debtors are:—

Name.	Acres.	Rent.	Debt.
1	2	3	4
		Rs.	Rs.
Narayan Namya	16.67	31	1,425
Amrut Krishnaji	67.25	80	4,000
Panchamsao	20.39	38	2,875
Total	104.31	149	8,300

If the debt of these three persons are omitted the total debt of the remaining 44 tenants comes to Rs. 4,980 or Rs. 113 per indebted tenant or Rs. 8-8-0 per acre of the land they hold or $6\frac{1}{2}$ times their rent. The sources and purposes of these debts are shown below:—

Sources.			Rs.
Co-operative bank	...	...	2,735
Mahajan	...	...	15,245
	Total	...	17,980
Purposes.			Rs.
Old debt	...	...	1,400
Marriages and ceremonials	...	...	1,000
Sinking of wells	...	...	600
Purchase of land	...	...	4,700
Purchase of bullocks	...	...	780
Seed, manure, wages, etc.	...	...	7,500
Trade	...	...	2,000
	Total	...	17,980

About 18 per cent is for unproductive and 82 per cent for productive purposes.

Land values.—Land here is valuable, the rice land selling from Rs. 100 to Rs. 250, while the wheat land sells at Rs. 50 per acre. The all round average value of land in the village would be not less than Rs. 150 per acre, so that the debts of these indebted tenants should be only $5\frac{1}{2}$ per cent of the value of the land they hold.

Most of the debts are the ordinary short-term loans which are borrowed during the agricultural year and which will be repaid at harvest. Of the three heavily indebted tenants, Panchamsao, who alleges a debt of Rs. 2,875, admits that he has a money-lending business and has lent out Rs. 500 at a higher rate of interest. He has also invested Rs. 2,000 in a grocery shop which he maintains. Amrut Krishnaji and Narayan Namya

appear to be heavily indebted. But these are the only two persons in the village whose debts give cause for anxiety out of 103 tenants.

Co-operative credit bank.—There are 12 members of the co-operative credit society in the village; they own 359 acres at Rs. 451 rent and owe Rs. 2,375 to the society and Rs. 4,200 to other persons. Thus their total debts come to Rs. 5,935 or Rs. 282 per member or Rs. 19 per acre of land which they hold or 14 times the rent they pay. Here, as elsewhere, the average burden of debt upon members of co-operative credit societies is much above the average for other tenants.

In this village there is a large vernacular school and compulsory education has been introduced, and the school boys are learning scouting. The tenants appear to be prosperous and intelligent, but the standard of their cultivation and the quality of their soil is not above the average for this tract. The occupancy tenants press for the grant of the rights of transfer. The malguzar, Maniram, admitted that the rates of interest would fall and that the occupancy tenants' economic condition might improve in his village if the rights of transfer were granted: but the malguzar would, of course, lose some nazarana. As far as he was concerned, he would not mind losing the nazarana so much as losing his present influence and control in the village. He said that, if the rights of transfer were given, the malguzar will not be able to prevent undesirable persons, absentees and non-agriculturists, from securing land in the village and undermining his influence.

Marketing.—The small cultivators sell their surplus produce in small quantities when they require cash for their necessities. The big cultivators sell their grain in the adjoining rice market in Gondia. This is one of the most important rice markets in the province. Marketing here presents no difficulties.

This village is an example of the beneficent results of a good malguzar's wise exercise of influence. Our experience has been that the prosperity of a malguzari village often depends more upon the personal character of the malguzar himself than upon anything else.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 5,729.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Katangi	38	31	14	11	3	4	1	1	103

**APPENDIX E-XXVIII.
RICE ZONE.**

SONDER, TAHSIL SAKOLI, DISTRICT BHANDARA.

This is one of the many villages owned by the Hon'ble Sir Shankarrao Chitnavis, K.C.I.E., President of the Legislative Council, who holds very many villages in his large estate in the Bhandara and adjoining districts and who has an extensive money-lending business carried on through local agents. The village is situated $7\frac{1}{4}$ miles from Sakoli, the tahsil headquarters town, on the Nagpur-Raipur first class road. With the opening of the Gondia-Nagbhir narrow gauge railway, this village has a railway station of its own. It has also a large weekly bazar. The village site is at a short distance from the road. The total area of the village is 3,102 acres and the population is 1,914. The total cropped area is 1,033 acres, of which 923 acres are under rice and 701 acres of the rice land are double-cropped with linseed, gram and lakhori or urad. Practically the whole of this rice area is irrigated from the magnificent tank of a very large area situated on both sides of the Nagpur road. In addition to this irrigated rice area, there are 26 acres of irrigated sugarcane, while there is a substantial area of silt deposits on the banks of the Chulbarn river, where irrigated chillies and other garden crops are grown. There are also 94 acres under wheat. The typical soil is a fertile loam with a certain admixture of fine sand.

Costs and profits of agriculture.—The individual statements of tenants indicate an average outturn of rice in normal years per acre of not less than 1,000 lbs.

In these fertile soils the outturn in normal year must certainly be more. Most of the rice is transplanted. The standard outturn in the Bhandara district for rice is—

Transplanted irrigated	... 1,600 pounds per acre.
Broadcast irrigated	... 1,350 pounds per acre.
Transplanted unirrigated	... 1,050 pounds per acre.
Broadcast unirrigated	... 900 pounds per acre.

In paragraphs 61 and 64 of his settlement report Mr. Gordon, I.G.S., Settlement Officer, has explained how after a number of experiments he was of the opinion that the unirrigated standard was low. It is practically certain, therefore, that the all-round normal outturn is not below 1,300 lbs. worth at present prices about Rs. 43 per acre. There is also the double-cropping of most of the rice area.

The value of the second crop is estimated at from Rs. 10 to Rs. 15 per acre; but the cost of cultivating the double cropped field is slightly more. The average all round gross outturn of all crops in this village appears at least to be between Rs. 40 to Rs. 45 per acre.

The cultivator's estimate of the costs of cultivation, including rent, seed, bullocks and labour, when everything is done by hired labour, approximates to Rs. 18 per acre, while for a smaller holding in which the cultivator works himself with his family and his bullocks, the costs are shown to be less than Rs. 10 per acre. We shall be on very safe ground if we estimate the profits from agriculture here at not less than Rs. 30 per acre in all ordinary years.

Cost of maintenance.—Here, as elsewhere, individual budgets for expenditure on food and clothing vary considerably according to the position and size of family of the cultivator. In this village, there are 141 cultivators with families consisting of 1,003 persons. We have, as usual, enquired into the expenses of each individual cultivator, and a summary of their budgets shows a total expenditure upon food and clothing amounting to Rs. 26,061 which implies an average of Rs. 26 per head of the agricultural population or an expenditure per cultivator of Rs. 184 per annum, the average household consisting of 6 to 7 persons. This is less than in many other places: but on the other hand, this village is at a considerable distance from any large town and the people seem to be simple and their needs appear to be few.

There are 146 tenants and the average holding is of 7 acres only, yielding an average net income, if we accept the low figure of Rs. 30 per acre, of Rs. 210 per tenant. This is not, of itself, a very large income but, as pointed out above, we have been careful to take an estimate of the profits of agriculture on the low side, and it is quite probable that the real income from agriculture per average tenant is not less than Rs. 250. On the other hand, non-agricultural income is equally important and, in fact, the admitted total non-agricultural income of Rs. 27,188 nearly equals our estimate of the total net agricultural income at Rs. 30 per acre and gives an average non-agricultural income of Rs. 193 per tenant.

Most of the villagers get two or three months' food supply from the mahua fruit which abounds in the jungle, while others do lac propagation. Many of them obtain a good income from the carting of fuel and timber. There are, however, 500 persons of the Mehra or weaver caste in the village, several of whom have small holdings of land and do weaving in addition. Quite a large number of them weave coarse cloth (*khadi*) for *jajam* and other articles of dress. They purchase yarn on credit from Murlidhar and pay him the price after selling the cloth every week. He charges 3 annas more than the market price. One bundle of yarn which costs Rs. 7-6-0 is sold for Rs. 7-9-0. Three *salangs*, 20×2 cubits each, are made out of this yarn by four men working part-time for seven days and are sold for Rs. 8-12-0, leaving a net profit of Re. 1-3-0. As the Mahars do cultivation also, they can live on this income. There are two Rangaris in the village and they dye *jajams* and *khadi salangs*, and we thought they were being sold rather cheap. With a proper market, much better prices could be obtained.

Debts and systems of finance.—The most common form of credit is the *mahin khat*. It is as under:—

A borrower has to execute a bond for Rs. 100 for a sum of Rs. 80. But still he does not get Rs. 80, but has to pay the following charges:—

		Rs. a. p.
Javat (this is returned or credited to borrower's account at the end of the year)	...	... 2 0 0
Parveshi	...	... 2 0 0
Kasar	...	... 0 8 0
For servants	...	... 1 0 0
Warkari's inam	...	... 2 0 0
		...
Total	...	... 7 8 0

The amount of Rs. 100 is realized by monthly instalments. People find it easy to repay: but the amount of interest is certainly heavy. In case of default, interest from Rs. 2 to Rs. 3-2-0 per cent per mensem is charged. The malguzar, three local Marwaris and sowkars of Sakoli advance loans to the villagers. Rates of interest are very high. 36 per cent is very common on short-term loans which are required for cultivation expenses. People desire that taccavi should be given on a more liberal scale. They say that insolvent and dishonest persons should be excluded from joint security, because honest persons hesitate to take loans on joint security with them.

There are 146 tenants in all. Of them only 29 are free from debt. The indebted tenants own 808 acres at Rs. 1,188. Land is valuable here averaging between Rs. 100 and Rs. 150 per acre. Their land is, therefore, worth not less than Rs. 1,00,000. Of the indebted tenants, the following are more heavily indebted:—

Name:	Acres.	Rent.	Debt.
1	2	3	4
		Rs. s. p.	Rs.
Mangi Laf	5.67	7 8 0	3,050
Sitaram	2.37	5 0 0	495
Premi	22.42	23 0 0	1,550
Ratan	41.44	45 0 0	3,055
Pannalal	5.00	7 8 0	1,200
Jairam	6.48	12 0 0	1,250
Kisan	16.58	24 0 0	1,900
Urkuda	8.66	5 0 0	607
Sitaram Pande	3.00	5 0 0	1,335
Bhiva	13.00	25 0 0	950
Vitha	25.00	23 0 0	2,645
Jairam	14.00	3 0 0	1,960
Total	164.00	188 0 0	19,907

Most of this is old debt and it grows fast owing to high rates of interest. If we leave this out, the total debt on the remaining 105 tenants is Rs. 25,200 or Rs. 240 per head.

Leaving out the area of the 12 heavily indebted tenants, the 105 remaining indebted tenants own 644 acres at Rs. 1,000 rent and the incidence of debt comes to Rs. 39 per acre or 25 times the rent, or about 30 per cent of the value of their land.

The sources of and purposes for which these debts were incurred are shown below:—

	Sources.	Rs.
Government	...	233
Malguzar	...	20,034
Mahajan	...	24,840
Total	...	45,107

Purposes	Rs.
Old debt	13,229
Marriage or ceremonials	5,420
Distress	2,535
Seed, manure	6,873
Bullocks, etc.	6,110
House building	3,710
Trade	4,030
Litigation	370
Pilgrimage	230
Improved implements	2,600
Total	45,107

23 per cent is for unproductive and 78 per cent for productive purposes. All debts are unsecured. Fifteen years ago there was no Marwari in the village. Three have come to the village with the railway line and settled down there. They do some money-lending and keep grocery shops.

Some arrangement must be made for providing long-term credit at a low rate of interest. People should be helped and exhorted to pay off their old debts. As rates of interest are very high, some credit agency for short-term loans also is necessary to reduce the rate of interest. The rental demand is Rs. 1,353, but the total amount of interest which the people have to pay every year comes to Rs. 10,800, calculated at 24 per cent. The most common rate of interest is not less than 36 per cent. A land mortgage bank for long-term loans and a co-operative credit society for short-term loans would have much scope here. For other remarks on the absentee money-lenders the note on Adyal may be perused.

This village is in many respects typical of the richer villages of the tahsil. But, as noted by the Settlement Officer at settlement, the villages of this particular estate are more heavily indebted than the average village.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 16,924.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Sonder	96	28	10	6	4	...	...	2	146

APPENDIX E-XXIX.

COTTON ZONE.

ELLIKELI, TAHSIL AND DISTRICT WARDHA.

A fairly big village, 5 miles from Wardha on the Wardha-Arvi road. The total area of the village is 1,269 acres, of which 1,110 acres are under crops. Land revenue of the village is Rs. 1,000. Of the total cropped area, 374 acres constitute the home-farm and the remaining 736 acres are held in tenancy right. The main cropping of the village is as under :—

	Acres.
Juar	527
Cotton	545
Wheat	12
Minor	26

The average selling value of the land is Rs. 150 per acre. The villagers believe that it would be more if they had the rights of transfer. An examination of 6 leases executed during the year gave an average of Rs. 25 an acre as the subletting value of land in the village.

Finance.—The chief source of credit is the money-lender. A co-operative society with 12 members was formed last year, but it has not been able to shake the sowkars. 75 per cent of the cultivators take annual advances from sowkars for their cultivating expenses. They borrow short-term loans in the rains repayable at harvest. Loans before the rains are at 24 per cent or 18 per cent per annum, but loans borrowed in the cultivating season are repayable at harvest *plus* 25 per cent, *i.e.*, 25 per cent for 4 months or 75 per cent per annum. If repayment at the due date is not made, the sowkar then fixes interest at 25 per cent or sometimes at 37½ per cent per annum. Those who have current accounts are given loans on the *khata*, new borrowers have to write bonds. No taccavi was taken during the last seven or eight years, because it is not given in sufficient amounts. Villagers stated that the best way of financing them was to give adequate taccavi annually.

Cost and profit of cultivation.—According to Govinda Laxman, Kunbi, and some others, the cost of cultivation varies between Rs. 12 and Rs. 22 per acre according to the personal industry and methods of cultivation of the individual cultivator and the average net yield per acre comes to Rs. 30 to Rs. 50 per acre. The net profit may possibly be a little more as the subletting value in the village is Rs. 25 per acre. Taking the subletting value as a safe basis for calculating the profits of cultivation, we find that the value of the annual produce of the village is not less than $1,110 \times 25 = \text{Rs. } 27,750$. The cultivators of this village among themselves hold 3,482 acres of land elsewhere. Thus the value of the total produce of the villagers would be Rs. 1,14,800 at this rate.

Debts.—There are 19 co-sharers and 62 tenants in the village. These co-sharers hold shares in several other villages beside owning large farms. Sixteen of them are indebted and three free from

debt. The total malguzari debt amounts to Rs. 1,28,100 or Rs. 6,742 per average malguzar or Rs. 8,006 per indebted malguzar. But the real state of affairs is not so bad as these figures disclose because, the total malguzari debt Rs. 1,09,500 is due only from the following five co-sharers :—

	Ra.
1. Muset. Kastila (shares in 29 other villages) ---	67,000
2. Yeshwantrao (shares in 4 other villages) ---	15,000
3. Deorao (shares in 7 other villages) ---	19,000
4. Dhardiba (shares in 5 other villages) ---	12,500
5. Jhingoba (shares in 6 other villages) ---	5,000
Total ---	1,09,500

Leaving a balance of Rs. 18,600 on the remaining 11 malguzars which works out to Rs. 1,690 per indebted malguzar.

The tenants' debt is Rs. 71,110. Of the 62 tenants, 22 are free from debt. Of the 40 indebted tenants, only 2 are hopelessly indebted.

Jagoba, with 63 acres of land, owes Rs. 30,000, of which Rs. 15,000 is old debt and Rs. 10,000 spent in litigation. Interest at 12 per cent comes to Rs. 3,600 per year.

Waman, with 20 acres, owes Rs. 19,000 at Rs. 18. Interest comes to Rs. 3,420 per year.

The following three, *i.e.*, Dayaram, Antia Sitaram and Ganpati Maruti, are heavily indebted, though possibly not beyond redemption :—

	Ra.
Dayaram (71 acres at Rs. 28) ---	4,000
Antya Sitaram (16 acres at Rs. 31) ---	1,600
Ganpati Maruti (95 acres at Rs. 35) ---	4,000

The remaining debt, excluding these 5 debtors, comes to Rs. 12,510 owed by 35 tenants. The incidence then is Rs. 220 per tenant or Rs. 360 per indebted tenant. As these tenants hold over 1,000 acres here and elsewhere worth not less than Rs. 150 per acre or 1½ lakhs of rupees and many of them own shares in other villages, their financial position is quite sound.

The following statement will show the indebtedness of the members of the co-operative society :—

	Society.		Outside.	
	Ra.	Ra.	Ra.	Ra.
1. Mahadeo ---	1,500	2,300		
2. Nilkauth ---	300	2,500		
3. Kesbedas ---	300	100		
4. Govinda ---	400	3,600		
5. Raghoba ---	100	2,300		
6. Ganpati ---	150	4,000		
7. Madan Maruti ---	200	1,200		
8. Vitoba ---	50	250		
9. Pan'urang ---	45	100		
10. Maruti ---	45	140		
Total ---	3,090	16,490		

19,580

or Rs. 1,958 per member.

The members of the co-operative society here, as elsewhere, are much more heavily indebted than non-members.

The sources from which and the purposes for which the debts were taken can be seen from the following statements:—

<i>Sources.</i>		Rs.
1. Co-operative ...	...	3,090
2. Malguzar ...	...	7,000
3. Sowkar ...	...	18,120
Total ...		1,99,210

<i>Purposes.</i>		Rs.
1. Repayment of earlier debt ...	...	57,595
2. Marriage and other ceremonials ...	...	9,175
3. Purchase of land ...	...	38,030
4. Seed, bullocks, cultivation, etc. ...	...	73,590
5. Litigation ...	...	20,350
6. Arrears of rent ...	...	500
Total ...		1,99,210

Leaving out the old debt, the purposes for which could not be ascertained, Rs. 11,12,090 or 79 per cent is for productive and Rs. 29,525 or 21 per cent is for unproductive purposes. Rs. 15,300 or 8 per cent is secured and Rs. 1,83,910 or 92 per cent is unsecured. The real handicap is the old debt. It does not allow even a hard working, honest cultivator to prosper. The solution lies in the establishment of a land mortgage bank. But these banks can be of no use unless cultivators have something to mortgage. It is therefore necessary to legalize mortgage of occupancy lands in favour of the bank. People want transferable rights and there appears to be no reason why this qualified right of transfer may not be given to them, even if full rights are not granted at once.

There is no doubt that cultivators, now that the cotton boom is over, will find it hard to adapt their expenditure to their reduced incomes. While the boom lasted they had ample credit and many were undoubtedly extravagant, and incurred debts which were then trifling when compared to land values.

Land values have fallen and are still falling yet less than 5 per cent of the tenantry are indebted beyond redemption.

The main needs now are (1) real thrift, (2) a land mortgage bank to advance long-term loans at a low rate of interest to liquidate their old debts with high rates of interest. If not, it is possible that the interest on the debts of several tenants may accumulate and become overwhelming.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 17,429.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Ellikeli	8	6	6	1	...	2	2	4	29

STATEMENTS.

Govind, son of Laxman—

I have some 70 acres of land. I pay Rs. 105 on my present land. I spend between Rs. 700 to Rs. 800 per annum in all in cultivating my land. I have 73 acres. About 10 acres is fallow.

I sow about equal areas with cotton and juar and also sow some tur with cotton and some mung with the juar. Last year, I got 50 khandis juar and 9 khandis cotton. I shall get 14 khandis cotton this year. It is a 10 anna crop. In one year I got 25 khandis. In most years I should get about 18 khandis and I ought also to get 50 khandis juar (small khandi).

18 khandis cotton	Rs.	Rs.
50 khandis juar	1,620 at 90.	750 at 15.
Total	2,370	

Gehu (wheat).—I sowed wheat in one acre, I expect 1½ khandis worth Rs. 35. Tur I get 7 or 8 khandis worth Rs. 150 to Rs. 170. I also get some mung which I eat.

Total	Rs.	2,555
Expenses	Rs.	750
Total	Rs.	1,805

for 60 acres.

The area cultivated this year is—

	Acres.
Cotton	22
Juar	27
Wheat	1
Fallow	14

Also 8 acres sublet on Rs. 300 to Gopalrao of Wardha. This I gave for one year in satisfaction of a debt of Rs. 300.

Two years ago I surrendered 9 or 10 acres on Rs. 24 rent to the malguzar in satisfaction of Rs. 500, arrears of rent due to the malguzar, Rs. 600 debt and for Rs. 900 cost, total Rs. 2,000. I also owe Rs. 2,000 still at 12 per cent and 15 per cent. I spent

Rs. 900 which I got from the malguzar in household expense, etc. I have performed seven marriages and have to perform two more of my two daughters. I spend Rs. 1,000 or Rs. 1,200 in a marriage. I have spent about Rs. 7,000 in all the marriages. I have she-buffaloes and cows. I breed cattle and do not even buy bullocks though I sometimes sell.

We shall never prosper until we get rights of transfer in our land.

Villagers say average value of land Rs. 150 per acre, but would be more if they had rights of transfer.

Receipts are not always given. Only the bigger tenants know how to calculate interest. Most of them rely on the sowkar's accounts as correct. Some sowkars are honest, but many are dishonest.

Malguzars and tenants say that they ought to get $\frac{1}{2}$ khandi cotton in decent quality cotton soil in satisfactory years. They get $1\frac{1}{2}$ khandi of juar per acre.

Co-operative credit society.—There are 12 members in society No. 106. The society was formed last year. They have taken Rs. 3,300 from the Central Bank. The bank charges 10 per cent to us and we charge the members 12 per cent. Namdeo Dhanaji Wankerj some months ago deposited Rs. 850 with them and withdrew it after four months. We paid interest at 10 per cent.

Short-term loans.—75 per cent of the cultivators take annual advances from sowkars for their cultivation expenses. They borrow in the rains on short-term loans, repayable at harvest. Loans before the rains are at 24 per cent or 18 per cent per annum, but loans borrowed in the cultivation season are repayable at harvest *plus* 25 per cent per annum. If repayment at the due time is not made, the sowkar then fixes interest at 25 per cent or sometimes $37\frac{1}{2}$ per cent per annum.

Those who have current accounts are given loans on the *khata*. New borrowers have to write bonds. We have not received taccavi for seven or eight years. We like taccavi. The villagers say the best way of financing them is to give adequate taccavi annually.

**APPENDIX E-XXX.
COTTON ZONE.**

WADNER, TAHSIL HINGANGHAT, DISTRICT WARDHA.

It is a big village with a population of 1,466 souls. Its area is 4,822 acres and the land revenue is Rs. 1,975. The total cropped area is 3,541 acres which is distributed as under:—

	Acres.
Cotton	1,826
Juar	953
Wheat	387
Linseed	95
Minor crops	280

The village belongs to Seth Jamna Das, M.L.A., of Jubbulpore. There is a vernacular school in the village. The village is 11 miles from Hinganghat with which it is connected by an extremely bad road.

There are 122 tenants in all. Of whom 59 are free from debt. About 60 per cent of the tenants borrow small sums every year in Ashad and Shravan and repay them after the crops are sold. Rate of interest on such loans is *sawai*, i.e., for a loan of Rs. 100, they have to pay Rs. 125 in five or six months. The interest thus comes to 45 or 50 per cent. On other loans the rate of interest varies from Re. 1-4-0 to Rs. 2 per cent per mensem. No cultivator keeps accounts. He depends for the correctness of accounts, on the sowkar. The malguzar and the adatyas of Hinganghat are the chief financiers. The malguzar has advanced about Rs. 16,000 to the tenants on an average rate of interest of Re. 1-8-0 per cent and annually gets Rs. 2,880 by way of interest. Those who get loan from adatyas are well satisfied with their dealings. Adatyas advance loans on Re. 1 per cent and charge 12 annas commission per cart. People here have great confidence in their adatyas and say that they receive valuable help from them in selling their cotton.

Total secured and unsecured debts come to Rs. 36,208, i.e., 296 per tenant or Rs. 574 per indebted tenant. Tenants of this village hold lands in other villages also. The total area in their possession is 4,786 acres on Rs. 3,410. The debt works out to Rs. 7 per acre or 10 times the rent. No one is indebted beyond his means.

The following table will show the sources and purposes for which the debts were taken—

<i>I—Sources.</i>		Rs.
Malguzar	...	15,535
Sowcar	...	20,673
		36,208
<i>II.—Purposes.</i>		
Repayment of earlier debts	...	2,450
Marriage or other ceremonials	...	5,720
Famine or other distress	...	600
Arrears of rent	...	425
Seed, bullocks, manure, etc.	...	18,823
Land improvement	...	5,390
Purchase of land	...	2,600
Litigation	...	200
		36,208

Leaving out Rs. 2,450 old debts, 95 per cent can be said to be for productive and 5 per cent for unproductive purposes. The proportion of secured to unsecured debt is 20 per cent and 80 per cent. A large part of the productive debt consists of short-term seasonal loans to be repaid at harvest.

The cost of cultivation, according to Polu Gond, Ughadya Mahar, and Khandu Raoji is about Rs. 10 to Rs. 12 per acre, and the net profit for the last two years have been about Rs. 20 per acre. People say that the last two years have been poor. It would not be unfair to take the normal net profit at Rs. 20 per acre, but the price of cotton is still falling. Subletting value is Rs. 6 per acre. Even taking the net profit as low as Rs. 10 per acre, the annual agricultural income alone comes to Rs 47,860 which is more than the total debt. People are in easy circumstances. Their only complaint is that the labourers did not accept wages for picking cotton in cash. They take one-seventh of their daily pickings.

During the last 10 years about 300 acres of land was surrendered to the malguzar and let out again by the malguzar. Malguzar takes 25 per cent of the price as nazrana on all sales of occupancy lands.

People think that if they got transferable rights in lands they will be able to get money at cheaper rate of interest. They will be able to get full price of their lands.

There is no co-operative credit society and no taccavi advances are made here.

The village is a rich one similar in almost every respect to the adjoining villages of Berar except that the Beraris have already got full rights of transfer in their land.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 10,417.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total
1	2	3	4	5	6	7	8	9	10
Wadner	8	11	15	13	13	12	11	32	115

STATEMENTS.

Khandu Raoji—

I owed Rs. 2,000, years ago. Instalments of Rs. 100 were agreed upon. I have paid 18 instalments. Now 2 more remain. I have paid one this year. Only one instalment of Rs. 100 remains.

20 seers = 1 maund.
20 maunds = 1 khandi.

I sow 5 maunds cotton seed and get 6 khandis. This I sow in 10 acres. My khandi is sold at Rs. 90. In good land 5 maunds cotton seed yields 10 khandis cotton.

One pair of bullocks tills 20 acres of land. Cost of cultivation for this acre will come to Rs. 300 when all the work is done by paid labour :—

Outturn—

	Rs.
6 khandis cotton	540
3 khandis tur	60
5 khandis juar	75
Miscellaneous crops	15
10 kudo til	16
3 khandis wheat	66

Total ... 772 gross outturn.

Net profit Rs. 472 or Rs. 23-8-0 an acre.

The land in this village is poor, and hence the outturn is not high. (The rent is Re. 1-4-0 per acre.)

Polu, Gond—

I own 14 acres. My cost of cultivation (excluding labour, as I work in the field) is Rs. 107.

Outturn—

	Rs.
Cotton, 3 khandis	270
Juar, 5 khandis	75
Tur 1½ khandi	30
Wheat 1 khandi	22

Net profit ... 397
290 =Rs. 21 per acre.

I own Rs. 100, I had borrowed from the malguzar two years ago at 25 per cent. I have paid the interest and Rs. 70. I hold a receipt. I paid all this year. I now owe Rs. 30 only.

Ughadya, Mahar—

I own 20 acres of my own and take 20 acres on lease for Rs. 45. I require Rs. 250 for cultivation. We all work in the field. I have two ploughs. This year my crops are poorer than the previous year. Last year I got 4 khandis cotton (Rs. 400) and 9 khandis juar (Rs. 135), 2 khandis tur (Rs. 66), 3 khandis wheat and miscellaneous mung, 40 mot, 20 til, etc. (Rs. 20).

Rs.
661
250

411 Net profit Rs. 20-8-0 per acre.

The villagers say we sell out cotton in the Hinganghat market. We are satisfied with the arrangement. About 20 per cent of the cultivators borrow from adatyas of Hinganghat. They have then to sell their cotton through them. They advance loans at 1 per cent. On sale of cotton they charge Rs. 2 to Re. 1 on a cart. There is no trouble in dealing with them. They deduct their dues and pay us the balance.

For weeding and other agricultural operations small sums are required; 60 per cent of the cultivators borrow every year and repay every year. If crops are poor, they do not repay in full. They, however, make some payment. Interest on such loans is *sawai* for one year. We have no complaints regarding accounts. We get receipts of repayments.

92.18 acres of Baburao, Komti, was surrendered to the malguzar in repayment of Rs. 1,500. About 350 acres of land was surrendered to the malguzar during the last 10 years and let out again. Nazrana is calculated at 25 per cent of the price.

No one sells or buys bullocks here. They breed for their own agricultural purposes.

APPENDIX E-XXXI.

COTTON ZONE.

BOTHALI, TAHSIL ARVI, DISTRICT WARDHA.

Total area, 2,578 acres. Land revenue, Rs. 660. Situated adjoining the Arvi-Wardha road, 15 miles from Arvi and 22 miles from Wardha khas.

Total occupied area, 2,060 acres, of which 1,781 acres are occupied by tenants on Rs. 1,668 rent. Rent averages 9 annas per acre. In the present year 777 acres, mostly held by absentee tenants, have been sublet for Rs. 4,402, i.e., at an average of just under Rs. 6 per acre or about 10 times the rent.

The malguzar, Laxman Rao Kharde, holds one other village and also does money-lending to the extent of Rs. 75,000. He alleges debts of Rs. 16,018 outstanding, due to him from tenants in this village. He holds 279 acres of home-farm in this village and 492 acres elsewhere. He pays in land revenue Rs. 666 here and Rs. 391 elsewhere. Total Rs. 1,052. There are 70 tenants in the village of whom 32 reside in Berar and other places, about whose indebtedness, etc., information is not readily available.

These absentees hold 687 acres on Rs. 234 rent. Their land is sub-leased from year to year.

The cropping is as follows :—

	Acres.
Cotton	952
Juar	682
Wheat	8
Linseed	13
Others	126

Total cropped area 1,781, including 10 acres double-cropped.

The general position is rather uneven and the village may be considered typical of the lighter soil cotton-growing tracts of the district outside the Wardha valley proper. Similar tracts occur in the uplands of Berar. The standing cotton crop was excellent when we visited the village.—

Average rate of interest	18 per cent per annum.
Owed to malguzar	16,000
To saukar	5,000

Twenty-four tenants are indebted and 14 have no debts.

Jhimli, with 5 acres land, owes Rs. 900 debt at 24 per cent.

Hari Singh, 26 acres, owes Rs. 2,000 at 24 per cent. He borrowed Rs. 1,800 for bringing fallow land under cultivation.

Bapurao owes Rs. 3,473, with 85 acres, of which Rs. 3,100 is for old debt. These are the principal debts. The others do not seem to be indebted beyond their means. When we questioned them they gave contradictory statements about their alleged debts and it is quite probable that these alleged debts to the malguzar are not all genuine. They are certainly exaggerated.

The incidence of alleged debts is about Rs. 19 per acre held in tenancy right.

The tenants have 58 she-buffaloes and 265 cows. They say the average value is Rs. 125 per she-buffalo and Rs. 50 per cow.

The value of these would be Rs. 20,475. They have also 164 bullocks. Value of bullocks, Rs. 13,120. The tenants here do much cattle-breeding and get income therefrom. The total value of their cows, bullocks and she-buffaloes Rs. 33,595 is much more than their total alleged debts.

The malguzar does most of the money-lending and the interest on Rs. 16,000 odd due to him in this village at 18 per cent is Rs. 2,880 or nearly 3 times the total rent of Rs. 1,066.

In addition some Rs. 6,000 debts to other sowkars are alleged. It is obvious that if any agency for advancing loans at, say, 9 per cent could be introduced, the interest charges could be reduced by nearly Rs. 2,000 per annum or by nearly twice the present rental payments. The villagers say they know nothing about co-operative as no one has ever explained it to them. There is no co-operative credit here. The malguzar would be opposed to a co-operative credit society and to the grant of rights of transfer. He appeared to have great power in the village and the tenants seemed considerably afraid of him. The tenants said that if the malguzar would grant permission and would not be displeased they would like rights of transfer. The tenants are too much under the thumb of the malguzar. The granting of rights of transfer would at least create some spirit of self-reliance and independence in place of the slavish mentality which seems to exist at present. The villagers say they are very much afraid of the approaching settlement and cannot pay any enhancement, because their expenses every year are more than their income. They say they get from 2 to 7 maunds cotton per acre.

A crop experiment made this year in the village yielded 200 seers per acre, i.e., 14 maunds (14 seers maund). We did our best to get some correct information about profits and expenses. The attached statement of Ganpati Jeeji shows the mentality of the villagers.

Debts alleged are as follows:—

Total tenants resident		
	Acres.	Rs.
38 with	1,093	831 rent
(elsewhere)	104	65
Total	1,197	896

Secured debts nil.

Unsecured Rs. 21,368 incurred for the following purposes:—

	Rs.
(1) Payment of earlier debts	4,173
(2) Purchase of bullocks	900
(3) Digging of wells	700
(4) Manure	400
(5) Purchase of land	200
(6) Purchase of seeds	150
(7) Cultivation	300
(8) Marriages	3,700
(9) Irrigation purposes	600
(10) Improvement of lands	10,245
Total	21,368

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 1,365.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Bothli	1	3	7	5	3	5	4	10	38

STATEMENT.

Ganpati Jeoji—

I have 75 acres of land and I pay Rs. 50 rent. My expenses are as follows :—

	Rs.
Weeding and sowing...	300
Servants	550
Cotton picking	65
Cleaning	25
Manure	200
Improvement of land	200
For bullocks	190
Cotton seed	25
Rent	50
Miscellaneous	75
Total	1,680
Food	550
Clothing	130
Total	2,360

Last year I got Rs. 1,300 for 13 khandis cotton; I got 20 khandis of juar in 25 acres at Rs. 25 per khandi, equals Rs. 500, total Rs. 1,800. This is for a good year. In a bad year I only get Rs. 800 of cotton and Rs. 200 juar, total Rs. 1,000.

I borrowed Rs. 500 this year. This year and last year were good years. We have been doing cultivation from 100 years. I also pay Rs. 216 interest on my debt. I have only Rs. 1,500 debt. (When the account was explained, he said.) I admit now that what I have said is impossible. It is only in bad years that I have any loss, in good year I have some saving and pay off the debts of bad years. I get on an average Rs. 20 per acre net profit from my cultivation, excluding my feeding and clothing expenses. I have 20 cows. I breed cattle. I sell 5 or 6 calves yearly and get some Rs. 300 from this. I am very much afraid of the settlement and I do not want to give any details of my income and expenditure.

The malguzar says that he takes advances from Seth Jamanlal Bajaz at 9 per cent for advancing to others at 18 per cent. There is no fixed period for the loan. He says Jamanlal gives him 4½ per cent on any deposits which he may make from time to time. He says he has 5 or 6 villages. He is quite willing to agree to an arrangement by which the bank will give him advances up to, say, Rs. 50,000 at a low rate for lending to tenants at a reasonable rate, the maximum to be fixed by the bank. He says he is willing to do this in 20 or 25 surrounding villages if financed. He was not, however, willing to produce his account books to show how much was really due to him from the tenants.

APPENDIX E-XXXII.

RICE ZONE.

RAJGARH, TAHSIL AND DISTRICT CHANDA.

A very big village with an area of 2,567 acres, the headquarters of a settlement group of the same name, on the Mul river adjoining the Mul-Chamurai II class road at a distance of about 4 miles from Mul I class road and railway station and 32 miles from Chanda khas. The abadi is situated at the foot of the hillocks, which has two fine tanks on either side.

The present malguzars are Mr. Krishnarao Deshpande, a big landlord of the Nizam dominions and Mr. Bapat, Pleader. The village is managed by the lumbaradar Deshpande through his Kalar agent Rajanna, who is a big money-lender with a money-lending business of about Rs. 5,000 per annum in this and adjoining villages. He has been the agent of the malguzars for the last 25 years. It is stated that the malguzars do not help their tenants being absentees. Quarrels between the agent and a well-known tenant, Venkat Gandli, have often disturbed the peace of the village in the past.

A big weekly bazar is held here every Tuesday at which cattle, grain, gud and other local products from surrounding villages of the pargana are sold. Cattle registration fee are credited to the district council. The general surface is level and more than half the area is good clay loam soil with some heavier sandy clay. There is some lighter soil along the base of the hillocks, in which kharif til is usually sown. The ringni rabi crop is important here and gives heavy outturns in the clay loam soil. Cropping in 1928-29 was as follows:—

			Acres.
Rice	...	...	716
Til	...	...	41
Total kharif	...	...	753
Ringni rabi	...	...	529
Total rabi	...	...	999
Double cropped area	...	...	282

173 acres are irrigated from two private tanks and some *boris*. In addition, 360 acres are irrigated from the Government Asola-Mendha estate irrigation canal. In this village there are 16 *Barai* families who grow *pan* in some valuable *pan* gardens situated in malik-makbuza land. There are also a number of small shopkeepers and traders in grain. There are also some *Mahars*, who manufacture country cloth, and some *dhimars*, who live by fishing in the river and by agricultural labour. Some *mirchi* is also grown irrigated. Since the last settlement 8 acres have also been brought under the valuable sugarcane crop.

There are in all 172 houses and 50 persons in the village. There are 175 tenants and malik-makbuzas, of whom some 40 actually reside in the village, while many of the remaining tenants live in Chandli, Fiskuti and Chandarpur villages adjoining. There are 123 acres in malik-makbuza right, and 144

acres in malik-makbuza maufi right divided between four persons. Rajanna, Kalar, holds 12 acres of malik-makbuza land on Rs. 23 rent, which he purchased for Rs. 1,000 some years ago. Sitabai, the widow of Sakharam, and 16 other share-holders hold 10 acres of malik-makbuza on Rs. 24-8-0 rent. These are *pan* gardens. The remaining malik-makbuzas are non-residents who nearly all sublet their land to others. Laxman Vishwanath of Waigaon has 23 acres on Re. 21 rent. He sub-leased a portion of this land last year for Rs. 80.

There are 2,305 acres of land held in tenancy right of which 248 acres are absolute-occupancy right and the remainder in occupancy right. The total rental and malik-makbuza demand comes to Rs. 1,946 at an average acreage rate of 14 annas per acre. 714 acres were sublet last year for Rs. 2,361 or about 4 times the rent.

The average price of the irrigated rice land is said to be between Rs. 125 to Rs. 150 per acre, while the worst wardi land averages Rs. 20 per acre.

As regards cultivation, the tenants say that they sow one khandi of dhan worth Rs. 10 in $2\frac{1}{2}$ acres. They say that as a rule in the rice irrigated land the outturn is 16 to 20 times, of a gross value of between Rs. 160 to Rs. 180 for $2\frac{1}{2}$ acres, *i.e.*, between Rs. 65 and Rs. 75 per acre. They state that in un-irrigated land the gross outturn averages about ten times or 4 khandis per acre, worth about Rs. 40. The malguzar of Mul, Mr. Fadnavis, has stated that this was a fair estimate. As regards ringni juar, they state that they sow half a kuro per acre, and the outturn varies between 15 kuros and 1 khandi per acre, *i.e.*, 150 or 200 seers per acre, one kuro being of 10 seers. But the cultivators state that the cost of ringni juar cultivation is very slight not exceeding more than 5 or 6 rupees per acre. The net outturn from ringni juar cultivation is somewhere between Rs. 10 and Rs. 15 per acre. As regards the rice cultivation, they state that for $2\frac{1}{2}$ acres of rice land they pay Rs. 15 to 60 women and Rs. 3 to 10 men for work in transplantation; total Rs. 18 for the $2\frac{1}{2}$ acres transplantation. They state that the cutting is paid in kind and that the yield of dhan is calculated after deducting the expenses of cutting in kind. They state that in addition one pair of buffaloes and 2 bullocks are required for $7\frac{1}{2}$ acres of rice land plus 6 or 6 acres of rabi land. A pair of bullocks cost Rs. 80 and a pair of buffaloes about Rs. 100, total Rs. 180, the ordinary working life being about six to seven years. The annual capital depreciation on cattle will then be Rs. 30 distributed over $7\frac{1}{2}$ acres of rice land and 6 acres of rabi land. The capital depreciation on cattle would therefore be about Rs. 2-8-0 per acre on rice land.

The cost of cultivation then would be Rs. 4 for seed, Rs. 7 for transplantation and Rs. 2-8-0 capital depreciation on cattle, total Rs. 13-8-0. The charges for transplantation appear to be very high, but if we take an all round figure of Rs. 15 per acre for expenses, the net profits from rice cultivation will still come

to over Rs. 50 per acre. This does not include the water rate at about Rs. 3-8-0 per acre for the area irrigated from state tanks. In addition there is an income from the second crop in the double-cropped area. The rice outturns in these villages are undoubtedly often heavy, but for the purposes of our calculation it will be safer to estimate the net profits at Rs. 40 although, according to the cultivator's own statement, the gross outturn in the irrigated rice land varies between Rs. 65 and Rs. 75 per acre, while for unirrigated rice land the gross outturn is said to be not more than Rs. 40 per acre. In this village, however, the whole rice area is irrigated, and therefore the question of unirrigated rice land does not arise. It is quite clear that the profits from agriculture in this village are very substantial, while the agricultural labourers also earn a good income.

Indebtedness and sources of finance.—One Pandurang, Brahman, with 37 acres of land, owes Rs. 1,440, but one member of his family is a Sub-Inspector of Excise and the other is engaged in a mill. They reside in Chanda, and are not primarily agriculturists. The remaining total debt is Rs. 6,920 owed by 41 tenants, holding 566 acres of land on Rs. 456 rent. This represents about Rs. 12 per acre per indebted tenant. But many of these tenants hold land elsewhere. The debt represents Rs. 4 per acre of the total tenancy land in the village. In this total sum Rs. 20 is taccavi borrowed from Government, Rs. 115 has been borrowed from the malguzar and Rs. 7,780 have been borrowed from the mahajans in cash and Rs. 445 in grain. The ordinary rate of interest on these transactions is 25 per cent. Of this total debt, over Rs. 4,500 has been borrowed for marriages and other social ceremonials, while Rs. 2,500 has been borrowed for the purchase of bullocks and other agricultural expenses. On the whole, the economic position of the tenantry appears to be very sound. Their only complaint is with regard to the high water rates for irrigation and the high rates of interest charged by the local mahajans.

It is surprising that no attempt has been made to start a co-operative credit society in any village of this tahsil.

The tenants complain that they do not receive adequate assistance with taccavi.

The villagers stated that up to the present year rice crops have been good for a number of years; and there is no doubt that this village is, having regard to the standard prevailing in the province, in a good financial condition. But as long as the rates of interest remain so high, they must be a perennial obstacle to any economic advancement of those persons who are compelled to borrow.

Much good can be done by concentration on a thrift campaign here because there is no doubt that profit from agriculture is substantial and that the cultivators, if they so desire, might build up a credit balance in place of the present debts which they owe to the local money-lenders.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 9,221.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Rajgarh ...	89	21	19	16	9	6	5	14	179

APPENDIX E-XXXIII.

RICE ZONE.

BELGATA, TAHSIL AND DISTRICT CHANDA.

This is a small village, but typical of the villages in the Chanda tahsil. All soils are sandy, but contain an admixture of clay and fine silt and belong to the sandy clay loam class with the usual tank irrigation. It is situated on Nagpur-Chanda road at a distance of about 5 miles north of Mul. Out of the total area of 403.62 acres, 292 acres is occupied and 216 acres is cropped. The cropped area is as under:—

			Acres.
Dhar	..	...	99
Other	...	...	3
		Total kharif	102
Lakholi	...	...	33
Gram	...	...	13
Cotton	...	...	15
Til and linseed	...	...	18
Others	...	...	35
		Total rabi area	114

There are four malguzars in the village who hold 54 acres of land as their home-farm. The rest, *i.e.*, 238 acres is held by tenants of all classes. The total land revenue of the village is Rs. 145 and the rental demand is Rs. 213. The tenants of this village hold 362 acres at Rs. 347 in other villages. Thus the total land they hold is 600 acres at Rs. 560. The malik-makbuza land sells at Rs. 90 per acre and tenancy land averages Rs. 50 per acre.

Finance.—The malguzar is the principal financier of the village. People also borrow from the sowkars of Mul. The common rate of interest is 24 per cent. People are backward and do not know how to keep accounts. They accept the sowkars account as correct and pay whatever he demands. Ramanna Telangwars case is of considerable interest. He borrowed Rs. 200 about two years ago, and executed a stamp for Rs. 300. He actually got Rs. 200 only. He paid Rs. 7 *dharna*, Rs. 7 *parveshi* and Rs. 7 *kasar*. He also paid 4 annas *dharmadaya*. He does not remember for what other items he had to pay to the sowkar. He pays Rs. 7 per month and he will have to pay thus for 40 months.

This is a most extortionate bargain, but is not uncommon in these tracts. For seed, grain is borrowed at $1\frac{1}{2}$ times *barhi* and for food it is borrowed at the rate of *sawai*. If the grain loan is not paid within the year then compound interest is charged after six months.

Debts.—None of the malguzars are indebted. There are 31 tenants of whom 10 are free from debt. The total debt which is all unsecured come to Rs. 4,273. Of the indebted tenants, the following are heavily indebted :—

	Acres.	Rs. a. p.	Rs.
Madho Karatnath ...	3.95	4 0 0	320
Kodha ...	17.90	8 12 0	360
Bodha ...	42.05	21 8 0	620
Sonya ...	9.41	2 0 0	330
Total ...	73.31	36 4 0	1,630

The total debt works out at Rs. 137 per tenant or Rs. 203 per indebted tenant or Rs. 7 per acre or 8 times the rent. But if the 4 heavily indebted tenants are excluded then the debt per tenant comes to Rs. 85, i.e., Rs. 5 per acre or 8 times the rent.

The sources and purposes of the debt are as under :—

Sources.			Rs.
Malguzar ...	...	...	3,483
Mahajan ...	...	...	790
Total ...			4,273

Purposes.			Rs.
Land improvements ...	...	...	2,420
Payment of rent...	...	...	93
Ceremonials ...	...	...	790
Repayment of earlier debt ...	...	...	970
Total ...			4,273

All debt in this village is unsecured. Out of total debt, 41 per cent is unproductive and the rest is productive debt.

Cost of cultivation and profits.—An average pair of bullocks costs Rs. 100 and the average working life is said to be six to seven years, after which period they are sold for half the price thus the depreciation comes to about Rs. 9 per annum. Wages are low. An adult male gets 4 annas. Most of the tenants work personally in the fields with the members of their family. The net outturn per acre is said to be Rs. 18. Calculating the value of the produce at this rate, we find that the total net profits come to Rs. 10,800, which is more than double the total debt.

Cost of living is low. People eat *ambil* and rice and flourish on it. They stated that they could not give any estimate of the cost of maintenance as they could not calculate

the various items. But they stated that for a family of 5 persons Rs. 175 to Rs. 200 was ample.

With the usual exceptions, the villagers on the whole are happy. Their requirements are few. Their main trouble is their ignorance. Taccavi loans distributed liberally would be very beneficial here.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 2,816.

The following statement will show the distribution of the village holdings but some of these persons also hold land elsewhere.

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Bolgata	12	4	5	2	1	2	1	4	31

STATEMENTS.

Ramanna, son of Yanga Telangwar—

There are six persons in my family. I sow 9 khandis dhan. I get about 100 khandis every year. I sow about 10 kuro juar and get 10 khandis every year. I get about 2 khandis lakhori. I have got six servants. I pay 10 kuro dhan each month. It is worth Rs. 5 per month. In addition to that they get some reward at the time of harvest. I borrowed Rs. 300 about two years ago. I executed a stamp for Rs. 300. I actually got cash Rs. 200. I paid *dharna* Rs. 7 and paid Rs. 7 *parveshi* and *kasar* Rs. 7. I also gave about 4 annas *dharmadaya*. I pay Rs. 7 per month for 40 months. Several persons borrow in that way. Security is not given. If grain is borrowed for seed then it is given on $1\frac{1}{2}$ times the seed and for eating it is given at *sawai*. If it is not paid within the year then it will run at compound interest after six months.

Sonya, son of Jaisingh, Gond, 45 years, Belgata—

There are 8 members in the family. I have to prepare 2 *pailis ambil* and 2 *pailis* rice. About half *paili* pulse is required. The total daily expenditure comes to about 10 annas per day. I sow 2 khandis dhan. I sow 7 kuro juar. I sow 30 seers cotton. I get about 25 khandis paddy. I get about 5 khandis juar. I get 20 maunds cotton. I took Rs. 50 loan from mahajan for purchase of bullocks. I took at *sawai* interest Rs. 50. I also took 8 khandis seed last year from the malguzar at *sawai* rate.

Madho, son of Lachhma, Gond—

I sow 2 khandis dhan and I get about 20 khandis dhan, I sow one kuro juar and I get one khandi produce. I sow 3 kuro lakhori and get about 15 kuro. Dhan is sold at the rate of Rs. 10 per khandi. Juar is sold at Rs. 12 per khandi. Lakhori is sold at Rs. 20 per khandi. One khandi dhan is equal to 160 seers. A pair of bullocks lasts for about six or seven years. The value of a pair of ordinary bullocks is Rs. 100. I have to pay Rs. 20 for transplantation. I borrow every year this from the malguzar of the village. All tenants of the village borrow money at that time. I do not employ labourers for harvesting works. I borrowed money for marriages. I borrowed Rs. 100 at 25 per cent per annum from the malguzar. I executed a stamp for it. I will pay Rs. 25 interest only. I also took debt from mahajan. I also executed stamp to the mahajan. I also work on wages.

APPENDIX E-XXXIV.

NANDORI BUZRUK, TAHSIL WARORA, DISTRICT CHANDA.

A large village of 3,000 acres in the Warora tahsil, 25 miles from Chanda on the Chanda-Warora road and 3 miles from the tahsil town and cotton trading centre and railway station of Warora. Total occupied area is 2,788 acres of which 91 per cent is superior soil. The eastern portion beyond the ridge is undulating lighter soil except to the north of the Public Works Department road where the soil is quite good. The cropping of the village is as under :—

	Acres.
Wheat	677
Juar	447
Cotton	538
Others	620
Total	2,282

This village, like the greater part of the Warora tahsil, has much more in common with Berar which adjoins to the west than with the rest of the Chanda district. 1,124 acres is the tenancy area, 150 acres is held by malik-makbuza and 150 acres constitute the home-farm. The total land revenue of the village is Rs. 1,353 and the rental demand is Rs. 1,743.

The tenants demanded rights of transfer and expressed their willingness to pay whatever premium was fixed for the purchase of that right. They stated that without right of transfer they could neither improve their credit nor their land.

There are 6 co-operative societies in the village with a membership of 75. They are financed by the Warora Central Bank. The members borrow from the societies as well as from other sources, and are therefore more heavily indebted than others. Mahajans and malguzars are the other credit agencies. The rates of interest charged by them are unnecessarily high. The tenants represented that some thing should be done to reduce the rate of interest. Common rate of interest is 24 to 36 per cent.

There are 4 co-sharers in the village; but as they refused to give any information, nothing could be known about their economic condition. They, however, are very prosperous. This is the only village in which the malguzars did not help us in our enquiries.—There are 175 tenants holding 1,274 acres at Rs. 1,743 rent in the village and 3,260 acres at Rs. 4,080 elsewhere. Of them, 42 are entirely free from debt and 133 are indebted. The

total secured and unsecured debt comes to Rs. 66,046. Of the indebted tenants, the following are heavily indebted:—

Tenants.	Area.	Revenue.	Debt.
1	2	3	4
	Acres.	Rs. a. p.	Rs.
1. Narayan Krishna	80	52 0 0	1,800
2. Sadashiv Laxman	85	64 0 0	6,250
3. Paika Govinda	13	23 0 0	1,500
4. Najoba Vithoba	12	8 0 0	1,400
5. Laxman Ramu	50	28 8 0	1,127
6. Yashwanta	39	18 0 0	2,100
7. Rajeshwar Raghoba	250	175 0 0	7,117
8. Gangaram Bapuji	611	751 0 0	12,230
9. Krishna Bhatt	23	17 8 0	1,970
10. Jana Vistari	65	42 0 0	2,300
11. Nagoba Govinda	360	179 12 0	5,100
12. Abaji Balaji	102	53 8 0	1,760
13. Shankar Vistari	30	22 0 0	1,425
Total	1,720	1,414 4 0	46,079

Only Nos. 3, 4, 8 and 9 appear to be indebted beyond reasonable hope of redemption. 79 per cent of the total debt is due from the above 13 persons. About 18 per cent of this is for the purchase of land and an equal amount for trade. If we exclude these persons, the total debt on 120 tenants comes to Rs. 19,967 or Rs. 166 per indebted tenant or 7 per acre or $4\frac{1}{2}$ times the rent.

The financial position of the members of the co-operative societies can be seen from the following statement.

Of the 75 members, 61 are indebted. They own 1,641 acres of land at Rs. 1,294. They owe Rs. 13,733 to the societies and Rs. 18,104 to others. Thus their total debt amounts to Rs. 31,837 or Rs. 521 per indebted member or Rs. 19 per acre or $19\frac{1}{2}$ times the rent. As observed above, the members of the co-operative credit societies are more heavily indebted than others. It is said that they were in a worse condition when they joined the societies and that they have improved their credit and assets. We were unable to obtain any justification for this assertion.

The sources and purposes of the debt:—

Sources.		Rs.
1. Co-operative Credit Bank	...	13,733
2. Mahajani	...	47,582
3. Malguzari	...	4,731
Total		66,046
Purposes.		Rs.
1. Repayment of old debt	...	20,532
2. Marriage and ceremonies	...	22,582
3. Purchase of land	...	8,832
4. Agricultural expenses	...	9,000
5. Maintenance	...	5,100
Total		66,046

Of this, Rs. 13,200 or 20 per cent is secured and Rs. 52,846 or 80 per cent is unsecured. Leaving out the old debt as the purposes for which it was taken are not known, 55 per cent is for unproductive and 45 per cent for productive purposes.

Average selling value of land is said to be Rs. 80 per acre and the subletting value 8 times the rent. The average cost of cultivation according to the statements of the cultivators comes to Rs. 10-8-0 per acre and the gross outturn comes to Rs. 45 per acre. Nago Govinda purchased 342 acres of absolute-occupancy land for Rs. 3,000 last year. He borrowed the amount at 12 per cent from Nagulal. He has spent Rs. 1,000 on the improvement of the land and hopes to pay off the entire debt from the profits of cultivation in a year. This throws considerable light on the income from agriculture in the village. The total value of the produce of the tenancy land (1,274 acres) is estimated by the people at Rs. 58,011 or Rs. 46 per acre. As malguzars refused to give information, the costs and profits of cultivation of the home-farm and other lands held by them could not be included in the statement. The village is undoubtedly very prosperous and the cultivators own 574 plough-cattle and 224 other bullocks (total 798). The ordinary price of a pair is Rs. 250 in this village. The value of the bullocks alone calculated at this rate comes to Rs. 99,750 which is very much more than the total debt. Besides, people have 531 cows, 188 she-buffaloes, 690 calves and 249 goats, and other moveable and immoveable property.

People sell *ghee* and cattle and do carting and labour. The total income from these sources is estimated by the cultivators themselves at Rs. 33,560. All this goes to show the general prosperity of the people.

The only trouble is the high rate of interest. Six co-operative societies have not been able to reduce the rate of interest charged by the sowkars. There is a great scope for more vigorous co-operative efforts in the village. This village is fortunate in having a mixed system of cropping with a large area under wheat. It is therefore not so largely dependant on cotton and has not felt so severely the fall in cotton prices; rights of transfer to occupancy tenants could safely be granted here. A land mortgage bank could perform valuable financial service in this rich tract.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 15,640.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 5—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Nandori ..	16	32	31	23	22	16	10	25	175

total secured and unsecured debt comes to Rs. 66,046. Of the indebted tenants, the following are heavily indebted :—

Tenants.	Area.	Revenue.	Debt.
1	2	3	4
	Acres.	Rs. a. p.	Rs.
1. Narayan Krishna	80	52 0 0	1,800
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5. Laxman Ramu	50	28 8 0	1,127
6. Yashwanta	39	18 0 0	2,100
7. Rajeshwar Raghoba	250	175 0 0	7,117
8. Gangaram Bapuji	611	751 0 0	12,230
9. Krishna Bhatt	23	17 8 0	1,970
10. Jana Vistari	65	42 0 0	2,300
11. Nagoba Govinda	360	179 12 0	5,100
12. Abaji Balaji	102	53 8 0	1,760
13. Shankar Vistari	30	22 0 0	1,425
Total	1,720	1,414 4 0	46,079

Only Nos. 3, 4, 8 and 9 appear to be indebted beyond reasonable hope of redemption. 79 per cent of the total debt is due from the above 13 persons. About 18 per cent of this is for the purchase of land and an equal amount for trade. If we exclude these persons, the total debt on 120 tenants comes to Rs. 19,967 or Rs. 166 per indebted tenant or 7 per acre or 4½ times the rent.

The financial position of the members of the co-operative societies can be seen from the following statement.

Of the 75 members, 61 are indebted. They own 1,641 acres of land at Rs. 1,294. They owe Rs. 13,733 to the societies and Rs. 18,104 to others. Thus their total debt amounts to Rs. 31,837 or Rs. 521 per indebted member or Rs. 19 per acre or 19½ times the rent. As observed above, the members of the co-operative credit societies are more heavily indebted than others. It is said that they were in a worse condition when they joined the societies and that they have improved their credit and assets. We were unable to obtain any justification for this assertion.

The sources and purposes of the debt :—

Sources.	Rs.
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2. Mahajani	47,582
3. Malguzari	4,731
Total	66,046
Purposes.	Rs.
1. Repayment of old debt	20,532
2. Marriage and ceremonials	22,582
3. Purchase of land	8,832
4. Agricultural expenses	9,000
5. Maintenance	5,100
Total	66,046

Of this, Rs. 13,200 or 20 per cent is secured and Rs. 52,846 or 80 per cent is unsecured. Leaving out the old debt as the purposes for which it was taken are not known, 55 per cent is for unproductive and 45 per cent for productive purposes.

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People sell *ghee* and cattle and do carting and labour. The total income from these sources is estimated by the cultivators themselves at Rs. 33,560. All this goes to show the general prosperity of the people.

The only trouble is the high rate of interest. Six co-operative societies have not been able to reduce the rate of interest charged by the sowkars. There is a great scope for more vigorous co-operative efforts in the village. This village is fortunate in having a mixed system of cropping with a large area under wheat. It is therefore not so largely dependant on cotton and has not felt so severely the fall in cotton prices; rights of transfer to occupancy tenants could safely be granted here. A land mortgage bank could perform valuable financial service in this rich tract.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 15,640.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 5—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Nandori	16	32	31	23	22	16	10	25	175

STATEMENTS.

Sakharam Panth—

President, Central Bank of Warora. There are 6 societies in Nandori with membership of 75 members. Total outstanding on all the members today is Rs. 13,328-8-9. The societies are working very well, in the sense that they have become better cultivators. The result of the co-operative movement in the village has been that the sowkars have been compelled to reduce their rate of interest. They used to charge Rs. 2 per mensem before, now they charge Re. 1-12-0, Re. 1-8-0, Re. 1-4-0. (This is not a fact. Enquiries from sowkars show that the rate of interest continues to be Rs. 2.) I am sure there is no rise in the rate of interest. Indebtedness of the members has increased, but their assets have also increased.

Nagoba Govinda—

I purchased absolute-occupancy 342 acres of land for Rs. 3,000 last year from Mangulal Marwari, at 1 per cent. No time-limit is fixed for repayment, but I propose to repay it in a year. I shall have to spend Rs. 1,000 to improve it, before it yields good crop. This amount I shall spend from my profits of agriculture.

I do money-lending also. I have advanced one thousand in small sums.

Juar outturn is 80 to 90 times the seed. In an ordinary year about 100 times is the outturn. Ordinary cotton yield—2 khandis cotton seed—40 khandis cotton.

This year I shall get 20 khandis cotton.

Wheat.—6 khandis seed—50 to 60 khandis outturn or 10 times the seed.

Seed.

Javas 8 or 9 kudo seed	...	outturn 5 or 7 khandis ordinary year
Til 5 or 6 pailis	...	7 or 8 khandis.
Gram 7 kudis	...	4 khandis.
Lac 1½ khandi	...	8 or 9 khandis.
Tur	...	20 khandis.
Bullocks Rs. 250 a pair 6 years working life.		

Cost of cultivation.

	Rs.
34 bullocks	708
19 servants at Rs. 100 a year each	1,900
Feed of bullocks 8 khandis wheat	176
5 khandis cotton seed	120
2 khandis dhep	52
10 khandis tur	160
8 kudis per plough, i.e., 4 for carpenter and lohar, 136 kudo or 7 khandis juar.	135
1 khandi chuni	10
17 phasa	20
8 phad	8
17 daorya	2
Manure	50
Total	3,341

			Rs.
Weeding	...	...	200
Sowing and cutting	...	...	25
		Total	3,566
Rent	...	...	200
Seed	...	...	248
		Total cost	4,014

Rates.

	Rs.
Cotton	... 90 a khandi (separate) to Rs. 110 average.
Tur	... 15 a khandi.
Wheat	... 25 "
Gram	... 25 "
Javas	... 30 "
Til	... 30 "
Lac	... 15 "

Yield.

		Rs.
Cotton 40 khandis x 110	...	4,400
Wheat 55 x 25	...	1,375
Javas 5 x 30	...	150
Til 7 x 30	...	210
Gram 4 x 25	...	100
Lac 3 x 15	...	120
Tur 20 x 15	...	300
	Total income	6,655
		4,014
	Net	2,641

The details of expenses I gave to the patwari are correct. They were given after consulting my account books. This statement is given from memory.

APPENDIX E-XXXV.

RICE ZONE.

KITADI-BORMALA, TAHSIL BRAHMAPURI, DISTRICT CHANDA.

A ryotwari village of 925 acres, area of which 226 is minhai or forest land reserved for nistar.

The village is 3 miles from the main Nagpur-Chanda road, some 5 miles south of Naghbir and some 61 miles from Chanda.

The principal castes are Kohlis, Gonds and Telis. There are also some Dhimars and Mahars. There are 33 houses in all and 190 persons in the village.

Total cropped area is 330 acres, of which about 200 acres are under rice. 160 acres are irrigated from the Government irrigation tank, Ghorajhiri, 592 acres are occupied in all and the revenue plus cesses comes to Rs. 564, i.e., nearly Re. 1 per acre. There are normally some 66 plough-cattle in the village, i.e., 33 pairs for 330 acres under cultivation or 1 pair for 10 acres. Although the village is a small one, it is in many respects typical of the lighter soil villages of the Brahmāpuri tahsil of Chanda district.

Finance.—The villagers obtain finance from the mahajan. The firms of Chitnavis are the chief financiers of the village. Grain loans are advanced on *sawai* and cash loans at Rs. 2 per cent per month. This rate is uniform for all the cultivators. As the land is held in ryotwari rights, cultivators have no power of transfer. The loans are therefore advanced on personal security. For larger cash loans, *dastavaz* (bonds) are taken. People say that they would welcome *taccavi* if it could be distributed at least twice a year and for all requirements. At present they prefer the *sowkar* to Government, because the *sowkar* lends at any time and for all purposes. In a ryotwari village, we think, Government should finance the ryot more liberally and should not leave them to the tender mercies of *sowkars*.

Cost of cultivation and gross outturn.—At our enquiry we had the opportunity of discussing local affairs not only with the ryots of this village, but with the people from several surrounding villages who had collected. They seized the opportunity of our arrival to make the usual complaints against the Irrigation Department. Apparently, the terms of their agreement have expired and they are doing their best to obtain good terms on their new agreement. The people of Kitadi seemed very suspicious with regard to the object of our visit and made ridiculous statements with regard to their costs of cultivation. In some cases they stated that they spent Rs. 40 per acre in rice cultivation, with a gross outturn of Rs. 53. They stated that the ordinary outturn of rice was 10 times the seed. This will be correct in normal years for unirrigated land, for irrigated land the outturn will be considerably more. Some of the cultivators from surrounding villages told us that the Kitadi people were suppressing the truth. They stated that nearly all the villagers in this tract did most of their agricultural operations themselves,

employing a certain amount of labour at the time of transplantation only. They stated that transplantation might cost as much as Rs. 4 or Rs. 5 per acre, if it was done entirely through hired labour, and the seed cost would be about Rs. 4 per acre. Water rate has apparently reached the rate of Rs. 4 per acre. They stated that the payments for transplantation were made in kind.

As regards the harvesting or cutting charges, they stated that these were also made in kind, but were deducted from the gross outturn. Of the 330 acres, 200 acres are under rice, and out of these, 136 acres are irrigated. The tenants eventually admitted that the net income from irrigated land averages from Rs. 30 to Rs. 35 per acre, while the income from the unirrigated land varies very greatly accordingly to the season, being anything between Rs. 10 and Rs. 30 per acre. They agreed that Rs. 17 to Rs. 20 net was a fair average for this class of rice land. The average net income from the rice land therefore would be about Rs. 6,300. The remainder or 120 acres are under wheat, cotton, barley and juar. They estimated the all round average net outturn at between Rs. 15 and Rs. 20 per acre, which would amount to about Rs. 2,000 for 120 acres. Thus the total net agricultural income of the village would be about Rs. 8,330.

In addition the cultivators have a number of cattle and admit an income from other sources, totalling Rs. 2,395 from the sale of *ghee*, etc., etc. Thus the total income obtained averages about Rs. 11,600 or a little over Rs. 60 per head or about Rs. 300 for the average family of 5 persons.

Debts.—The total grain and cash debt on the village is Rs. 3,363. The following table will show the sources and purposes for which the debt was taken :—

Government	...	...	335	
Mahajan	...	...	1,168	cash
			1,850	grain
		Total	3,363	
				Rs. a. p.
Pay-ment of earlier debt	...	...	140	0 0
Marriage and other ceremonials	...	...	1,497	8 0
Purchase of bullocks	...	...	296	0 0
Purchasing seed and manure	...	...	407	8 0
For improvement of land	...	...	982	0 0
For purchase of land	...	...	50	0 0
		Total	3,363	0 0

Of the total debt, therefore, it can be said that 57 per cent is for productive and 43 per cent is for unproductive purposes. Most of the transactions are in grain which accounts for the large proportion of grain debts. There are 23 ryots in the village. Of them, 3 are free from debt. The total debt of the village as shown above is Rs. 3,363 which works out at Rs. 145 per ryot or Rs. 10 per acre. The debt is thus less than half the net income from agriculture and about 5 times the land revenue of the village.

The cost of living is about Rs. 240 a year for a family of five. This means that a man must have about 10 acres of land to enable him to support himself from agriculture.

The 9 ryots with small holdings supplement their agricultural income as is explained above. The indebtedness is largely due to the tendency to spend more than one can afford on marriage and other ceremonials and also to the high rates of interest which the cultivators have to pay. In normal years cultivators get enough for their ordinary needs, but when crops fail or bullocks die or marriages have to be performed, some of the cultivators cannot avoid running into debt.

Marketing.—People have no difficulty in disposing of their produce. Big cultivators sell it in the Nagbhir grain market, 5 miles distant, where they have to pay 2 annas a cart as market cess. Others sell it in the village to Nagbhir traders. The difference in Nagbhir and village prices are equal to the cost of transport.

General.—The people on the whole looked happy. Their only complaint was that the water rate was very high and they did not get water when they wanted it. They also asked for the rights of transfer in their land. The land in these villages is auctioned when it falls vacant, but the right to cultivate only is auctioned. We can see no reason why full rights in a village of this kind should not be granted.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 1,900.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.	
1	2	3	4	5	6	7	8	9	10	
Kitadi	...	4	6	5	3	2	...	1	2	23

STATEMENT.

Sana, Koli—

I sow 8 khandis. One khandi is sown in 2 acres. 14 acres of land is fallow. It adjoins forest and on account of wild pigs I cannot bring it under cultivation. I have capital sufficient to cultivate it, but it is owing to pigs that I cannot do so.

I own 6 bullocks and 2 buffaloes. I purchased 2 bullocks last year for Rs. 120. The other 4 were purchased three years back for Rs. 125 a pair. They will work for a year more. Even if they do not die, they will not be serviceable. I had purchased

when they were old. An ordinary good pair works for six years and costs Rs. 125. A pair of buffaloes costs Rs. 40 and works for three years.

A pair of bullocks or buffaloes cultivates 1 khandi of dhan land (2 acres).

	Rs.	a.	p.
2 servants on Rs. 5 per month each	120	0 0
1 Grazer on Rs. 5 per month each	60	0 0
8 khandis dhan	...	80	0 0
6 khandis for transplantation	...	60	0 0
2 khandis for weeding	...	20	0 0
3 khandis for cutting	...	30	0 0
1½ khandi for carting	...	15	0 0
1½ khandi for threshing	...	15	0 0
2 khandis for watching	...	20	0 0
Kotwar	...	2	8 0
Water cess	...	60	0 0
10 kudis carpenter	}	...	10 0 0
10 kudis smith			
Rent	...	39	14 0
Cattle	...	40	0 0
Total	...	572	6 0
Leather rope	...	2	0 0
Petty repairs	...	1	0 0
Feed of 4 bullocks	...	67	0 0
Total	...	642	6 0

Outturn.

	Rs.	a.	p.
80 khandis, i.e., 10 times the seed	800	0 0
		-642	6 0
		157	10 0
I have 2 persons to support.			
		Rs.	a. p.
Rice 5 seers × 365 = 1,674 seers, i.e., 8 khandis	...	80	0 0
Dal ½ seer × 365 = 183 seers, i.e., 1 khandi	...	25	0 0
Sait	...	6	0 0
		111	0 0
Clothing	...	125	8 0
Oil and miscellaneous	...	50	0 0
Grand Total	...	286	8 0

I am indebted to the extent of Rs. 125 only. I have no other source of income.

Question: Explain how you managed to spend Rs. 286 with an income of Rs. 157 only?

Answer: No.

Now he says: I advance 20 khandis of grain at *sawai*.

Question: Where do you get the grain from? Your yield does not suffice for your own consumption.

Answer: My father had left 150 khandis of grain-lending and I continue it. I get Rs. 200 from sale of *ghee* and milk. I own she-buffaloes and 20 cows.

Question: Do you not sell calves?

Answer: Yes. I get an income of Rs. 100 a year.

Question: Do you really purchase bullocks?

Answer: Yes, as my calves do not make good bullocks. My father died six years back. I married my sister five years ago. I spent Rs. 300. I did not borrow this. I had this money. I built a house worth Rs. 100. I did not borrow.

Yanka Andha, Teli—

I own 3 khandis dhan land at Rs. 9-4-0. I own a pair of bullocks. I purchased one for Rs. 47. The other bullock is with me for the last four years. I had purchased it for Rs. 50. This bullock will work for this year (five years' working life, i.e., Rs. 20 a year). I do not cultivate all my land. I cultivate only 3 khandis land.

	Cost.	Rs.	a.	p.
3 khandis dhan	...	30	0	0
6 khandis transp'antation	...	60	0	0
10 kudos cutting	...	5	0	0
10 kudos carting	...	5	0	0
10 kudos threshing	...	5	0	0
10 kudos watching	...	5	0	0
Weeding	...	10	0	0
3 kudos carpenter	...	4	0	0
3 kudos Lohar	...	0	12	0
Kotwar	...	0	8	0
Leather rope	...			
	Total	125	4	0

	Rs.	a.	p.
Bullocks	20	0	0
Feed of bullocks	24	0	0
Rent	11	8	0
Water cess	25	0	0
	Total	205	12 0

Rabi seed.

	Rs.	a.	p.
2 kudos 2 pailis wheat	3	0	0
4 pailis juar	1	0	0
	Total	209	12 0

or 36 per acre.

<i>Outturn.</i>		Rs. a. p.
30 khandis dhan	...	300 0 0
6 khandis wheat	...	8 0 0
Juar	...	3 0 0
Total income		311 0 0
Costs		209 12 0
		<hr style="width: 100%;"/>
		101 4 0

i. e. 17 per acre.

I do no other business. I have one wife and three children to support. I require $1\frac{1}{2}$ paili of rice every day, *i. e.*, 6 kudors per month or 10 khandis a year=

		Rs.
		100
Salt and chillies	...	12
Sweet oil	...	12
Kerosene oil	...	9
Dal	...	12
Clothing	...	40
Miscellaneous	...	5
Total		190

I am indebted to the extent of Rs. 150 at 2 per cent. I pay my interest regularly.

Question: How do you spend Rs. 238 a year with an income of Rs. 101.

No reply.

Lahanu Budha Gond—

I am mukaddam-gumastha. I own 8 acres at Rs. 7. I cultivate only 2 acres.

Cost of cultivation.

		Rs. a. p.
1 khandi dhan	...	10 0 0
Pair of bullocks for Rs. 50	...	5 0 0
Transplantation	...	20 0 0
Weeding	...	2 0 0
5 kudors cutting	...	2 8 0
5 kudors carting and threshing	...	2 8 0
5 kudors watching	...	2 8 0
Carpenter Re. 1, Khati Re. 1	...	2 0 0
Water cess	...	9 6 0
Kotwar	...	0 7 0
Rent and cess	...	7 7 0
Feed of bullocks	...	3 0 0
Total		66 12 0

Outturn.

12 khandis, i.e., 10 times	...		Rs.
	Cost	...	120 0 0
		...	66 12 0
	Total	...	53 4 0

Rs. 26-10-0 net income per acre.

I get Rs. 25 per annum as remuneration. I have no other source of income. I am alone. I require 3 khandis for consumption (Rs. 30). I require Rs. 25 for clothing. I require Rs. 34 for feeding, in addition to the rice I consume.

We take loans from Chitnavis, Badi Pattya, Sona and other big cultivators of the village. Grain is borrowed at *sawai* and cash at 2 per cent. We take *taccavi*, but as it is not given when we want, and for all our needs, we do not like it. Sowkars are always available and lend at all hours. We therefore stick to them.

Cash debts are granted both on personal security and on *dastaivaz*. We have to pay 8 annas for stamp, 8 annas for writing, 2 annas for witness and have other charges amounting to Rs. 4; we want, and for all our needs, we do not like it. Sowkars are shop of Chitnavis. Other money-lenders, who are petty, do not deduct anything.

We sell our grain in the Nagbhir. Some of us do sell in the village also to petty dealers of Nagbhir. We have to pay 2 annas per cart in the market. No other deductions are made.

The sugarcane grown here is not sold. Gur is prepared and then sold. There is one crushing mill owned by Badi.

Kesheo Rao Govinda Patel of Padasgaon Khurd—

We have no irrigation. Normal outturn of rice in our village is 10 to 12 times. If we had irrigation, we would get 16 to 20 times. The people of Kitadi are suppressing their income and exaggerating their expenses.

A cultivator does not require more than a pair of *dhoti* (Rs. 4), one coat (Rs. 2), 2 *kurtas* (Rs. 1) and 1 *pheta* (Rs. 2) equal Rs. 9 a year. A women requires 3 *lugdis* for two years (Rs. 13 or Rs. 6-8-0 a year), 4 *cholis* (Rs. 1-8-0) and *chudis* (8 annas).

In our opinion agriculture is paying. If it were not, people will give up land and go to do labour in cities.

APPENDIX E-XXXVI

NAGRAM, TAHSIL SIRONCHA, DISTRICT CHANDA.

Nagram is a village in the Sironcha tahsil in the extreme south-west of the Chanda district at the junction of the Godavari and Pranhita rivers. It is about 2 miles south of Sironcha khar and is divided from Hyderabad State by the Godavari and Pranhita.

There is a good motorable road from Sironcha to Chanda, 130 miles to the north, passing through long stretches of very thick Government forest.

The local language is Telugu and the inhabitants have more in common with Madras than with the people of these provinces.

The present holder of the village is a minor member of the important Velma family of Hyderabad. The estate is managed by a Muhammadan agent, a retired Forest Ranger. The proprietors do nothing to foster agriculture or improve their estate. They do nothing beyond collecting rents and nazrans and paying revenue. The management is reported to be not sympathetic and rather harsh.

The total area of the village is 2,052 acres, the occupied area is 822 acres. The Government revenue is Rs. 600. The total population of the village is 724, belonging to 143 families. The total kharif area is 91 acres and rabi is 669 acres. Only 9 acres are double-cropped.

Including holders of *baris* (small gardens), there are 108 tenants, one village servant and 15 servants of the malguzar. The village servant and the servants of the malguzar hold 32.78 acres in muafi. They are all free from debt. The tenants hold 618.66 acres in *maurasi* right at a rental of Rs. 726-8-0 and 81.16 acres in absolute-occupancy right at a rental of Rs. 88. Thus the total tenancy area is 699.82 acres and the total rental demand is Rs. 814-8-0. Of the tenants, 65 are free from debt and 43 are indebted to the extent of Rs. 8,590-6-0 of which Rs. 315-14-0 represents grain debt. Of the total debt, Rs. 1,605 is secured, the rest unsecured. The proportion of secured to unsecured debt is as 1 : 5.

The whole of the debt has been borrowed from sowkars for the following purposes:—

		Rs.	a.	p.
Agricultural expenses	...	160	0	0
Bullocks	...	1,134	8	0
Purchase of land, etc.	...	200	0	0
Marriage	...	1,894	14	0
Maintenance	...	4,246	0	0
For money-lending	...	955	0	0
Total	...	8,590	6	0

Out of the sum of Rs. 8,590-6-0, if we deduct Rs. 2,135 being the debt of those who have more owing than they owe, the total real debt comes to Rs. 6,455-6-0.

The debt per head of tenants comes to Rs. 60, and that per indebted tenant to Rs. 150. It is 8 times the rental demand and Rs. 9-4-0 per acre.

No tenant is very heavily indebted except Lota Babaiya. He owes Rs. 1,000 and has 26.75 acres. His statement given below will explain how debts increase.

"To begin with I borrowed Rs. 30 cash at 24 per cent. Then I borrowed 8 *giddas* (64 kuros) of food grain from the same sowkar at *sawai*. Every year I paid back the grain debt of 10 *giddas* and kept the rest for our maintenance. Every year I had to borrow again. The name of the sowkar is Prasad Chandraya. Three years ago there were two crop failures and I could not pay back the grain. This was then doubled every year and I have not been able to repay. I have now given a bond for this amount. I have so far paid him 6 bullocks, 4 cows and 4 buffaloes. I do not know how much I owe. Every year the sowkar calculates and tells me how much I owe."

The usual rate of interest is 12 to 18 per cent although there are cases where 24 per cent and 37½ per cent interest is charged.

The income of cultivators of this village, from sources other than agriculture, is very high, being over Rs. 10,000. Apart from a few money-lending tenants who get an income from lending, most of this income is earned by carting forest produce and by working for wages. The village adjoins the tahsil headquarters town of Sironcha.

During the last ten years 73.67 acres of land passed from the hands of cultivators to sowkars. During this period no *malik-makbuza* land changed hands, 28.78 acres of absolute-occupancy lands changed hands and 91.43 acres of occupancy land changed hands.

There were previously some co-operative credit societies in this village and tract. They failed completely and they and the Sironcha tahsil bank have since been liquidated.

The "laoni" system is still in force here, but is becoming less common.

In this land-locked tract there is probably wide scope for generous distribution of *taccavi*. In Ankisa and other big villages in this alluvial tract adjoining the Indravati and Godavari rivers interest charges are high and the cultivators are very backward.

The tract is altogether cut off from the march of progress and up-to-date financial facilities from non-official agencies cannot be expected. The Tahsildar has a very light charge and could do valuable work in supervising a general extension of Government *taccavi* loans. Such extension if sagaciously carried out could do much to relieve the financial situation.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 10,724.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Nagram	67	19	9	5	10	10	7	2	129

APPENDIX E-XXXVII

RICE ZONE.

KURKHEDA, TAHSIL GARCHIROLI, DISTRICT CHANDA.

This is a big village south of Talegaon with a primary school and branch post office. Total occupied area of the village is 269 acres which is about one-fifth of the total village area. Cropped area is 213 acres. Total assessment at the time of settlement was Rs. 1,531-8-0 and the kamil-jama Rs. 765. Siwai income of the village was Rs. 1,217-8-0. Cropping of the village is as under :—

Dhan 213 acres.

There is no rabi area in the village. It is one of the important zamindari villages. Agriculture is not the main occupation in this village. The residents hold only a very small area for cultivation. Their principal occupation is carting of timber to Wadsa railway station. It is the biggest timber market in the district and timber merchants both from within the province and outside export large quantities of timber and bamboos.

The mahajan is the main source of finance and loans are advanced on the *mahin khat* system. Interest under the system works out to 24 per cent.

Debts.—There are twenty indebted and nine non-indebted tenants in the village. The total debt for each class of cultivator is as under :—

	Acres.	Rs.	Rs.
Malguzar ...	...	Nil	...
Absolute-occupancy ...	19·37	12	350
Occupancy ...	216	263	3,892

There are in all 29 tenants, of whom 20 are indebted and nine are free from debt. The total debt amounts to Rs. 4,242 which works out at Rs. 146 per tenant or Rs. 212 per indebted tenant or Rs. 19 per acre or 15 times the land revenue. Of the tenants, the following 7 are heavily indebted. It may be noted that even these are not indebted beyond their means. They have large non-agricultural incomes and it is on their general credit that these loans have been advanced :—

	Acres.	Rs. a. p.	Rs.
Narayan Raoji ...	6·99	12 0 0	393
Narayan Rakhdu ...	18·26	14 0 0	599
Mangraya ...	8·40	9 0 0	604
Maroti ...	5·10	3 0 0	275
Sakhram ...	3·25	6 0 0	185
Modku ...	14·25	19 0 0	522
Yakub Khan ...	5·85	9 4 0	235
Total ...	62·85	72 4 0	2,813

If the debt of these tenants be excluded, then the debt of other tenants comes to Rs. 109 per indebted tenant or about Rs. 7 per acre or 5 times the rent.

Purposes for which loan was taken.

	Rs.
Payment of earlier debts	854
Marriages and social ceremonies	1,455
Maintenance	348
Agricultural expenses and requirements	1,585
Total	4,242

The agriculturists obtain finance from the following sources as detailed below:—

	Rs.		Rs.
Malguzar	958	Unsecured	4,282
Mahajan	3,334	Secured	Nil.

Cost of cultivation and profits.—According to the people's own estimate the cost of cultivation comes to Rs. 7 per acre and the net income to Rs. 17 per acre. Thus the total agricultural income of the village comes to Rs. 3,621. As stated above, agriculture is not the principal occupation of the people in this village. There is no co-operative bank in the village.

Subsidiary occupation.—The tenants make considerable amount of income from carting, trade in tendu leaves and shop-keeping. Magrya stated that last year he earned Rs. 500 from carting alone. Kumhar tenants prepare earthen pots. Moti sold pots worth Rs. 500. Small cultivators do labour for which there is always a demand. The total income of the 29 tenants from all these sources is estimated by them to be Rs. 6,318 or almost double their alleged agricultural income. The total income as alleged by these comes to Rs. 9,939 or Rs. 338 per tenant. It will thus appear that the tenantry are in a strong position and are reported to have improved their financial condition during the last 20 years. People are happy and prosperous and require no special financial assistance here. Co-operative society with proper training and supervision might do well here.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 1,988.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Kurkheda	14	8	2	2	...	2	1	...	29

STATEMENTS.

Domlya, son of Ganya, Mahar, 60 years—

I take rice only and pulse, etc. There are five members in my family. One paili is cooked in the morning and one paili in the evening. One paili is equal to 100 tolas. Rice is sold at the rate of 8 pailis per rupee. Ambit (flour of rice) is also taken half seer daily. I sow $2\frac{1}{2}$ khandis dhan in my land. One khandi is equal to 160 pailis paddy. I reap about 30 khandis dhan on my land. Its price is about Rs. 300. I get remuneration Rs. 100 as kotwar. I am not in debt. The price of a pair of bullocks is Rs. 75. For $2\frac{1}{2}$ khandis land I have to pay about one khandi harvesting charges.

Magroo, Kumhar—

I am the only person in my family to work. There are two other females. I sow 4 khandis dhan. I get 60 khandis dhan in a normal year. It is since last three years my father died. This year my crop will yield about 40 khandis. I have got one plough, but I join others at time for bringing the whole land under cultivation. I give to my servant Rs. 49 in cash and 2 khandis dhan worth Rs. 20. I paid Rs. 80 in transplantation. I gave 2 khandis, worth Rs. 20, for harvesting. I borrowed Rs. 80 at *mahin khat* payable at the rate of Rs. 2 per mensem. I also borrowed dhan 4 khandis at *sawai*. I shall pay *mahin khat* money in four years and two months at the rate of Rs. 2 per month by instalments. I have other income of Rs. 530 per annum.

APPENDIX E-XXXVIII

RICE ZONE.

RAJEGAON, TAHSIL AND DISTRICT BALAGHAT.

This is a medium-sized village on the Bag river, 10 miles from Gondia and 17 miles from Balaghat. The Balaghat-Gondia first class road runs through the middle of the village. The Bag river forms the boundary between the Balaghat and Bhandara districts. Towards the river there is some uneven soil which is devoted to rabi crops. The total occupied area of the village is 694 acres, of which 106 is the malguzar's home-farm; while 588 acres are held in tenancy right. Out of the total cropped area of 641 acres, 349 acres are under rice; while 279 acres are double-cropped. The rice land is embanked and level and the soils are fertile and similar to those in the adjoining Gondia tahsil of the Bhandara district. The tenants are mostly Kunbis, above the average. Many of them derive a good income from trade in cattle. There are three fairly good tanks in the village which irrigate a certain area of the rice.

The malguzar is a rich Parwar Bania, who has a considerable money-lending business. The 40 resident-tenants hold land in this and other villages, totalling 648.52 acres. The distribution of this area among the tenants is as follows :—

Acres.	Number of tenants.		Total debt.	Debt per head of indebted tenant.
	Total.	In debt.		
1	2	3	4	5
1-5	11	6	Rs. 587 8 0	98
5-10	9	8	1,837 0 0	230
10-15	3	3	428 0 0	143
15-25	7	7	3,029 4 0	433
25-50	9	5	2,056 0 0	411
50-100	...	...	...	...
Over 100	...	...	...	...

The total debt comes to Rs. 7,937-12-0. The average debt per tenant is about Rs. 200 and that per indebted tenant is Rs. 274. The debt per acre is Rs. 27. The average price of land here is Rs. 100 per acre and the debt comes to 27 per cent of the value of land.

The rate of interest here is very high, in one case going as high as 75 per cent, and on an average the rate of interest is about 36 per cent per annum. The Settlement Officer noted, at settlement, that the tenants were too strong for the proprietors.

This is one of the few villages which we have visited, in which the cultivators had the affrontery to admit that they did not mean to repay their debts if they could avoid doing so. They stated clearly that, for this reason, they did not want to be given rights of transfer in their occupancy land, because they stated that in that case they would have to pay their debts or else lose their land. It is difficult, in a village of this kind, to determine whether the high rate of interest is due to the attitude of the borrowers themselves and their poor moral credit or whether the present attitude of these debtors is the result of the high rates of interest. The average value of land in this village is admittedly about Rs. 100 per acre. The following tenants are heavily indebted :—

Name.	Land.	Assets.	Debt.	Annual interest.
1	2	3	4	5
	Acres.	Rs.	Rs.	Rs.
1. Sakharam	27.68	2,768	810	300
2. Sitaram	5.75	575	210	45
3. Dasu, Sohar	7.44	744	342	38
4. Pandu, Kunbi	18.50	1,850	702	450
5. Hanau	2.32	232	140	20
6. Bemotalya	...	...	...	...
7. Mali	25.32	2,532	450	200
8. Daulat Nai	3.77	377	110	40
9. Salia	8.53	835	360	42
Total	99.31	...	3,124	...

On the other hand, 15 tenants are free from debt. The purposes for which these debts are incurred are as follows :—

	Rs.
Land Improvement, etc.	120
Bullocks	1,514
Seed	1,514
Payment of rent	165
Marriage	2,293
House building	1,028
Old debts	1,303
Total	7,937

Excluding the old debt and marriages, practically the whole of the debt may be said to be for productive purposes: but the interest is extremely high and there is little hope of any person

who borrows a substantial sum at those high rates ever being able to repay more than the interest. The case of Pandu, Kunbi, No. 16, is of particular interest. He holds 18.50 acres of land in occupancy right valued at Rs. 1,850. His total debt comes to Rs. 1,009, including the grain debt, for part of which he has to pay interest at 36 per cent and the rest at 75 per cent per annum. He is the son of the old malguzar who lost the village by a foreclosure decree to the Parwar Bania. One of the old men of the village gave us the following story with regard to the transaction :—

Pandu's father borrowed Rs. 1,000 and signed a bond for Rs. 2,000, promising to repay in instalments of Rs. 200 per annum. He repaid Rs. 1,600 but failed to repay the last two instalments in time and so on foreclosure decree was passed and he lost his village, although he had already paid back Rs. 1,600 on Rs. 1,000 which he borrowed.

Sakharam, Kunbi, is another interesting case. He borrowed 4 khandis of dhan, worth Rs. 20, from one Jahar Singh and during the next ten years he paid back Rs. 50 in cash and 6 cows and 3½ khandis of dhan. It was then agreed that he should pay a further Rs. 50 in full settlement of his debt. For this purpose, he borrowed Rs. 25 at 24 per cent interest and four khandis of dhan at 50 per cent from the malguzar. He failed to repay the grain debt and this was converted into a cash bond for Rs. 180, repayable in five instalments of Rs. 36 each. He repaid all the instalments but one and for the remaining instalment of Rs. 36 a decree for Rs. 50 has now been passed. He also borrowed Rs. 50 from Ratnath Sao at 24 per cent interest five or six years ago to build his house. He repaid Rs. 50, but was then told that Rs. 150 was still due. A fresh bond was then written: the debt swelled first to Rs. 200 and has now become Rs. 300. In view of his previous bitter experiences, Sakharam has decided not to pay anything more. The sources from which debt are borrowed are as follows :—

	Rs.
Government	350
Malguzar	2,219
Mahajan	5,368
Total	7,937

Costs and profits of cultivation.—The following statements give some idea of the costs and profits of cultivation :—

Mitha, Kunbi—

He has got 7.11 acres of land for which he pays Rs. 16 as rent.

Total outturn—	Rs.
Dhan, 20 khandis	160
Wheat and gram, 2½ khandis	40
Urad, 4 khandis	64
Linseed, 2 khandis	36
Total	300

		Rs.
<i>Expenses of cultivation—</i>		
Dhan, 1 khandi 22 kuros	...	9
Wheat and gram, 14 kuros	...	10
Urad, 8 kuros	...	6
Linseed, 2 kuros	...	2
	Total seed	27
<i>Labour—</i>		
		Rs.
Weeding	...	12
Katai	...	12
Lohar	...	2
Carpenter	...	2
	Total cost of labour	28
		Rs. a. p.
Capital depreciation on bullocks	...	12 8 0
Implements	...	2 0 0
Kotwar's dues	...	1 0 0
Rent	...	16 0 0
	Total expenses	103 8 0
	Net profit on 7.11 acres	196 8 0
	Net profit on one acre	28 0 0

Sakharam, Kunbi—

He has got 27.66 acres of occupancy land for which he pays Rs. 57 as rent.

<i>Total outturn—</i>		Rs. a. p.
Dhan, 70 khandis	...	560 0 0
Urad, 6 khandis	...	96 0 0
Linseed, 1½ khandis	...	27 0 0
Popat, 7 kuros	...	3 8 0
	Total	686 8 0
<i>Expenses of cultivation.</i>		
<i>Seed—</i>		Rs. a. p.
Dhan, 5 khandis	...	40 0 0
Urad, 1½ khandis	...	24 0 0
Linseed, 6 kuros	...	5 0 0
Popat, 1 kuro	...	0 8 0
	Total	69 8 0

<i>Capital—</i>		Rs.
Bullocks	...	40
Bullocks feed	...	10
Implements	...	5
	Total	55

		Rs. a. p.
Kotwar's dues	...	2 11 0
Rent	...	57 0 0
	Total	59 11 0
 <i>Labour—</i>		
Transplantation	...	24 0 0
Weeding	...	8 0 0
Katai	...	12 0 0
Lohar	...	4 0 0
Carpenter	...	4 0 0
	Total	52 0 0
Total expenses of cultivation		236 7 0
Net profit on 27.68 acres		450 5 0
Net profit on one acre		16 0 0

We can safely take the all round average net profit at Rs. 20 per acre for the whole cultivated area. The real profits are probably no less than elsewhere.

Cost of maintenances.—The average cost of food and clothing here for a family of five works out at about Rs. 200. Many of the small cultivators do carting, agricultural labour or sell cattle. Actually most of them breed their own cattle and do not buy. But a holding of under 10 acres will probably not support a family without some outside income. Here, as elsewhere, nearly all the cultivators are illiterate, only six of them know how to read and write, and it is quite impossible for them to understand the calculation of compound interest at these high rates, particularly if a money-lender wishes to deceive them. This is one of the tracts calling for some special treatment and particularly some regulation of the rates of interest, and a stipulation as to the production of accounts by money-lenders appears to be necessary.

The general condition of this village is unsatisfactory. The malguzar blames the tenants for dishonesty. They blame him for looting them with high interest. There are one or two big malguzar money-lenders in the neighbourhood with an evil reputation. A land mortgage bank could do much here or any other agency charging low interest, but insisting on prompt repayments. The present state of mind of the debtors is also bad. Curiously enough, a co-operative credit society has never been tried here.

This village is typical of the conditions resulting from high interest and improvidence, and unscrupulous money-lenders. Fortunately there are not many similar villages.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 1,979.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Rajegaon	13	7	4	4	3	4	3	2	40

APPENDIX E-XXXIX.

RICE ZONE.

MOHBATTA RYOTWARI, TAHSIL BAIHAR, DISTRICT BALAGHAT.

We visited this village, which is situated on the Baihar plateau more than 40 miles north-east of Balaghat, as we particularly desired to examine the economic conditions prevailing in the ryotwari villages of this backward tract. The plateau is on an elevation of 1,800 feet above sea level, on the top of a steep ghat, and consists largely of hill and jungle interspersed with scattered stretches of cultivation.

The village of Mohbatta lies about 2 miles to the south of Baihar tahsil headquarters on the Balaghat-Baihar road. It is bounded on the east by the Tannur river and on the south by the Lohar river. The abadi or residential quarter is divided up into 3 separate tolas or hamlets at some distances from one another.

The ryots, including the Patel, are mostly Gonds. The total occupied area of the village is 742 acres, but only 295 acres are actually cropped, although at one time the cropping reached 350 acres. Transplanted rice 68 acres, broadcast 142 acres and kodonkutki 45 acres are the principal crops. Some of the rice grown here is of very fine variety and fetches a good price. Grain merchants come from Bhandara on carts to purchase it. The coarse rice is cropped for food, the surplus being sold in the local Baihar bazar. The soils are generally sandy, but well suited to rice and in some area green manuring is practised. In crop experiments done last year an outturn of 1,175 lbs. was obtained in one field which is being manured every year. This crop was reported to be representative of 80 acres of similar land in the village. The rice in this field was sown broadcast. In another field of rather lighter soil without manure the crop outturn obtained was 780 lbs. This was said to be representative of 140 acres of rice land in the village. It would appear then that the average outturn here should be about 950 lbs. of rice per acre. There is, however, no irrigation at present, while the cultivation might be very greatly improved and the area for rice much extended by embankments. There are 122 plough-bullocks in the village or one pair to every $4\frac{1}{2}$ or 5 acres of land.

There are in all 28 ryots, including the Patel. The total population at last settlement was 254 persons. Nearly all of these tenants admitted an income from the carting of sleepers and timber, the total non-agricultural income coming to Rs. 1,014. The total cost of cultivation, as extracted from the estimates of each individual ryot, comes to Rs. 1,576 for a total cultivated area of approximately 300 acres on an average of little over Rs. 5 per acre. The total admitted outturn was estimated at Rs. 5,445 at an average of little over Rs. 18 per acre, yielding a net profit of Rs. 13 according to the cultivators' own statements.

This appears to be, as usual, a very serious underestimate when compared with the actual results obtained by crop experiments in the field.

Of the 122 plough-bulls in the village, 75 only were owned by the ryots, the balance being held by the landless agricultural

labourers who earn their living by carting timber and fuel. There are in addition a large number of cows and bulls in the village and most of the tenants breed cattle and make an income therefrom.

Cost of maintenance.—The total cost for food and clothing for 49 male adults, 54 female adults and 29 children, total 132 persons, comes to Rs. 3,300 for food and the cost of clothing Rs. 678, total Rs. 3,978 on an average of Rs. 30 per head. The average expenditure for a family of 5 on food and clothing comes then approximately to Rs. 150 per annum. It is interesting to find that there are two goldsmiths in the village, who admit an annual income from Sonari of Rs. 40 and Rs. 50, respectively. In addition they both hold land. Sahiblal, 11½ acres, at Rs. 3-8-0 rent, and Sunderlal, 9 acres, at Rs. 2-8-0 rent. Like the other cultivators, they only actually cultivate a portion of their holdings, the rest lying fallow. Between them they sowed 3½ khandis of paddy seed valued at Rs. 17-8-0 and obtained 45 khandis worth Rs. 225.

The first impression created in the mind is that there is a wide field in this tract for extension and improvement of cultivation if finances were forthcoming, but on the other hand, it is doubtful whether these Gond cultivators living in the jungle could always be relied on at this stage to refrain from squandering money if it was available on easy credit.

At present, as they have no rights of transfer in their ryotwari land and are liable to ejection, it is not possible for them to obtain loans at anything but a high rate of interest. The minimum rate of interest is 37½ per cent. Life in this tract is very simple, needs are few and the standard of living is not high. The total debts amount to only Rs. 217-8-0 of which Rs. 69-8-0 has been advanced in the form of Government taccavi and Rs. 148 has been borrowed from the mahajans at 39 to 75 per cent interest. The principal debt is that of Billarsingh, Gond, who has 56 acres of land at Rs. 14 rent. He told us that he had borrowed Rs. 80 for marriage at Rs. 75 per cent interest and that he was paying the interest every year. When we asked him when he was going to pay off the principal he said; "I find it difficult enough to pay the interest." These persons are financed by Doulat Seth of Khamaria nearby and Nago Gori of Denduwara. We had a long discussion with the ryots with regard to their condition and their economic future. They complained bitterly that the ryotwari Revenue Inspector would not allow them to take wood for their nistar from the minhai or forest area of the village. We do not know whether this is correct. They themselves, however, stated that if they could be provided with funds and if they could be given rights of transfer, they would be able to make material improvements and increase the cultivated area. They also complained of lack of facility for irrigation and stated that an old tank existed, which might be repaired by Government so as to irrigate a considerable area.

The conclusions which we came to were that if and when it is desired to make any real development of this tract, some intensive propaganda will be required. It cannot be denied that at present the adjoining forests provide these people with a certain and regular source of income, and that they are not wholly dependant upon agriculture for a living. And as their needs are small, they are able to produce all the crop which they require to maintain themselves at their present low standard without cultivating very large areas. At the same time, however, when it is remembered that the pressure of population is very severe on the land in some other tracts, it might be thought worthwhile to endeavour to colonize this area with cultivators from outside. But if this is attempted, it will be most necessary to finance them during the period they bring the new land under cultivation and to give them a start in life.

The Munjrod tract of the Burhanpur tahsil of the Nimar district, which is another ryotwari area excised during the last 20 years from Government forest, which we visited, affords a shining example of what must certainly happen if cultivators are settled on new land without means of obtaining finance at a reasonable rate of interest, and at the same time without any financial assistance from Government. Government undoubtedly have the best security and the greatest facility for making recoveries in these tracts. And it appears that for some time to come Government taccavi will be the most natural source of finance in these backward areas. According to the existing low standard of life, these Gonds appear to be fairly contented, but it cannot be in the economic interest of the nation as a whole to allow these persons to continue in this backward condition and to allow large areas of culturable land to remain uncultivated indefinitely.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 593.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Mohbatta	...	3	7	...	1	4	2	5	22

APPENDIX E-XL.
RICE ZONE.

MIREGAON, TAHSIL WARASEONI, DISTRICT BALAGHAT.

Miregaon, a medium-sized village, 4 miles from Lalburra on the first class Balaghat-Seoni road, is a fair example of the rich and closely populated double-cropped rice haveli of the Lalburra and Waraseoni tract.

The five malguzar share-holders are Kalars, but among the tenantry Powars and Marars predominate. Both of these castes are excellent cultivators of transplanted rice. The village and the tract has much in common with, but is superior to, the Balaghat rice haveli above the ghats in the Seoni district adjoining to the west.

The predominant soil is a rich sandy loam. The Wainganga canal and the Saretha reservoir command nearly the whole village area. There are also three private tanks—one of 25 acres—which irrigate a considerable area. The rainfall for several years past has been favourable, producing good crops in unirrigated rice land. The village was under the usual irrigation agreement up to last year. The villagers are now trying to get better terms for a new agreement, and as the monsoon this year has been very favourable for rice and the rice land here is capable of producing a good crop in ordinary years without irrigation, they have not yet again come under agreement.

They complain that they do not get a benefit from irrigation commensurate with Rs. 3-8-0 per acre water-rate charged in the last year. It is probable that without manure this village, owing to its favourable natural position, will not benefit so much as more precarious tracts from irrigation.

Costs and profits of agriculture.—Crop experiments this year, however, displayed an outturn of over 1,800 lbs. rice per acre, worth Rs. 65, from irrigated and manured fields in this village.

The tenants' statements show the cost of cultivation to vary between Rs. 8 and Rs. 15 per acre according to the amount of hired labour employed, while in some cases in manured double-cropped fields the costs of cultivation are estimated at Rs. 20 per acre. The cost of separate rabi cultivation comes to about Rs. 8 to Rs. 10.

The rice outturn here cannot be less than 1,300 lbs. in the irrigated area and 900 in the unirrigated. The standard outturns for transplanted rice adopted by Government for this district are—

			Pounds.
Unirrigated	...	...	... 1,050
Irrigated	...	...	... 1,600

Taking the average at 1,100 lbs. we shall be well on the safe side; Value, say Rs. 40. In addition to this, there is the second crop. The all round average outturn for rice double and single cropped can thus safely be taken at between Rs. 40 to Rs. 50 per acre, say, Rs. 45 per acre. It is probably far more.

The wheat outturn varies much, between 400 and 650 lbs. per acre according to the monsoon, i.e., between, say, 25 and 40 per acre. The average can safely be taken at Rs. 30.

To void all risk of overestimating we may then take this average net profits at Rs. 45—Rs. 13, say, Rs. 32 per acre for the rice areas, and about Rs. 20 for the wheat. The soil is rather on the light side for wheat and though in years of good rainfall the outturn is very heavy, it may be very poor if the rainfall is deficient. The tenants estimate of last year's outturn is low as they say the wheat was much damaged by rust.

The cost of maintenance.—Here, as usual, the individual tenant's estimate of expenditure on food and clothing varies according to the size of his family and his status in life. The standard of living is higher than in the Chhattisgarh rice tracts, and the average expenditure of any ordinary family of 5 on food and clothing here is equivalent to about Rs. 225 per annum in cash.

Non-agricultural income.—There is a keen demand for labour in this tract and in addition to agricultural labour, small tenants and the labourers of the village earn a regular income from carting on the Balaghat-Lalburra road, while several are employed in the maintenance gangs on the Public Works Department road.

The average income per tenant from non-agricultural sources is over Rs. 40 according to their own statements.

Debts.—In a prosperous and secure rice tract like this heavy debts would not be expected after a succession of good years.

There are 6 co-sharers in the village. All are Kalars. Their total debts amount to Rs. 2,080. Of this Rs. 1,275 is due from Saduram, who does money-lending to the extent of his borrowings. He is therefore not really indebted. The balance of Rs. 905 is due from the remaining 5 co-sharers who own shares in other villages and are otherwise well to do. Of the 37 tenants, 19 are indebted and 18 are free from debt. Their total cash and grain debts amount to Rs. 3,519 or Rs. 95 per tenant or Rs. 185 per indebted tenant. Of the 19 indebted tenants, the following are heavily indebted:—

	Rs.
1. Adku Gond (9.13 acres at Rs. 16.8) ...	500
2. Ladku Gond (8.92 acres at Rs. 13.8) ...	435
3. Musst. Girja (11.77 acres at Rs. 12) ...	465
4. Janu (9.55 acres at Rs. 16) ...	360
Total (39.37 acres at Rs. 58) ...	1,760

50 per cent of the total debt is due from the above four tenants. If we exclude them, the total tenancy debt comes to Rs. 1,759 or Rs. 116 per indebted tenant or Rs. 5 per acre of their land or 5 times their rent. The average price of rice land here is said to be Rs. 100 per acre and of wheat land Rs. 75 per acre. The debt therefore represents not more than 6 per cent of the value of land.

The sources from which they borrow are—

	Rs.
1. Mahajan	8,877
2. Malguzar	1,642

The purposes for which debts were taken are enumerated below:—

	Rs.
1. Payment of old debt	533
2. Marriage and ceremonials	959
3. Seed and bullocks.	939
4. Land improvement	1,088

About 30 per cent is for unproductive purposes and 70 per cent for productive purposes.

Rate of interest is 24 per cent. For seasonal loans 38 per cent is commonly charged for six months which in fact works out to 76 per cent.

Only one tenant is literate. Evidently they do not understand accounts and are at the mercy of their sowkars.

Marketing.—People have no difficulty about marketing their crops. Traders from Balaghat, Tumsar and Gondia purchase and pay a fair price. People reserve their annual requirements and only sell the surplus.

Occupancy tenants want transferable rights. Malguzars oppose this on the ground that the tenants will lose their lands. But the entries in the village papers disprove this statement. During the last ten years only 5.25 acres absolute-occupancy land was sold, while during the same period 40 acres of occupancy land changed hands. No malik-makbuza land was sold. This goes to disprove the theory that if occupancy tenants get transferable rights, they will become extravagant and lose their lands.

Taccavi is not advanced here and is not required.

It seems strange, however, that there is no co-operative credit society. There is ample scope for the movement here.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 2,743.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Miregaon ...	12	12	6	3	1	...	...	2	36

APPENDIX E-XLI.
WHEAT ZONE.

KARMETHA, TAHSIL AND DISTRICT JUBBULPORE.

A village of 1,020 acres on the Damoh-Jubbulpore road, 5 miles from Jubbulpore town, typical of the ordinary wheat haveli villages of the Jubbulpore district.

The soil is a heavy clay merging into rich clay loam. The general position is level and about half of the area is well embanked. The total occupied area is 872 acres, while 115 acres are held in malik-makbuza right on Rs. 142 rent and 579 acres in tenancy right on a rental of Rs. 2,037, the average payment per acre for malik-makbuza and tenancy land being a little over Rs. 3 per acre. The home-farm covers 178 acres. The total kamil-jama is Rs. 1,468-4-0, but some of the land is held in muafi at present.

In ordinary years the area under birra, *i.e.*, mixed wheat and gram, is about 600 acres, while 60 or 70 acres are double-cropped with rice and other kharif crops. We visited this village on two occasions, the second occasion being at the harvest time. The crop this year in this village is in good condition, although for the two previous years it has been very seriously damaged by rust and frost.

Cost and profits of agriculture.—The cultivators state that they expended 120 lbs. per acre in seed for birra (mixed wheat and gram). This includes certain expenditure, which is made in grain at the time of sowing. They state that the harvesting or cutting of the crops is done on contract by "chaituas" or agricultural labourers, who come at the time of harvest to the haveli from the hilly tracts of the surrounding districts. They state that payment is made in kind out of the crop when cut, and that the payments to the barber, carpenter, lohar, chamar, etc., are also paid in the same way out of the crop as it is cut and threshed. They state that they are satisfied if they get from 4 to 5 times the seed when they measure the outturn after making these payments. In the present year they state that the crop varies from 5 to 6 times. Five times the amount of seed sown would be 600 lbs. per acre, and this is a satisfactory outturn after the cost of harvesting and the payments to the village servants, etc., have been deducted. The other expenses of an ordinary holding of 15 acres according to the cropping in this village would be, when the cultivator works himself in his fields:—

	Rs.	s.	p.
Capital depreciation on cost of bullocks Rs. 160-8-0	20	0	0
(Cost of seed)—			
Dhan 10 kuroas	3	0	0
Birra 18 maunds	90	0	0
Masur 5 kuroas	2	8	0
Alsi 3 kuroas	1	8	0
Repairs to embankments, say	5	0	0
Implements	3	0	0
Bullocks' feed in ploughing season	12	0	0
Total.	137	0	0
<i>i. s.</i> , per acre	9	0	0

In addition, there is the rent Rs. 3 per acre—
Total Rs. 12 per acre.

The outturn would be in a normal year—

		Rs.
Birra	...	450
Masur	...	25
Alsi	...	12
Dhan	...	30
Total	...	517 or Rs. 34-8 per acre.

In this case the payments in kind made out of the crop have not been shown either on the debit or credit side, the net crop outturn after these deductions have been made being calculated. Net profit Rs. 22-8-0 per acre after paying rent or Rs. 25-8-0 excluding rent.

We give below the estimate of Dadai, Brahman, who holds 19.51 acres of land on Rs. 60-8-0 rent, as typical of the cost of cultivation in this village when carried out entirely by hired labour :—

<i>Seed.</i>		Rs.	a.	p.
Dhan 10 kuros	...	3	0	0
Birra 24 maunds	...	120	0	0
Masur 5 kuros	...	2	8	0
Alsi 3 kuros.	...	1	8	0
Total	...	127	0	0
<i>Labour.</i>				
Sowing	...	16	0	0 in kind.
Clearing	...	1	0	0 do.
Repair of embankments	...	4	0	0 do.
Katali	...	26	0	0 do.
Carpenter	...	4	0	0 do.
Lohar	...	4	0	0 do.
Making threshing ground	...	2	0	0 do.
Village ahir	...	9	8	0 do.
Harwaha	...	48	0	0
Chamas	...	5	0	0 in kind.
Total	...	119	8	0
<i>Others.</i>				
Grazing fee	...	4	14	0
Implements	...	4	0	0
Bullocks and feed	...	30	0	0
Rent	...	60	8	0
Total	...	99	6	0
Total expense	...	345	14	0

of which Rs. 67-8-0 are actually paid in grain out of the crop while being harvested and Rs. 60-8-0 are rent. Excluding these items, he spends Rs. 218 or about Rs. 11 per acre, rent being

just over Rs. 3 per acre in addition. As the payments made in kind are deducted from the gross outturn, they should not be again included here.

Output after making the payments in kind noted on the expenditure side.

			Rs.	a.	p.
Dhan 5 khandis at Rs. 6	...	...	30	0	0
Birra 120 maunds at Rs. 5	...	...	600	0	0
Masur 3 khandis at Rs. 10	...	...	30	0	0
Alsi 1½ khandis at Rs. 10	...	...	15	0	0
			<hr/>		
Total gross income	...	...	675	0	0
Less expenses and rent	...	...	278	6	0
			<hr/>		
Net income	...	...	398	0	0

or Rs. 20 per acre after paying rent or Rs. 23 excluding rent.

He says that when his father died seven years ago he owed Rs. 400. The year before last at this, except Rs. 40, had been repaid. On account of the crop failures of the last two years and of the loan for agricultural expenses taken this year, he says he now owes Rs. 699.

We have converted the payments made in grain into their cash equivalents.

The cultivators accept this as a fair estimate of expenditure. Although they are able to give the estimate of the payments which they make in kind to the cutters and village servants, etc., they really estimate the "gross" outturn on the threshing floor after deducting these payments. These payments are made from day to day out of the grain as it is brought in and threshed and the outturn can only be measured after the threshing operations have been completed, i.e., after these interim deductions have been made for payment to individual persons.

Dadai, Brahman, also has a number of cows and she-buffaloes and gets a regular income from milk and actually does not purchase plough-cattle, but breeds them himself. He says he pays Rs. 36 to a grazier per year; but this is for tending his non-agricultural cattle and should not be included in the costs of cultivation.

Cost of maintenance.—The tenants' individual estimates as to the cost of food and clothing vary as usual. They said those who could afford to do it consumed a certain amount of ghee with their food and the poorer people used oil instead. We have calculated from their statements the following estimates:—

The ordinary expenditure on the food and clothing of an average family of 5 persons comes to Rs. 240. This includes some surplus grain for feeding guests, etc., on certain occasions. Assuming that the average net outturn per acre here is Rs. 23, it would appear that an ordinary family of 5 persons would require a holding of at least 10 acres to support them if they had no other sources of livelihood. As a matter of fact, owing to the proximity of this village to Jubbulpore town, many of the tenants obtain employment at headquarters as casual labourers, servants,

etc. They also stated that there was a good trade in the sale of milk, and there are altogether 83 cows and 57 she-buffaloes in the village.

The average income per household from these sources, as stated by cultivators, comes to Rs. 60. But even then it would seem that the net income must be considerably greater, having regard to the size of holdings.

Indebtedness.—There are in the village 61 cultivators of whom 26 have holdings of less than 5 acres. The following statement shows the size of holdings and amount of debts:—

Size of holding.	Number of tenants.	Number indebted.	Amount of debt.	Debt per head of indebted tenants.
1	2	3	4	5
			Rs. a. p.	Rs.
Below 1 acre	1	1	20 0 0	20
1 to less than 5 acres	25	21	3,089 6 0	146
5 to less than 10 acres	14	11	1,608 0 0	146
10 to less than 15 acres	5	5	1,682 4 0	336
15 to less than 25 acres	9	7	2,870 14 0	410
25 to less than 50 acres	5	5	2,136 0 0	427
50 to less than 100 acres	2	2	845 0 6	442

The rate of interest does not seem to vary as between a large and a small tenant. Thus Dadai (No. 39 in A form), who holds 19.51 acres and has a total debt of Rs. 699, has to pay 24 per cent on Rs. 450, although parts of his holding are in *sir* and malik-makbuza rights; while Mullo (No. 52), with a holding of 1.34 acres and no income from other sources, has to pay 18 per cent on Rs. 30; and Rajaram (No. 53), with a holding of 8.14 acres in occupancy right with a debt of Rs. 413, has to pay a maximum rate of interest of 12 per cent. The usual rate of interest is from 12 to 24 per cent. If we calculate it on an average of 18 per cent, the total interest on Rs. 12,251 comes to Rs. 2,205, while the total rental demand is Rs. 2,179. The tenants and malguzars stated that they borrowed money from Jubbulpore when required. On mortgages for larger sums of 10 annas per cent per month is charged and on smaller sums it is up to Re. 1 per cent per month. The occupancy tenants who have no right of mortgage, have to pay 25 per cent per year. The tenants said that their condition could only improve if they were given rights of mortgage and transfer. The malguzars were, however, of opinion that if such rights were given, the tenants would lose much of their land and the malguzars would lose much in nazrana. They say for

current agricultural needs they generally borrow at the beginning of the agricultural season and in the years of good harvest they pay back practically the whole of it.

The total debt in this village is Rs. 12,251-8-0. This amount includes a grain debt of 141 maunds $2\frac{1}{2}$ seers, worth Rs. 846-8-0. As grain debts when not paid back at harvest are converted into cash debts, quite an appreciable part of the total debt must have been originally grain debts. The average debt per head of cultivators is Rs. 200, and that per head of indebted cultivators is Rs. 239.

The average value of land here is Rs. 100 per acre, so that debts represent about 20 per cent of the value of the land held.

The sources and purposes of debt can be seen from the following tables :—

		<i>Sources.</i>		Rs. s. p.	
Government	3,651	8 0
Malguzar	226	0 0
Sowcar	8,374	0 0
Total				12,251	8 0
		<i>Purposes.</i>		Rs. s. p.	
Seed	4,902	0 0
Bullocks	706	0 0
Land improvement, etc.	1,280	0 0
Famine and other distress	2,002	0 0
Rental arrears	56	0 0
Marriage, etc.	3,051	0 0
Old debt	254	0 0
Total				12,251	8 0

Deducting the old debt of Rs. 254-8-0, the purpose of which cannot be determined, we get a debt of about Rs. 12,000, of which Rs. 6,944 may be classed as productive, viz., those for seed, land improvement, bullocks and rent, i.e., about 58 per cent. This village has suffered from the recent crop failures and this accounts for the large percentage of unproductive debt, and loans from Government and the large debt per acre.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 5,887.

The following statement will show the distribution of the village holdings :—

Village.	Below	From	From	From	From	From	From	Above	Total.
	5	6-10	11-15	16-20	21-25	26-30	31-40	40	
	acres.	acres.	acres.	acres.	acres.	acres.	acres.	acres.	
1	2	3	4	5	6	7	8	9	10
Karmetha	32	6	4	5	2	2	6	4	61

APPENDIX E-XLII.
WHEAT ZONE.

BARGI, TAHSIL SIHORA, DISTRICT JUBBULPORE.

A fairly big village, about 5 miles from Sihora on the Sihora-Katni road. The total occupied area is 1,316 acres with the land revenue demand of Rs. 1,330, the rental collections being Rs. 2,519. There are 219 houses with a population of 1,043. It is predominantly a Brahman village. There are 35 co-sharers in the village and they all are Brahmans. More than half the cropped area is with the Brahman tenants. As Brahmans are prohibited by their religion to hold the plough, they have to employ paid labour for all agricultural operations and hence their cost of cultivation is higher than that of other communities. But they make more from priesthood than they spend on labour. Small cultivators of other classes work for them for wages and thus supplement their income. Many persons ply carts for hire and trade in *ghee*. Thus the admitted non-agricultural income of the village is Rs. 15,760.

Principal crops of the village are wheat (602 acres), rice (386 acres) and *alsi* (64 acres). 262 acres are under double crops. Average value of the land is said to be Rs. 50 per acre and the subletting value Rs. 7 per acre. But it is said that in normal times prices are much higher.

Mr. K. P. Pande, M.A., LL.B., M.L.C., Governor of the Central Provinces Co-operative Federation, was present at the enquiry and helped us to find out the correct facts about the economic life of the people. He has started an uplift centre in the village which is doing very good work. A night school with 22 adult students is being run by the uplift society, which also maintains a circulating library. There are two co-operative societies in the village with 79 members. The co-operative bank is taking a lively interest in propaganda work and holds rallies every month and organizes magic lantern lectures on co-operative and agricultural subjects with a view to popularise improved methods of agriculture. 300 acres of land is under improved seed. There are 9 iron ploughs and 10 manure pits in the village.

Finance.—The villagers borrow from Government, co-operative bank and the Khetola sowkars. Common rate of interest for personal loans is Rs. 2 per cent per month and for mortgage loans Re. 1. Taccavi is not popular as it is not given in time and for all purposes. People are against the conferral of the right of transfer unless simultaneous arrangements are made to free them from debts.

Debts.—The total cash and grain debt is Rs. 42,816, of which Rs. 17,482, i.e., Rs. 41 per cent, is secured and the rest (Rs. 59 per cent) is unsecured. The sources and the purposes for which this debt was incurred are shown below :—

<i>Sources.</i>		Rs.	a.	p.
1. Government	...	2,582	7	0
2. Co-operative	...	10,712	2	3
4. Landlord ...	..	504	0	0
3. Mahajan ...	...	29,018	0	0
Total		42,816	9	3

Purposes.

	Rs.	a.	p.
1. Repayment of earlier debt ...	9,457	0	0
2. Marriage and other ceremonials ...	9,157	0	0
3. Famine or other distress ...	6,346	0	0
4. Arrears of rent or land revenue ...	39	0	0
5. Purchase of seed and manure ...	11,070	7	0
6. Purchase of improved implements ...	2,702	0	0
7. Purchase of land or to bring fallow land under cultivation.	3,902	0	0
8. Sinking of wells ...	125	0	0
Total ...	42,816	7	0

Deducting Rs. 9,457 (earlier debts), the purpose of which is not known, it can be said that Rs. 48 per cent was taken for unproductive and Rs. 52 per cent for productive purposes.

There are 92 tenants and 35 co-sharers in the village. The 35 co-sharers are indebted to the extent of Rs. 32,776-6-0 or Rs. 936 per head. These persons hold shares and lands in other villages, and their assets are much larger than their liabilities. Of the tenants 14 are free from debt.

Tenants' debts amount to Rs. 10,040 or Rs. 109 per head. They hold 524 acres of land in this village at Rs. 953-13-0 rental, and 101 acres at Rs. 223 in other villages. Thus the total land in possession of the tenants is 625 acres at Rs. 1,176-13-0.

Cost of cultivation.—An idea of the cost and profits of cultivation can be had from the following statements:—

Dadiram, Brahman (14·20 acres at Rs. 30).

	Rs.	a.	p.
1 servant for 3 months at Rs. 5 a month ...	15	0	0
2 khandis grain for cutting ...	26	0	0
Threshing ...	12	0	0
5 kuros blacksmith ...	5	0	0
5 kuros carpenter ...			
5 kuros shoemaker ...			
Kotwar's dues ...	1	6	0
Implements ...	3	0	0
Bullocks ...	10	0	0
Rent ...	30	0	0
Total ...	102	6	0

Seed 8 khandis rabi (wheat) ...	104	0	0
Kharif seed 10 kuros paddy ...	4	0	0

210 6 0

or 15 0 0 per acre including the rent.

Outturn.

	Rs.
Wheat 4 times the seed 32 khandis ...	416
Rice 10 times the seed ...	40
Total ...	456

Outturn of minor crops has been ignored.

Rs.
456
210

246 or Rs. 18 per acre net, when cultivation is done entirely by hired labour.

From Judhia Kori's statement it will appear that he gets Rs. 23 net per acre.

Even if we take the average net profits from agriculture at Rs. 20 per acre, even this the annual net agricultural income of the tenants comes to Rs. 12,500 or Rs. 2,500 more than the total debt. To this agricultural income must be added the admitted income of Rs. 15,760 from non-agricultural sources. It is of great interest to note that according to the villagers themselves the non-agricultural income exceeds the net income from agriculture, but the agricultural income may possibly have been considerably under-estimated as a result of recent crop failures. 4 times the seed gross for wheat is a very low outturn as is explained in the note on Karmetha. Here too the payments in kind are shown on the expenditure side. Looking to the depressing revenue history of the village for the last three years, debts are, if anything, less than might be expected.

There are two co-operative societies in the village with a total membership of 79. Financial position of these societies is as below:—

I.—Members 32.

			Rs.	a.	p.
Cash loans	...	...	...	3,724	13 6
Grain loans	1,420	14 3
Bad debts	653	0 0
			Total	5,798	11 9

Reserve fund	1,131	12 3
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II.—Members 47. This society is under liquidation.

Cash loans	4,245	7 0
Grain loans	1,810	11 6
Bad debts	1,860	0 0
			Total	7,916	2 6

Reserve fund	1,870	15 6
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Deducting the amount of the reserve funds the net debt due from these societies is Rs. 10,712-2-3. Outside debt due from the members is Rs. 13,769-6-0. Total debt thus comes to Rs. 24,481-8-3 or Rs. 322 per member or Rs. 480 per indebted member. This accounts for most of the tenants' debts in the village. It will thus appear that the members of these societies have borrowed freely from all sources and therefore are more heavily indebted than others. Experience here is that societies with a large membership do not succeed for want of proper control.

Marketing.—The grain grown in the village is mostly sold in the village. The difference in the village and Khitola market rate is about three-fourths of a seer per rupee. People, therefore, do not find it profitable to take their grain to the market. Cultivators retain sufficient for their needs, including seed, and then sell the surplus.

The financing of long-term loans is in any case not the proper function of the co-operative credit society. A land mortgage bank could do much good here as elsewhere throughout the wheat zone.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 4,059.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Bargi	48	16	19	6	1	1	...	...	91

STATEMENT.

Dadi Ram Brahman—

I own land in this and Umariya village. I own in all 14.22 acres at Rs. 30. I own 2 bullocks which I purchased last year for Rs. 60. They may work for another year. Bullocks and other cattle die here of cattle disease almost every year. This village is on the main road. Cattle dealers from Rewa pass with heads of cattle through the village infecting our cattle. Last year we had small-pox, year before we had foot-and-mouth disease, year before that cattle died of "ghatsarp". So the working life is not more than three years:—

		Rs.	a.	p.
1 servant for 3 months at Rs. 5 per month	...	15	0	0
2 khandis grain for cutting	...	26	0	0
Threshing	...	12	0	0
5 kuros blacksmith	...	5	0	0
5 kuros carpenter	...			
5 kuros shoemaker	...			
Kotwar dues	...	1	6	0
Rent	...	30	0	0
Bullocks	...	10	0	0
Implements	...	3	0	0
	Total	102	6	0
Seed 8 khandia	...	104	0	0
Seed 10 kuros paddy	...	4	0	0
	Total expenses	210	6	0
	<i>Outturn.</i>			
4 times 32 khandia x 13	...	416	0	0
Rice 10 times	...	40	0	0
	Gross income	456	0	0
	Cost	207	6	0
	Total	248	10	0
		or	18	0
			0	0
			per acre.	

I have 7 adults to support. I require Re. 1-8-0 a day for feeding. $45 \times 12 = \text{Rs. } 540$.

I owe Rs. 300 to the bank and 750 to the mahajan. I had borrowed Rs. 500 for marriages of my two sons and to purchase a pair of bullock at Rs. 2 per cent four years back. I paid interest for one year, *i.e.*, Rs. 120. I borrowed Rs. 60 to pay the interest. I paid Rs. 60 from my pocket.

NOTE.—The witness has exaggerated his domestic expenses.

Subletting value is Rs. 6 to Rs. 7 an acre.

Judhia, Kori—

I own (12 acres of land) 7 khandi wheat and 1 khandi rice land. I have 3 bullocks, one bullock having died in March last. It died of oldage. I never purchased these bullocks. They were born to my cows:—

	Rs.	a.	p.
1 servant for 2 months	...	16	0 0
7 khandis seed wheat	...	105	0 0
1 khandi seed paddy	...	8	0 0
2 khandis wheat of weeding, cutting, etc.	...	30	0 0
5 kuros badhai	}	5	0 0
5 kuros lohar			
2½ kuros chamar			
Rent	...	30	4 0
Kotwar	...	1	8 0
Total	...	195	12 0

Outturn.

7 times the seed of dhan, <i>i.e.</i> , 7 khandis	...	56	0 0
4 times the seed of wheat, <i>i.e.</i> , 28 khandis	...	420	0 0
Total	...	476	0 0
Expenses	...	195	12 0
Net profit	...	280	4 0

Rs. 23 0. 0 per acre.

I have 5 children and 2 adults to support. I require 3½ seers, about one khandi a month, *i.e.*, Rs. 144 per year. Half a khandi for chilles, salt, oil, etc. Rs. 48 a year equals Rs. 192 plus clothing Rs. 35 in all Rs. 227.

I owe Rs. 64 to Government and Rs. 60 to mahajan. I had borrowed Rs. 60 three years back at Rs. 2. I pay the interest regularly. Thus I owe Rs. 60.

APPENDIX E-XLIII.
WHEAT ZONE.

LAKHAKHERA, TAHSIL KATNI-MURWARA, DISTRICT JUBBULPORE.

This is a village in Katni tahsil of Jubbulpore district. The Government revenue demand is Rs. 230 and the total rental demand is Rs. 422. The kists are 12 annas kharif and 4 annas rabi. The area under cultivation is 782 acres and the total cropped area in 1927-28 was 461 acres. Average rent 9 annas per acre.

Cropping:

161 acres are under dhan,
45 acres are under gram,
83 acres are under linseed and gram,
76 acres are double cropped.

There are 53 tenants in the village, of these quite a large proportion are really labourers. Thus there are nine tenants who hold only fractions of an acre of land and seven tenants who hold less than 5 acres.

Size of holding.	Number of tenants.	Number indebted.	Amount of debt.	Debt per head of tenants indebted.
1	2	3	4	5
			Rs.	Rs. a. p.
Below 1 acre	9	5	83	16 9 0
1 to 5 acres	7	6	286	47 10 0
5 to 10 acres	5	3	147	49 0 0
10 to 15 acres	5	5	274	55 0 0
15 to 25 acres	15	15	2,671	178 0 0
25 to 50 acres	8	7	1,785	255 0 0
50 to 100 acres	4	2	3.5	157 8 0

The rate of interest does not seem to vary as between a large and a small tenant. Thus the rate of interest that Dihia Bhuma, with a holding of .14 acre of land, has to pay is the same as Mihilal, Kalar, with a holding of 52.88 acres. The difference is in the amount he can borrow. This is not surprising as the transferable area is only 1.44 acre in this village.

On being asked if they want the right to transfer their land, the tenants answered in the affirmative. On being warned that this might mean that they would lose their land and that land might pass into the hands of the money-lender, they said that even as it was, a hopelessly indebted tenant lost his land, only he did not get the full value for it, part of it going to the mal-guzar, while, if they had rights of transfer they could get full value for their land.

They say the rate of interest is bound to come down when the right to transfer their land is conceded to them. The village sowkar on being asked was honest enough to admit that he would not lower the interest rate unless he was forced by competition to do so. The rate of interest in this village is about 19 per cent per annum.

The total debt in this village both cash and grain comes to Rs. 5,560, i.e., Rs. 7 per acre or Rs. 6 if land also held in other villages is included, and Rs. 105 per tenant and Rs. 129.3 per indebted tenant.

The total debt of the 16 members of the co-operative society is Rs. 3,990. Of this, only Rs. 1,288, i.e., less than one-third is due to the bank and a little more than two-thirds to other sources. The indebtedness per head among members of the society is Rs. 249.4 per head and that among non-members is Rs. 58.1. As usual, society members are more indebted than others.

Sources and purposes of debt can be seen from the following table:—

<i>Sources.</i>			Rs. a. p.
Government	...	...	318 0 0
Co-operative Bank	...	...	1,288 0 0
Malguzar	...	...	345 0 0
Mahajan	...	...	3,609 12 0
Total			5,560 12 0

<i>Purposes.</i>			Rs. a. p.
Seed	...	...	318 0 0
Bullocks	...	...	873 0 0
Land purchase	...	...	30 0 0
Agricultural expenses	...	...	3,222 12 0
Rental arrears	...	...	345 0 0
Marriage, etc.	...	...	472 0 0
Total			5,560 12 0

Of the total debt therefore we may say 13.2 per cent is unproductive and 86.8 per cent productive.

Profits of agriculture—Girdhari, Kalar, holds 23.62 acres of land for which he pays a rent of Rs. 7-1-0. He gives the following estimate:—

<i>Expenses seed.</i>			Rs. a. p.
Dhan 3 khandis	...	...	12 0 0
Kodon 12 kuros	...	...	2 7 0
Kutki 2 kuros	...	...	0 13 0
Tilli 1 kuro	...	...	0 5 0
Urad 6 pailies	...	...	0 12 0
Wheat 10 kuros	...	...	4 0 0
Gram 1 khandi	...	...	4 0 0
Linseed 5 kuros	...	...	1 12 0
Total			26 1 0

		Rs. a. p.
<i>Wages.</i>		
Ploughman 4 months	...	14 8 0
Village grazier	...	4 8 0
Weeding kodon 4 khandis	...	17 0 0
Transplantation of rice	...	5 4 0
Harvesting of rice	...	5 0 0
Harvesting of kodon	...	8 12 0
Watching	...	2 0 0
Threshing	...	2 0 0
Lohar (3 ploughs)	...	2 8 0
Carpenter	...	2 8 0
Chamar	...	1 0 0
Total	...	55 10 0

Capital depreciation

		Rs. a. p.
4 bullocks Rs. 120, 6 years	...	20 0 0
3 ploughs	...	4 2 0
2 bakhara	...	1 6 0
Kodali	...	0 2 0
Sabal	...	0 2 0
Hasia	...	0 5 0
Axe	...	0 6 0
Bakia	...	0 6 0
Total	...	26 13 0

Total expenses.

		Rs. a. p.
Seed	...	26 1 0
Wages	...	55 0 0
Capital	...	26 13 0
Rent	...	7 1 0
Kotwar	...	0 7 0
Total	...	115 6 0

Gross income.

		Rs. a. p.
Dhan 30 khandis × Rs. 4	...	120 0 0
Kodon 24 khandis × Rs. 4	...	96 0 0
Kutki 4 khandis × Rs. 4	...	16 0 0
Tilli 1½ khandi × Rs. 7	...	10 8 0
Urad 2 khandis × Rs. 8	...	18 0 0
Wheat 2 khandis × Rs. 8	...	16 0 0
Alsi 2½ khandis × Rs. 7	...	17 8 0
Gram 4 khandis × Rs. 8	...	32 0 0
Total	...	316 0 0
Less expenses ...	...	115 6 0
		201 0 0

About Rs. 8 per acre.

Net profit, excluding rent, is about Rs. 9 per acre.

The price of agricultural produce has, however, been undervalued. There is a considerable area of fallow in this holding which is not cropped at all. The net profit on the actual cropped area per acre is considerably higher.

Dwarka, Mahara, holds 16.35 acres for which he pays Rs. 9-5-0 as rent:—

<i>Expenses (seed).</i>			Rs. a. p.
Kodon 10 kuros	...	...	2 0 0
Dhan 2 khandis	...	...	8 0 0
Kutki 1 kuro	...	...	0 3 0
Urad 1 kuro	...	...	0 7 0
Till $\frac{1}{2}$ kuro	...	...	0 3 0
Maize $\frac{1}{2}$ kuro	...	...	0 6 0
Gram 10 kuros	...	...	4 0 0
Linseed 3 kuros	...	...	1 0 0
Total	...	...	16 3 0

<i>Wages.</i>			Rs. a. p.
Transplantation and weeding of kodon	...	...	6 0 0
Harvesting	...	...	3 0 0
Threshing	...	...	2 0 0
Village grazier	...	...	0 6 0
Lohar	...	...	2 0 0
Carpenter	...	...	2 0 0
Chamar	...	...	1 0 0
Total	...	...	16 6 0

<i>Capital depreciation.</i>			Rs. a. p.
2 he-buffaloes	...	...	11 0 0
2 he-buffaloes feed	...	...	1 8 0
2 ploughs	...	...	2 12 0
2 bakhars	...	...	1 6 0
Kodali	...	...	0 1 0
Sabal	...	...	0 2 0
Hasia	...	...	0 5 0
Axe	...	...	0 4 0
Bakia	...	...	0 2 0
Total	...	...	17 8 0

<i>Total expenses.</i>			Rs. a. p.
Seed	...	...	16 3 0
Wages	...	...	16 6 0
Capital depreciation	...	...	17 8 0
Rent	...	...	9 5 0
Kotwar	...	...	0 9 0
Total	...	...	59 15 0

		Rs. a. p.	
.Gross income.			
Kodon 15 khandis	...	60	0 0
Dhan 20 khandis	...	80	0 0
Kutki 1 khandi	...	4	0 0
Urad 15 kuros	...	6	0 0
Tilli 15 khandis	...	105	0 0
Maize 1 khandi	...	6	0 0
Gram 2 khandis	...	16	0 0
Linseed 1 khandi	...	7	0 0
	Total ...	284	0 0
Less expenses	...	60	0 0
		224	0 0
		14	0 0
			per acre.

Here too there is some fallow land in the holding.

Most people here work in their own fields. Costs of cultivation are low and are mostly paid in kind. Outturns, however, vary very greatly from year to year.

We can safely take the all round average profits at Rs. 10 per acre of occupied area.

It must also be remembered that the cultivators in this village have a large income from other sources. The total income from other sources alleged by them comes to Rs. 6,423 or about Rs. 121 per family.

The estimates of the cost of maintenance here vary as usual. Kodon, kutki and mahua which abounds are important articles of diet.

The average family does not spend in grain and cash more than Rs. 200 per annum for food and colthing. The ordinary holding of the genuine cultivator, excluding the nominal tenants, is about 15 acres. The subsidiary income shows how cultivators support themselves without cultivating more land. In spite of the many petty holdings, debts are not due to uneconomic holdings. Nearly all the debt, such as it is, is on the holdings of 15 acres and above. Cattle-breeding, mahua-picking, extraction and carting of fuel and timber, *ghee*, etc., etc., are the main sources of subsidiary income.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 2,542.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Lakhbhera	19	3	6	10	3	2	3	7	53

APPENDIX E-XLIV.

WHEAT ZONE.

GADAGHAT, TAHSIL PATAN, DISTRICT JUBBULPÖRE.

Gadaghat is a large kanthar village of 2,306 acres, situated on the Hiran river near the main road, 2 miles from Patan. The village belongs to the family of Thakur Vishwanath Singh, who, according to the Settlement Officer in 1912, was then renowned for oppression and exactions. The Settlement Officer noted that the malguzars had persistently forced rents up encouraging arrears, obtaining surrenders and then letting out the land again on enhanced rents. At settlement, therefore, there was no enhancement of rents. The village is typical of the kanthar semi-riverain tract.

It came under the management of the Court of Wards in the year 1916.

The total population of the village is 552 persons. There is no *sir* or *khudkasht* land in the village. The total occupied area is 1,554 acres, held in occupancy right on Rs. 4,692 rent, on an average of over Rs. 4 per acre. 247 acres were sublet in the current year for Rs. 1,963 on an average rate of about Rs. 8 per acre. The principal crops at present are gram and birra (wheat and gram mixture) and juar, gram covering nearly half the total cropped area and wheat about two-fifths.

Average value of land in the village as stated by the villagers is as follows:—

Wheat land from Rs. 50 to Rs. 60 per acre.

Gram land from Rs. 40 to Rs. 60 per acre.

Other land from Rs. 25 to Rs. 50 per acre.

The all round average value of land here would be between Rs. 50 and Rs. 60 per acre.

Cost of cultivation.—According to the statement of tenants themselves, the total cost of cultivating 1,354 acres, including seed, capital, depreciation on bullocks and wages comes to Rs. 7,756 only or a little under Rs. 6 per acre. There are in all 43 tenants, the average holding being about 32 acres. But these 43 tenants have in their families 85 males, 92 female adults and 153 children: total 330 persons. Most of these, excluding the Brahmans, work in their own fields employing only the minimum hired agricultural labour. Dhimars and Malahs, who are practically the same caste, predominate among the tenants, although there are a few Brahmans with big holdings, some of whom are also money-lenders. The value of the gross estimated outturn according to the individual statements of the tenants themselves comes to Rs. 23,940, or Rs. 18 per acre, as shown in Statement A. But these estimates are admittedly for the outturns of the last two years when most crops suffered very severely. The normal outturn would be at least 25 per cent more or say Rs. 22 to Rs. 23 per acre. This is the price of about 400 lbs. of wheat or about 500 lbs. of gram which is much below the district normal outturn.

Subsidiary income.—There is a good deal of pasture land here, and in addition to the 138 agricultural bullocks, cultivators also hold 304 other cattle, including 114 cows, 43 she-buffaloes and 147 young cattle. And although the capital depreciation on the cost of cattle has been included according to our usual practice in the cost of cultivation, many of the cultivators here breed their own cattle, while others make an income from the sale of cattle and *ghee*. Many of the tenants earn some income from agricultural labour also. The total income from these sources, as admitted by them, exceeds Rs. 25 per head.

The net agricultural income last year, as stated by the cultivators, averages approximately Rs. 12 per acre. From this about Rs. 3 per acre rent has also to be deducted. The fact that the average subletting value is Rs. 8 per acre, also shows that in ordinary years the net profit must be greater, otherwise it would be unprofitable to cultivate land on such sub-rents. Taking Rs. 22 to Rs. 23 as the average gross outturn as explained above, the net profits would be about Rs. 16 to Rs. 17 per acre.

It must, however, be remembered, as the cultivators pointed out, that the income from agriculture in these riverain villages varies very greatly from year to year. In some years of good rainfall the outturn of gram and wheat is very heavy, while in other years it may be very poor. The recent revenue history of the village has been very bad. In 1926 the standing crops were washed away by floods and grain stocks spoiled. In 1927-28 and 1928-29 the crops were seriously injured owing to rust and frost. The cultivators' estimates of their average outturn are based on their experiences of the last three years.

Cost of maintenance.—Tenants' individual estimates of the cost of food and clothing vary considerably. According to their individual estimates, the total annual expenditure for the 330 persons in their families on food, in cash and grain, and on clothing, comes to Rs. 15,197 or an average of about Rs. 45 per head or Rs. 225 per average family of five persons.

A typical tenant is No. 39, a Malah, with two males, one female adult and two children in his family: total five persons. He estimates his expenditure on food and clothing at Rs. 210 per annum. Another Malah, No. 26, with nine persons in his family, estimates his total annual expenditure on food and clothing at Rs. 324. While a barber, No. 28, with 10 persons in his family, estimates his total expenditure on food and clothing at Rs. 414 per annum.

Causes of indebtedness and sources of finance.—The total debt in this village comes to Rs. 20,392-6-0, being Rs. 18,912 in cash and Rs. 1,480 in grain. Of this, Rs. 1,072 cash and some grain are due to Government advanced on taccavi owing to crop failures. Rs. 1,395 and the rest of the grain are due to the landlord, who is the Court of Wards. The balance Rs. 16,445 is due to money-lenders. The average rate of interest per annum is 24 per cent.

Some of the well-to-do tenants of the village are money-lenders, such as Jagatsingh Barhai, who, with 43 acres of occupancy land in this village and 150 acres of land in all and a share in a neighbouring village, has a considerable money-lending business here, earning an annual income of Rs. 480 in interest. Deosingh, a big tenant, with 75 acres on Rs. 294 rent, also does money-lending in the village with an annual income of Rs. 200 from this source. Ramsingh Mohabatsingh, with 21 acres of land, also does money-lending in the village. The principal money-lenders are, however, the mahajans of the tahsil headquarters at Patan. Loans on ordinary bonds or teeps are advanced.

As the tenants are occupancy tenants, all the debts are unsecured. The people of this village are anxious for the rights of transfer to be granted, as they say they could obtain money at lower rates of interest on the security of their land.

All the tenants except three are indebted. The debt works out at Rs. 474 per tenant or Rs. 523 per indebted tenant or 3 times the rent or about Rs. 12-8-0 per acre or about 25 per cent of the value of the land, which they hold.

The purposes for which debts were incurred are as follows:—

	Rs.
Marriage and other ceremonies	2,355
Household expenses	964
Arrears of rent	2,756
Purchase of seed and bullocks and other agricultural expenses.	11,502
Seed borrowed in grain	1,480
Purchase of land	1,355

The following tenants are heavily indebted:—

- (1) Kirat, Dhimar, with 22 acres of land on Rs. 74 rent, owes Rs. 662 at 24 per cent interest.
- (2) Kare, Dhimar, with 32 acres of land on Rs. 100 rent, owes Rs. 930.
- (3) Jawahar, Dhimar, with 52 acres of land on Rs. 180, owes Rs. 930.
- (4) Kare and Baldeo, with 40 acres of land on Rs. 124-14-0 rent, owes Rs. 2,118. These two appear to be more or less hopelessly indebted without the prospect of redemption.
- (5) Dhirey, Teli, with 31 acres of land on Rs. 132 rent, owes Rs. 695.
- (6) Mohiuddin Behna, with 8 acres of land on Rs. 21 rent, owes Rs. 150, but he also takes land on sub-rent of Rs. 80.
- (7) Khalbal, Dhimar, with 22 acres of land on Rs. 37 rent, owes Rs. 442.
- (8) Ajmer, Malah, with 17 acres of land on Rs. 62 rent, owes Rs. 438.
- (9) Bhangi, Gond, with 21 acres of land on Rs. 25 rent, owes Rs. 442.
- (10) Hajuri, Malah, with 7 acres of land on Rs. 30 rent, owes Rs. 215.
- (11) Dilraj, Nai, with 13 acres of land on Rs. 89 rent, owes Rs. 738. He also took land on sub-lease for Rs. 50.

- (12) Thakuri, Badhai, with 101 acres of land on Rs. 291 rent, owes Rs. 2,375. His statement is attached.
- (13) Partabsingh, Brahman, with 10 acres of land on Rs. 30 rent, owes Rs. 710, Rs. 150, of which were borrowed for his daughter's "gaona" ceremony and Rs. 300 was spent on a caste feast owing to some caste offence.

These are the principal debts, and account for over half the total debt of this village. Excepting No. 4 and possibly also Nos. 1, 11, 13, all these persons could be helped by a long-term loan on low interest from a Land Mortgage Bank.

Nearly all the tenants take short-term loans, either in seed or in cash during the year which they repay if the harvest is normal at harvest time. They state that during the last three years they have not been able to repay much of what they have borrowed. As their total expenses for cultivation per year come to Rs. 7,756 and their expenses for food and clothing Rs. 15,197, it will be seen that their total debts at present amount to a little less than their total expenses for cultivation and maintenance for one year; and under the circumstances therefore these debts are not more than might be expected. If money were obtainable at a reasonable rate of interest, this amount of indebtedness after three bad years would not give rise to much anxiety with regard to their economic future, but when the normal rate of interest is 24 per cent, the interest on the present accumulated debt comes to about Rs. 5,000 or more than the total rental demand, which is already high.

This village serves as a very interesting example of the cumulative effect of a high rate of interest where agriculture is insecure. The crop outturn varies greatly over a cycle of years, but if a bad year was always followed by a good year, the effect of a high rate of interest would not be so bad. But unfortunately, as has recently occurred, we may often get a succession of bad years. The cultivator is compelled to take advances for financing his agricultural operations and for his own maintenance after crop failure. In a succession of bad years the interest very quickly accumulates into unmanageable sums.

This is one of the villages under the Court of Wards, which have come under our enquiry. The Court of Wards as guardian of the malguzar has all the rights and responsibilities of the landlord. Our enquiries elsewhere show that where the malguzar has the interests of the tenants at heart and is a beneficent landlord, there is no other agency which can serve so well the financial needs of the tenantry. It seems therefore to us surprising that when Government has taken an estate under the management of the Court of Wards it should neglect the question of financing its tenantry. Examination of the Provincial Court of Wards reports shows that apart from one or two estates in the Chhattisgarh Division the Court of Wards at present does not take any appreciable part in the work of financing the tenantry. The Court of Wards has even greater facilities than the ordinary

malguzar for making recoveries. In this particular village there appears to be no reason why the Court of Wards should not have financed at a reasonable rate of interest the short-term requirements of its tenants, who have been left to the mercies of money-lenders, who charge 24 per cent interest. Even where the cash balance available for making taccavi loans to tenants in any particular estate is not large, an estate under the Court of Wards can always borrow money at a low rate of interest, e.g., 6 per cent. And even if it were required to borrow money for the purpose it could always lend out this borrowed capital at a rate not exceeding 9 per cent without fear of loss. If the attention of the public and of Government is attracted to the problems of economic reconstruction as a result of the present enquiry, we hope that in due course the Court of Wards will consider the maintenance of the economic stability of its tenants, one of its chief responsibilities in future. We feel that the Court of Wards should exercise an influence at least as beneficent on its tenantry as that exercised by the ordinary beneficent malguzar. If the Court of Wards takes over the responsibility of financing the short-term requirements of its tenants, no other arrangement would be necessary for short-term seasonal loans, and with the establishment of a land mortgage bank for meeting long-term requirements the best possible credit facilities will have been established and in the Court of Wards' estates at any rate the financial problem will have been solved.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 2,389.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Gadaghat	5	6	3	8	4	1	9	7	43

STATEMENT.

Thakuri Badhai—

I own 101 acres at Rs. 291 rental. I had borrowed Rs. 700 14 years ago for two marriages at 2 per cent. I only paid the interest. Two years after a bullock accidentally died at my brother's hand. I had to spend Rs. 350 for the purification ceremony. I had to borrow that amount from Kanhe, Bania, of Patan, at 2 per cent. I paid only the interest. I had borrowed Rs. 1,000 during the influenza epidemic as I could not cultivate the land at all. Rs. 350 were borrowed after the influenza epidemic. I paid only interest on that sum. Two years back I borrowed Rs. 320 to purchase 4 bullocks.

I have not been able to repay seed debt which I incurred year before last and last year as the crops failed completely.

Cost of cultivation.

	Rs. a. p.
1 servant at Rs. 8 (12 months) ...	96 0 0
1 servant at Rs. 8 (6 months) ...	48 0 0
1 grazier at Rs. 2 per mensem (12 months) ...	24 0 0
6 men for sowing for 15 days ...	25 0 0
Seed (masur) ...	50 0 0
Seed (wheat and gram) ...	125 0 0
6 khandis for cutting ...	60 0 0
1½ khandi threshing and 2½ khandis for carting, etc. ...	35 0 0
15 kuros lohar and 15 kuros barbai ...	15 0 0
Bullocks ...	40 0 0
Feed for bullocks ...	20 0 0
Kotwar dues ...	2 0 0
Total ...	540 0 0

Outturn.

	Rs. a. p.
Masur (12 times the seed) 60 khandis ...	600 0 0
Wheat and gram (5 times the seed) 60 khandis ...	780 0 0
Income from sub-letting ...	206 0 0
Total ...	1,586 0 0
Cost of cultivation Rs. 540 plus Rs. 291 rent ...	831 0 0
	755 0 0
per acre	18 8 0

Subletting value.

5 times the rent or Rs. 10 an acre.

APPENDIX E-XLV.

WHEAT ZONE.

SURKHI, TAHSIL AND DISTRICT SAUGOR.

A large and important bazar village 18 miles from Saugor on the Saugor-Kareli road, with a population of 1,260 persons and a total area of over 5,000 acres. The village is situated on a fairly high level stretching right across to the hills which close in the plateau on the north. A nalla runs across the centre of the village area and on each side there is some fine clay and clay loam soils. Along the base of the hills, the soil is a lighter loam. In this village there is a police station-house, a large primary school, a post office and an inspection bungalow, and a weekly market is held on Thursday. As elsewhere throughout this district, as a result of the destruction of rabi crops in previous years by frost and rust, the wheat area has fallen in the present year; but in the present year there are still 917 acres under wheat. The cropping is as follows:—

	Acres.
Total kharif area	1,053
Juar	212
Total rabi area	1,676
Wheat	971
Gram	342
Linseed	176

In this village there are over 700 acres in absolute-occupancy right, the total tenancy are being 3,170 acres and the total rental demand Rs. 3,509 at an average of about Re. 1-2-0 per acre. According to the tenants' statements, the value of land here ranges between Rs. 20 and Rs. 60, the average value of land being about Rs. 40 per acre. It appears that the present subletting value averages round Rs. 3 per acre.

Costs and profits of agriculture.—It is very difficult in a village of this kind to get a correct idea of the net profits from agriculture. Owing to the extreme uncertainty of the monsoon in these northern districts, the outturn varies greatly from year to year and during the last two or three years the crops had been almost entirely ruined owing to frost and rust, and the estimates of cultivators are therefore bound to be coloured by their experience of the last few years. It appears, however, that the net profits from wheat cultivation vary between Rs. 10 and Rs. 20 per acre according to the character of the monsoon, while the net profits on gram, juar and linseed are a little less. In favourable years, however, these soils are capable of yielding a very heavy outturn and in such years the profits from wheat cultivation might go as high as Rs. 30 per acre; but such years are rare and abnormal. It would be quite safe, in our opinion, to take the all round average net profits from agriculture at about Rs. 10 per acre which the cultivators themselves agree to be a reasonable estimate, that is to say, the net profits from the whole cropped area would, in ordinary years, be not less than Rs. 27,000.

Non-agricultural income.—In addition to the income from agriculture, the cultivators admittedly obtain income from other sources, particularly from carting, cattle-breeding and sale of *ghee*. According to their own statements, the total income from these sources comes to Rs. 20,359-8-0.

Sources of finance.—This village is one of several others owned by the hereditary Rai Bahadur of Dhana. The late Rai Bahadur Balchand, who has recently died, had an evil reputation, as a *malguzar* and a money-lender. His aim appeared to be to involve as many of his tenants as possible in debt in such a manner as to make it impossible for them to ever free themselves from his clutches. In the last settlement, Sir Geoffrey Corbett, the Settlement Officer, noted that heavy indebtedness of the tenantry was characteristic of the villages owned by this *malguzar*.

The *malguzar* is the principal source of finance in the village. We received many bitter complaints with regard to his methods of doing grain and money-lending business. Some idea of his methods can be obtained from the statement of Murat Singh and Rajaram Dangi. Quite a number of the tenants of this village are now hopelessly indebted, and the *malguzar*, if he desired, might obtain possession of their absolute-occupancy land in execution of decrees for debt. As a matter of fact, however, he apparently prefers to keep them in debt allowing them just enough to live on and absorbing the rest of their profits from agriculture from year to year. The common rate of interest is Rs. 2 per month, advances being usually for the season of five or six months. In case of default in prompt repayment, the interest is raised to Rs. 3 per month. For loans of seed grain, the rate of interest charged is usually 25 per cent for the period between seed time and harvest, *i.e.*, for about five months the actual rate of interest being over 50 per cent per annum. This is the rate charged from old clients. A new borrower is charged double this amount. In this village, with its unfortunate agricultural history and the avaricious methods of the *malguzar*, there are very few tenants who keep their own seed and nearly all of them borrow from year to year. They also borrow grain and money for their maintenance between the seed time and harvest, which is called "Khawai". These loans are also repayable at harvest at 25 per cent interest. Another system of money-lending is known as "Bandwar" which is common in the villages of this *malguzar* and in the surrounding tract. Under this system, the advance is made in cash; but repayments are made in *ghee* at a low rate which is fixed at the time of making the loan.

Under these circumstances, it is not surprising to find that the total admitted cash and grain debt in this village amounts to Rs. 74,650 of which Rs. 30,592 is secured by mortgage and the remainder unsecured. There are in all 156 tenants in the village, *i.e.*, 56 absolute-occupancy tenants, 99 occupancy tenants and one *malik-makbuza*. Of these, 54 have managed to keep free from debt. The indebtedness per indebted tenant is Rs. 731 or Rs. 472 per tenant or Rs. 24 per acre or 21 times the rental demand. Having regard to the fact that the average sale value of land in

this village is said to be not more than Rs. 40 per acre, it becomes clear that the total debts owed by tenants amount to 60 per cent of the value of the land which they hold, and a very large number of the indebted tenants in this village are hopelessly indebted beyond redemption, unless some special proceedings can be taken for conciliation of their debts through the agency of a land mortgage bank.

The sources from which these debts have been borrowed are as follows :—

	Rs.
Government Taccavi	2,643
Land-lord	55,503
Mahajans	16,504
Total	74,650

The purposes of these debts are as follows :—

	Rs.
Repayment of earlier debts or renewal of old debts	20,611
Arrears of rent	7,817
Marriage and other ceremonies	912
Purchase of bullocks	3,239
Seed	20,534
Famine and distress	10,000
Purchase of land	7,236
Improvement of land	1,674
House building	622
Sinking of wells	125
Litigation	880
Trade	1,400
Total	74,650

Our enquiries showed that about one-fourth of the total debt was incurred in the renewal of old bonds or for repayment of earlier debt, about which the debtors themselves have no knowledge. On the other hand, more than half the debt, i.e., Rs. 38,754, is due to the successive failure of the crops for the last three years. During the last two years, the recovery of rents has been suspended which accounts very largely for the large item of Rs. 7,817 arrears of rent. Government has also advanced Rs. 2,643 during this period. In connection with the statement of Murat Singh Dangi, we may note as follows :—

He states that 27 years ago he executed a bond for 21 manis of grain, because the malguzar had threatened him and said that his father had borrowed it although he had no knowledge of the matter. To day, however, the debt has grown to 300 manis although he has paid off during the period at least 27 manis.

In the same way he executed a bond for Rs. 150 on the understanding that his father had borrowed it. Having paid off some Rs. 500 since then and having handed over his 8 acres of absolute-occupancy land to the Rai Bahadur, he still owes him Rs. 900 to-day.

With reference to this man, the agent of the malguzar solemnly complained to us that he was a *badmash*, because he had put in an application for insolvency in the civil court as a last resort.

Marketing.—There are a number of grain merchants and banias in the village who buy up the crops at harvest time and the tenants say that they experience no difficulty or trouble.

Our considered opinion with regard to this village and the few other villages of the same kind in the Saugor and Damoh districts was that some special action should be taken, if possible, to free the tenantry from the hopeless burden of debt. It is difficult at this stage to state exactly the best line of action to follow. A land mortgage bank could, under no circumstances, make advances exceeding 50 per cent of the value of the property of these debtors. This would not suffice to liquidate the debts of many of them, while it is extremely doubtful whether the hereditary Rai Bahadur would be willing to accept 50 per cent of the value of their property in full liquidation of these debts. It is possible that many of these men may lose their land. A co-operative credit society might be useful for financing their short-term loan requirements; but until the present burden of debt which is oppressing many of these persons can be removed, no new sources of finance or new methods of financing them could be of any use. It was not possible for us at the short time at our disposal to make an elaborate enquiry into each case in every village in the district nor would an enquiry in one village alone adequately serve the purpose. It is possible that Government may consider it desirable to examine the whole question in greater detail through the agency of its revenue officers. This village and Abhanna in the Damoh district are striking examples of the evil results produced by the activities of an avaricious money-lending malguzar during a period of crop failures among an ignorant tenantry.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 9,236.

The following statement will show the distribution of the village holdings:—

Village:	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 25—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Surkhi	32	12	9	9	8	11	8	17	106

STATEMENT.

Murat Singh Dangī—

I own 8 acres of land at Rs. 14. I sub-lease my land on the condition that the outturn is divided equally. Seed is also divided equally. Bullocks and labour are brought by the lessee. I pay the rent. I get 5 manis as my share (Rs. 35 × 5 = Rs. 175).

I am indebted to the Rai Bahadur to the following extent:—

I had executed a bond for 21 manis grain 27 years back on being told that my father had borrowed that grain. Today that grain has grown to 300 manis. During this period I may have paid 27 manis of wheat, and still I owe 300 manis.

I executed a bond for Rs. 150 ten years ago, on understanding that my father had borrowed it. I owe him Rs. 900 today. The interest is at 2 per cent. I may have paid Rs. 400 to Rs. 500 at various times. Besides, my 8 acres of absolute occupancy land has been taken away by the Rai Bahadur. I am thus compelled to apply for insolvency. I hold 33 acres at Rs. 36. I cultivate 12 acres, the rest is under grass. I have 4 bullocks, 2 buffaloes and 6 cows. So I graze my cattle in this land. I make no income from grazing or selling grass or from milk or *ghee*. The only profit I get is that I have not to purchase bullocks. I sell on an average a bullock a year. I get about Rs. 16 a year.

I sow 3 seers juar.			Rs.
.. 12 seers dhan.			
.. 3 seers ramti i.			
.. 20 cani (10 maunds Pissi.)	...	...	36
.. 50 seers gram.			
.. 2 seers tili			
I get 6 maunds of juar 80 times.	...	...	Rs. a. p.
96 seers dhan 8 times	...	...	22 8 0
56 seers ramtili 19 times	...	...	7 0 0
48 seers tili	...	...	7 0 0
30 maunds Pissi 3 times	...	...	8 0 0
5 maunds gram	...	...	150 0 0
			20 0 0
		Total	214 8 0
	Rs. a. p.		
Cutting	214 8 0		
	15 0 0		
	229 8 0		

I owe Rs. 500 and 26 manis grain to the malguzar. My father or grandfather borrowed, I do not know how much. The debt stands today at that figure.

My family consists of five persons. My daily expenses come to 12 annas or Rs. 23 per month, *i.e.*, Rs. 276 a year. About Rs. 36 worth of cloth (Rs. 276 *plus* Rs. 36 equal Rs. 312). These days are hard and we have to maintain ourselves at reduced cost. The figures given by me are for a normal year.

Cost of cultivation—

	Rs. a. p.	
I	15 10 0	for Nari and bukhar for both the crops.
	24 0 0	grazier.
	6 0 0	} at Rs. 3 a plough for lohar and barhai.
	6 0 0	
	2 4 0	Kotwar.
	36 8 0	Rent.
	89 12 0	
	36 0 0	seed.
Grand Total	125 12 0	

I earn about Rs. 10 or 15 by carting—

Rs.	a.	p.	
229	8	0	Income.
125	12	0	Expenses.
<hr/>			
103	12	0	Net income.

I cannot say how I make up the deficit. I do not steal.

Rajaram Gorelal Dangi—

Bhopal Rajaram—I own 35 acres of land at Rs. 60.

I sow		I get	
Rs.	a. p.		Rs. a. p.
100	0 0	4 manis Pissi	10 manis wheat... 250 0 0
1	8 0	24 seers dhan.	200 seers dhan... 12 8 0
54	0 0	Servant.	
24	0 0	Grazier.	Total ... 262 8 0
6	0 0	Lohar.	
6	0 0	Badhai.	
3	12 0	Kotwar.	
60	0 0	Rent.	
<hr/>			
255	4 0		

I owe Rs. 105 to malguzar and $1\frac{1}{2}$ manis seed to malguzar. I had borrowed Rs. 325 five years back to purchase land, at 12 annas. I have during these years paid Rs. 225 and interest. I do not purchase bullocks. I have cows and get calves. I have no other income.

I have seven persons to support. My expenses come to 8 annas a day, i.e., Rs. 15 a month or Rs. 180 a year.

NOTE.—People say that the outturn has not been shown correctly. He must get Rs. 270 and he does. This comes to Rs. 9 per acre net profit.

Subletting value is Rs. 3 per acre. Grain produce is sold in the village. It is sold to local banias who number 25. Reasonable price is paid.

Following are the mahajans :—

- (1) Malguzar.
- (2) Pyarelal, bania.
- (3) Parmu, bania.
- (4) Kanchedi, mahajan.
- (5) Sobha Lal.

The rate of interest ranges from 1 to 2 per cent per month.

Sobharam Modi—

My father came to the village. He died 30 years ago. I am 35 years old. I sell *ghee*, salt, *gud*, etc., in this and other neighbouring villages. My brother takes ganja and opium contracts. I do money-lending also. I charge Re. 1-4-0 or 1-8-0 per cent per month. I own 25 acres of land which I took within the last eight years for Rs. 600. I have not yet got any land in repayment of debt. I advance money on bonds and pro-notes.

APPENDIX E-XLVI.

WHEAT ZONE.

MAHARAJPUR, TAHSIL REHLI, DISTRICT SAUGOR.

An important village of the Rehli tahsil of the Saugor district, situated near the main Kareli-Saugor road, about 5 miles from the edge of the ghat descending to the Narsinghpur district. The village is a large one with an important weekly bazar. The total population at present is 1,863, of whom 400 are banias, 300 Brahmans and 200 are Kurmis. The total area is 1,708 acres and the total land revenue is Rs. 1,155. The total occupied area is 1,533 acres, of which 276 acres are held in home-farm, 72 in malik-makbuza right and 1,185 by tenants. The total rental demand on the 1,257 acres, malik-makbuza and tenancy land, is Rs. 1,791 or an average of Re. 1-9-0 per acre.

In the last two years, the crops have been very bad, owing to severe attack of rust in 1927-28 and frost and rust in 1928-29. This village suffered as severely as the other villages of the Saugor district from these calamities. The total cropped area is 1,330 acres. In 1927-28, before the rust calamity, the cropping was as follows :—

	Acres,
Wheat	980
Wheat-linseed	129
Dhan	57
Kodon-kutki	26
Total kharif	190
Total rabi	1,190

Last year, however, owing to the destruction of the wheat crop, the wheat area fell to 457 acres and the cropping was as follows :—

	Acres.
Wheat	457
Wheat-linseed	202
Dhan	58
Kodon-kutki	19
Total kharif	340
Total rabi	1,036

A good deal of juar and gram is substituted for wheat. But in normal years it may be stated that nearly 80 per cent of the total cropped area is under pure wheat or wheat mixture. There is some very good wheat-growing clay loam and clay soil in the western half of the village area between the road and the village site. To the west of the road the soil lightens somewhat, but is capable of producing a good wheat crop in favourable years. To the east of the *basti*, which is situated on the Badmandehi river on the edge of the "karka" or slope descending into the plains below, the soils are more sandy and it is in this tract that the small area of kharif and dhan is sown.

Malguzars.—The malguzars are some well-to-do Brahmans of old standing who reside here and who own five other villages.

Costs and profits of agriculture.—The villagers' estimates of the wheat outturn, which is by far the most important crop, have been coloured by the disasters of recent years. The statements of Nanha, Kurmi (No. 18), and Kallu, Kurmi (No. 32), which are attached, give a fair idea of the tenants' estimates of their costs, gross outturn and net profits. It will be seen that, including rent, Nanha, Kurmi's total expenses on the cultivation of 25 acres come to Rs. 240 or nearly to Rs. 10 per acre, including the depreciation on the capital cost of bullocks and their feeding charges. Kallu, Kurmi's estimates for 14½ acres come to Rs. 132 or a little over Rs. 9 per acre. They state that the cost of cutting the crop is paid in kind out of the gross outturn in the field and that they estimate their gross outturn from the amount of grain received in the barn after these payments have been made. Their estimates allow for about 100 lbs. of seed per acre. In both cases, they estimate the wheat outturn at four-fold, but added that, in normal good years, the outturn should be at least 25 per cent more or say five-fold, that is to say, about 500 lbs. of wheat per acre received in the barn after the costs of harvesting have been paid in kind. The Settlement Officer, Sir Geoffrey Corbett, after careful enquiry estimated the gross outturn at 600 lbs. per acre and, if we accept the tenants' estimate of 500 lbs. in an ordinary good year after paying the costs of harvesting, we shall be on very safe ground although the outturn in many years will be more. These estimates, which include the small area under kharif cultivation, give, in normal years, a gross outturn worth Rs. 28-8-0 per acre in the case of Nanha, Kurmi, and about Rs. 27 per acre in the case of Kallu, Kurmi. The net outturn in one case comes to Rs. 18-8-0 per acre and in the other to Rs. 18 per acre. In both cases, wheat has been valued at Rs. 4-8-0 per maund, which is considerably below the normal price for wheat in Saugor district and is equivalent to a rate of 9 seers per rupee. The tenantry accepted these figures as being a reasonable estimate.

The expenses of Kasiram, whose statement is also attached, come to slightly more, being approximately Rs. 199 for 17½ acres or about Rs. 11-8-0 per acre. His total gross outturn averages Rs. 34 per acre, taking the wheat outturn at 500 lbs. and the net profit comes to Rs. 22-8-0 per acre. But he sows the more valuable linseed and gram crop in place of dhan and kutki. It appears, therefore, that the costs of cultivation in this village vary between Rs. 10 to Rs. 11-8-0 per acre, while the average net outturn should be in an ordinary year between Rs. 18 and Rs. 22-8-0 per acre; but the cultivators laid great stress on the extreme variations of the seasons and pointed out that in some years the outturn was much less although in other years it may be more. Taking the average costs of cultivation at Rs. 11 per acre, the annual costs of cultivation of the existing net-cropped area of 1,338 acres would be Rs. 14,718, while, if we take the average value of the net outturn at Rs. 20 per acre, the net agricultural income comes to Rs. 20,600. There are in all in this village 183 cultivators, including the malguzars; but they hold considerable areas of land

outside this village. Their total income for all the land which they hold is therefore far more and may reach Rs. 60,000 in a normal year.

Cost of maintenance.—The individual tenants' statements of their costs of maintenance, as usual, vary very greatly. Ramdas, Kurmi, with four male adults, four female adults and two children in his family and 13 acres of land, estimates his expenses on food and clothing at Rs. 400 per annum. The lambardar, Gajadhar Prasad, estimates his expenses for the maintenance of four people at Rs. 820 per annum. He is a man of substantial status. But taken all round the estimates of expenditure on clothing and feeding in this village are surprisingly small. This is probably owing to the fact that cultivators have been compelled to cut down their expenditure to the minimum during the last two years of crop failure. It appears, however, that not more than between Rs. 180 and Rs. 200 per year are required for the feeding and clothing of the ordinary family consisting of two adults and three children in Maharajpur.

Non-agricultural income.—Many of the tenants admit a substantial income from carting and cattle-breeding, while the smaller men earn money as agricultural labourers. The number of cows and she-buffaloes varies considerably; for instance, Dirat Singh, Rajput, with 13 acres of land on Rs. 15 rent, has 4 bullocks, 8 cows and 2 she-buffaloes and 15 other cattle. Pannalal, Jania, with 5 acres of land on Rs. 6-10-0 rent, has one cow, 6 she-buffaloes and 14 other cattle, while Surat, Ahir, with 25 acres of land on Rs. 24 rent, has 2 cows, 4 she-buffaloes and 7 other cattle. These are instances selected at random. It appears, therefore, that, in normal years, the cultivators in this village have a considerable margin above their ordinary expenses of food and clothing and should be able to live in very reasonable prosperity. There are in all 174 malik-makbuzas and tenants, holding in this village and elsewhere 2,514 acres of land, the average holding being 14 acres.

Debts.—As regards the question of debts, there are 183 agriculturists in all, including the nine shareholders. The total debt of all kinds comes to Rs. 21,064 in cash and grain worth Rs. 3,252. Of this, the malguzars owe Rs. 4,800 in cash, Rs. 2,000 of which was borrowed by Gajadhar Prasad for a marriage, Rs. 1,600 for agricultural expenses, total Rs. 3,600. This gentleman holds shares in six villages with 160 acres of home-farm and is in very prosperous circumstances. He recently married one of his young relations and borrowed Rs. 2,000 for the purpose. He states that he will be able to repay this debt as soon as good years come again. The rate of interest is only 9 per cent.

Durga Prasad, another shareholder, owes Rs. 200 taccavi borrowed for field embankments, while Tikaram, another shareholder, also has a petty debt.

The remainder of the debt, due from the tenantry, comes to Rs. 16,262 in cash and Rs. 3,253 in grain, owed by 118 tenants out of a total of 174 tenants. This represents a debt of Rs. 165-6-0 per indebted tenant and Rs. 112-2-0 per tenant. They hold 2,514 acres and the debt therefore represents an average of Rs. 8 per acre or 25 per cent of the average value of their landed property,

Not many of the debts are large. Hira Singh, No. 15, with 13 acres on Rs. 30 rent, owes Rs. 500 of which Rs. 150 was borrowed for a wedding and the balance for seed and bullocks. Latkan, Kurmi, owes Rs. 550. He holds 14 acres on Rs. 21 rent. Of this, Rs. 436 is old debt at 18 per cent interest. Kallu, Kurmi, with 14 acres on Rs. 25 rent, owes Rs. 398 and also Rs. 75 worth of grain. Mst. Murli, Kurmi, with 20 acres on Rs. 22 rent owes Rs. 473, Rs. 390 of which was borrowed at 24 per cent for the purchase of a house. Ramlal, Kurmi, with 14 acres, owes Rs. 588 in cash and Rs. 90 in grain. Pyarelal, with 23 acres on Rs. 24 rent, owes Rs. 474 in cash and Rs. 100 in grain; while Laxu, with 38 acres, owes Rs. 588 in cash and Rs. 50 in grain. Radha Prasad, Brahman, with 7 acres on Rs. 10 rent, owes Rs. 352 in cash and Rs. 60 in grain. These are the principal debts and these 8 persons may be said to be more or less heavily involved with little chance of redemption under existing conditions, the average interest being, between 18 and 24 per cent. The other debts are within the means of the borrowers.

Sources of finance.—The sources from which these debts were incurred are as follows:—

	Cash.	Grain.
	Rs.	Rs.
Government taccavi	4,078	195
Malguzars	3,389	719
Mahajans	13,597	2,338
	21,064	+ 3,252
		=24,316

The purposes for which these debts were borrowed were as follows:—

	Rs.
Repayment of old debts	3,248
Wedding and other ceremonies	4,668
Food owing to scarcity	151
Payment of rent	803
For seed (cash)	3,449
For seed (grain)	3,253
Land improvement and well digging	435
Purchase of land	535
Purchase of bullocks	6,171
Improved implements	20
House building	1,623
Total	24,316

Excluding the old debt, the purposes for which cannot now be ascertained, it will be seen that about $\frac{2}{3}$ of the debt is for productive and $\frac{1}{3}$ for non-productive purposes. Excluding the item for marriages and ceremonies which is relatively large and

which includes the loan of Rs. 2,000 taken by the malguzar himself, the most important items are the purchase of bullock and the purchase of seed. During the period of crop failure, there has also been a heavy cattle mortality.

Having regard to all the circumstances of the case, the tenants of this village appear to have withstood the calamities of the last two years extremely well. The average rate of interest here is from 9 to 12 per cent on mortgages and from 18 to 24 per cent on unsecured debts. As far as can be seen, the old-fashioned indigenous system of financing agriculture appears to be operating well in this village. This is undoubtedly largely due to the beneficent attitude of the lambardar, Pandit Gajadhar Prasad, who is a very liberal-minded malguzar with the interests of the tenantry of his village at heart. There is no doubt that he exercises a very good influence in the village.

The tenants, when asked whether they desire to be given the rights of transfer in their occupancy land, stated that they left this to the decision of the malguzar; they stated that they were happy under the existing state of affairs and did not wish to do anything of which he might disapprove, as they looked on him as being their father and mother. The general impression created in our minds with regard to this village was extremely favourable; the people here seem to be living their quiet lives in their old-fashioned way in comparative contentment, although the last two years of crop failure have undoubtedly reduced them temporarily to considerable economic difficulties; but it appeared to us that, in normal years, these persons should live in comfort and contentment.

A land mortgage bank and a co-operative credit society might be able to do good work here; but having regard to the present state of the village, in spite of the crop calamities of the last two years, we are of the considered opinion that it might be difficult to improve the existing state of affairs, although a land mortgage bank, by making advances to the tenants with the larger debts at a low rate of interest with easy instalments, might operate to produce a welcome reduction in the rates of interest which are undoubtedly high.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 9,726.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Maharajpur	90	35	25	7	5	1	5	3	171

STATEMENT.

Nanhu Kurmi—

25.04 acres at Rs. 25-10-0.

20 sabis = 1 mani.

Dhan.

1 sabi 9 seer

1 mani 6 maunds

Wheat.

... 15 seers

... 8 maunds

He borrowed Rs. 60 from mahajan for marriage. The rest of the mahajan's debt is from his father's time. When his father died he owed Rs. 700. He has paid off and now Rs. 220 remains. The seed he borrowed year before last was from Government. He borrowed last year Rs. 40.

Seed.

		Rs.	a.	p.
Dhan 4 sabis	...	38	0	0
Wheat 30 maunds...	...	135	0	0
		138	0	0
1 servant 4 months	...	24	0	0
Weeding	...	4	0	0
Lohar	...	6	0	0
Carpenter	...	6	0	0
Sowing	...	5	0	0
Bullocks	...	12	8	0
Feed	...	14	0	0
2 bakhars }	...	5	0	0
2 hals }	...			
1 kodali	...	0	2	0
1 phaora	...	0	2	6
2 kulharis	...	0	8	0
1 sabal	...	0	1	6
3 hasias	...	0	6	0
4 khurpia	...	0	1	0
Kotwar	...	1	12	0
Rent	...	28	10	0
		108	3	0
		+138	0	0
Total	...	246	0	0

Outturn.

		Rs.	a.	p.
Dhan 2 manis × Rs 15	...	30	0	0
Wheat 120 manis × Rs. 4-8-0	...	540	0	0
Total gross outturn	...	570	0	0

He says that this is based on recent years outturns. In normal years the outturn should be at least 25 per cent more, i.e., Rs. 712, i.e., Rs. 28-8-9 per acre.

	Rs.	a.	p.	Rs.	a.	p.
Gross outturn ...	712	0	0	28	8	0
	246	0	0	10	0	0
	<u>466 0 0</u>			or 18 8 0 per acre.		

Kalu Kurmi holds 14.48 acres at Rs. 25 4 0.

	Rs.	a.	p.
Expenses—			
Dhan 4 sahis ...	3	0	0
Wheat 16 maunds...	72	0	0
Kodon 1 kuro ...	0	6	0
Weeding ...	8	0	0
Lohar ...	3	0	0
Carpenter ...	3	0	0
Bullocks ...	15	0	0
Bullocks feed ...	9	8	0
Implements—			
1 bakhar }	2	8	0
1 hal }			
1 kodali ...	0	2	0
1 phaora ...	0	2	6
1 kulhari ...	0	4	0
3 hasias ...	0	6	0
2 khurpis ...	0	1	0
Kotwar ...	1	6	0
Rent ...	25	4	0
Total ...	132	0	0

He has borrowed Rs. 48 this year from Government for seed. He borrowed Rs. 100 for seed last year. The year before that 2½ manis wheat for seed. The rest is the remnant of old debt and new debt. He has constantly paid off and borrowed. When his father died 35 years ago he left a debt of Rs. 550. One of his sons was married by his father's sister at her expense. The other by him. He borrowed Rs. 500 for this at 2 per cent per annum from Udai Singh 10 years ago, but he paid off after four years. To do this he borrowed Rs. 300 from his aunt and sublet 6 acres to her for three years, the cost of cultivation, including seed being on him and the outturn going to the aunt in payment of this debt.

Villagers say that in normal years the wheat outturn should be, say, 80 maunds worth Rs. 360.

	Rs.	Rs.
Total outturn ...	392	27 per acre.
Expenses ...	132	
Net profit ...	260	or Rs. 18 per acre.

Kasiram, Brahman, holds 17.41 acres on a rent of Rs. 22.

		Rs.	a.	p.
Wheat 24 maunds at Rs. 4-8-0	...	108	0	0
Alsi 1 sahi	...	2	0	0
Gram 2 sahis	...	4	0	0
Sowing	...	8	0	0
Lohar	...	6	0	0
Carpenter	...	6	0	0
Bullocks	...	25	0	0
Bullocks feed	...	10	0	0
Implements—				
2 bakhars	...	5	0	0
2 hals	...	0	4	0
2 kodalis	...	0	2	6
1 phaora	...	0	8	0
2 kulharis	...	0	1	6
1 sabal	...	0	8	0
4 hasias	...	1	6	0
Kotwas	...	22	0	0
Rent	...			
Total		198	14	0

Outturn—

		Rs.
Wheat 120 maunds	...	540
Alsi 10 sahis	...	20
Gram 5 sahis	...	30
Gross Rs. 34 per acre. Total		590
Expenses		199
Net		391

or Rs. 22-8-0 per acre.

APPENDIX E-XLVII.

WHEAT ZONE.

BARODIA KALAN, TAHSIL KHURAI, DISTRICT SAUGOR.

A very big village towards the north-west corner of the Saugor district in the Khurai tahsil; with a total area of 5,741 acres and population of 913 persons. The *basti* stands on the main Saugor-Jhansi road, about 30 miles north-west of Saugor, adjoining the hills dominated by an old fort. A big weekly bazar is held here, and there is a considerable trade in *ghee*, cattle, timber, etc. The area occupied for cultivation is 2,188 acres, the total area of the home-farm being 136 acres and of the tenancy area of 1,776 acres. There are in all 42 malik-makbuzas, no absolute-occupancy tenants and 98 occupancy tenants in the village. The area held in these rights being—malik-makbuza 295 acres on Rs. 295 and occupancy 1,776 acres on Rs. 2,258 rent, which averages Re. 1-4-0 per acre. The total land revenue at present is Rs. 1,660.

There is a considerable area of superior embanked clay and clay loam soil for rabi cultivation. But beyond this there is a large area of loam soil, which presents at present a most unkempt appearance, much of it being infested by *kans*. A large area out of occupation is reserved for grazing cattle, the number of cattle being in this village as elsewhere in the Khurai tahsil, relatively large.

The sale of *ghee* and cattle-breeding is the most important subsidiary industry. Total number of cattle at present is 1,920—

Plough-bullocks	...	361 = Rs. 21,660 at Rs. 60 each.
Cows	...	535 = Rs. 21,400 at Rs. 40 ..
She-buffaloes	...	131 = Rs. 10,480 at Rs. 80 ..
Young buffaloes	...	93 = Rs. 1,860 at Rs. 20 ..
Others	...	800 = Rs. 8,000 at Rs. 10 ..
Total non-agricultural cattle	...	= Rs. 41,740

Cropping.—This village and tract has suffered very severely from crop failures from time to time, and after the famine of 1900 the land revenue demand was reduced to about one-third of the amount fixed at settlement owing to the economic deterioration of the tract. At the last settlement of 1916, there was reimposition and some enhancement, as there had been considerable economic recovery. During the last three years there has been a succession of calamities, in 1927-28 the crops were very seriously damaged by rust and in 1928-29 even greater damage was done by a severe attack of frost followed by rust while, in the present year, owing to failure of the late monsoon, the crops are again bad. Since 1927-28 it has been necessary to suspend and remit the rents and revenue, to declare scarcity and to open famine relief works in the neighbourhood. An examination of this village therefore throws considerable light upon the

degree of economic reserve of the tract. The cropping of 1915-16, the year of settlement, of 1926-27 and 1929-30 of present year are given for purposes of comparison.

	1915-16.	1926-27.	1929-30.
1	2	3	4
	Acres.	Acres.	Acres.
Juar ...	678	23	684
Kodon-kutki ...	303	118	99
Ram-til ...	152	76	84
Grass bir and grazing land reserve ...	170	238	195
Total kharif ...	1,370	590	1,139
Wheat and its mixture ...	295	840	113
Gram ...	120	117	72
Total rabi ...	566	985	230
Total cropped area ...	1,936	1,504	1,369

It will be seen that although there was fall in the cropped area by 432 acres between 1915-16 and 1926-27, there was a great improvement in the cropping, the area under wheat, which is by far the most valuable crop, increasing from 295 to 840, while the area under juar and kodon-kutki fell very greatly.

As a result of the calamities to the rabi crops, since 1926-27 the wheat area has fallen in the present year from 840 to 113. There has been again the usual rise in the juar area from 23 acres to 684 acres, but there has not been a corresponding increase under kodon-kutki and the other minor kharif crops. The changes in cropping in this village as a result of crop calamities is typical of the Saugor district as a whole. In the present year throughout the district the total cropped area has fallen, and although there has been a big increase under juar there is a very great fall in the wheat area. In the Saugor district in normal years wheat is by far the most important crop. In these years of crop failures juar largely takes the place of wheat as the food crop, owing to the small amount of seed which is required and the resulting lower cost of cultivation. Juar is a kharif or rains crop, which is harvested in November instead of March or April like winter wheat crop. After years of continuous crop failure the cultivators are in urgent need of an early food crop and cannot wait for the wheat crop until April. It is said, however, that cultivation of juar and rain crops in this clay and clay loam soil produces conditions favourable to the rapid extension of *kans* causing eventually results most injurious to the future cropping of the village.

It is quite clear that there has been a marked all round deterioration in cropping in recent years.

Land values.—There is apparently no demand for land in this village outside the small area of superior embanked land. The malguzari home-farm covers 136 acres valued at Rs. 80 per acre, and some other isolated holdings are valued at Rs. 30 to Rs. 60 per acre. But the average value of land does not appear to be above Rs. 10 to Rs. 15 per acre. No nazarana is charged here as a rule and as an example of the conditions prevailing it may be noted that Lalsingh last year surrendered his land on a rental of Rs. 42 because Rs. 75 rent was in arrears. When we asked him why he did this, he stated that later on he would take some other land from the malguzar. By surrendering his land he says he avoided payment of arrears of rent. The malguzar stated that he was willing to give land to any one on settlement rent without nazarana, and that large areas of good land are at present out of occupation. This is typical of large parts of the Khurai tahsil.

The malguzar is a Parwar Bania, the successor of Rai Bahadur Mohanlal of Ronda, who was one of the leading Parwar Bania malguzars of the Khurai tahsil. His village with six others of the estate was leased for six years to Seth Chhatari Lal and Pannalal Choudary, a wealthy Bania money-lender of Malton, for Rs. 4,300 *plus* the Government land revenue from 1913 to 1919. At the time of the lease the total land revenue of these six villages had been abated to Rs. 1,346 from the full settlement demand of Rs. 3,053 owing to the economic deterioration of that tract in the famine years. At the last settlement of 1916 the revised land revenue went to a figure considerably above the original demand of the previous settlement and the amount which these thekadars had to pay in the resulting additional land revenue exceeded Rs. 5,000 per annum for the six villages. Some litigation followed, in which a decree was eventually passed against Chhatari Lal for the total lease money *plus* the enhanced land revenue, and he has now been reduced from the position of a rich money-lender to a heavily indebted person. His statement is attached. This litigation took place during the minority of the present malguzar with the result that the malguzar became also heavily indebted. At the time of our enquiry he was shown as owing Rs. 23,665 in cash and Rs. 630 in grain of which Rs. 13,725 was secured on a mortgage at 9 per cent interest and the remainder unsecured at 18 per cent. At the same time the malguzar, at the time of our enquiry, was shown as having Rs. 3,000 in cash and 200 maunds in grain outstanding due to him in his money-lending transactions. But he stated that in the present condition of the tenants it is impossible to recover anything from them.

Soon after our enquiry in the village, he sold his 12 annas share in Harbanspur, another village, to pay off the mortgage debt. The remaining debt still outstanding against him is about Rs. 10,000.

Debts.—There are 108 tenants in all. Of them 18 are free from debt. The tenants and malik-makbuzas are shown as owing

Rs. 33,095 in cash and Rs. 7,668 in grain. They hold in all 2,071 acres of land in this village on an assessment of Rs. 2,553. These debts are, however, unevenly divided. Seth Chhatari Lal alone owes Rs. 18,950 in cash and Rs. 1,050 in grain. He owns only 8 acres of malik-makbuza in this village on Rs. 8-3-0 rent with a malguzari share elsewhere. And the inclusion of his debt in this village is therefore rather misleading. The history of this debt is explained in his statement, which is attached.

Balchand, his relative, who also holds 26 acres of land in this village and a malguzari share elsewhere, owes Rs. 6,771 and 48 maunds of grain. The history of his debt is also explained in the statement of his relative Chhatari Lal. He and Chhatari Lal are money-lenders, but it appears that owing to the general economic depression in this tract there is little hope of recovery of their debts.

Excluding these debts of these two men Chhatari Lal and Balchand the remaining tenants with 2,022 acres of land on Rs. 2,521 rent owe Rs. 7,374 in cash and Rs. 6,384 in grain. This represents an average of Rs. 6-12-0 per acre and about 5 times the rent. The following are very heavily indebted:— Hiralal, Brahman, with 12 acres, owes Rs. 580 debt cash. Mulloo, with 7 acres of land, owes Rs. 526. Mt. Rajrani, with 19 acres of land, owes over a thousand rupees, including a decree of Rs. 500 passed against her on an original debt of Rs. 200: The purposes for which the malguzar's debts were incurred are as follows:—

		Rs.
For payment of an old debt	...	13,225
For purchase of seed...	...	2,000
Litigation	...	2,000
Marriage	...	2,160
Field embankment	...	500
Crop failure and distress	...	5,780

The item of Rs. 500 for field improvement was given to him last year in taccavi under the Land Improvement Act, but it is extremely improbable that it was used for field improvement having regard to the scarcity conditions which prevailed and his financial condition.

The purposes for which the tenants' debts were incurred are shown as follows:—

	Cash.	Grain in maunds
	Rs.	
Old debts	5,641	201
Marriages and ceremonials	3,985	...
Famine and crop failures	9,812	155
For repayment of land revenue and outstanding arrears.	10,897	...
For purchase of seed and bullocks	3,216	1,440
Field improvement	1,297	...
Purchase of land	140	...
Litigation	3,070	...

The ordinary rate of interest charged is 25 per cent with penal rates in case of default. The statement of Anandilal, attached, casts an interesting light on the local financial system.

It is impossible in such a village to estimate the ordinary income from agriculture owing to its fluctuating character. The tenants state that in good years they get a full outturn of wheat, and we were informed that when the monsoon was favourable and there was no damage to the crop the wheat outturn in this tract was heavier than in the best portions of the Nerbudda haveli. But unfortunately there are extreme variations in the monsoon and in climatic conditions. Colonel Macneil noted in the settlement of nineties that on one good shower of rain in December depended whether the wheat outturn would be 3 times or 8 times. In those years when the monsoon is favourable it is quite possible that the wheat crop here may yield a net profit at present prices of more than Rs. 30 per acre, but in other years it may hardly repay the cost of cultivation. It is at least clear that under present conditions there is practically no demand for land for cultivation, and that the occupancy tenants surrender their land from time to time and may at any time abscond into the Native States adjoining. This village has suffered particular calamities in the last three years. We find that most of the tenants have supplemented their income during the last two years by working on the famine relief works. It seems certain that the crop outturn during the last two years could hardly have repaid the cost of cultivation. The annual cost of cultivation here even if we take as low a figure as Rs. 8 per acre would come to more than Rs. 10,000 on the existing cropping; while if we estimate the cost of food and clothing for a family of five persons to be even as little as Rs. 180, the total cost under this head would come to over Rs. 25,000 per annum. The fact then that in spite of the calamities the total debts of tenants, excluding those of the two big Baniyas, come to Rs. 13,758 only, is the strongest evidence of the importance of the income earned in this village from sources other than agriculture. The principal sources of income are cattle-breeding, *ghee*, carting of slabs of stone from the quarry of Utta, export of grass fodder, fuel and timber. This village is only 12 miles from the Lalitpur tract in the United Provinces, where fodder, grass, fuel, etc., fetch very high prices; and maintenance of grass birs here is probably as profitable as ordinary cultivation over a number of years. The principal interest of this village from the point of view of our economic enquiry is the evidence which it provides of the sources of income other than agriculture in the Khurai and in the Saugor district as a whole. It is quite clear that it would have been impossible for most of the cultivators of the Saugor district to have lived on agriculture alone during the last two or three years without becoming very heavily indebted indeed; and it would have been impossible for them to support themselves unless sources of income other than agriculture were open to them.

Although the debts of many of these villages are not large and although most of the actual debts are due to the crop failures of the last two years, the general condition of this tract is, in our opinion, highly unsatisfactory. The relative smallness of debts is due to poor credit and not to absence of need. There appears to be wide scope for the development of this tract if

and when the problem is taken in hand, and possibly when normal conditions are restored, Government may consider it desirable to concentrate on the development of this tract.

There is a co-operative credit society, but here, as elsewhere, in the Saugor district, it is in a moribund condition and the members are heavily indebted. Owing to the absence of credit and low land values, it is not possible for tenants to obtain large advances from the local sowkars or to obtain any money except at high rates of interest. Although the Government have suspended the land revenue and rents in the current year and have remitted the rents of the previous years, the total interest charges on the Rs. 13,758 of debt at present outstanding come to more than 1½ times the rent.

It is possible that in this tract the grant of right of transfer in land might do much to anchor tenants to their holdings and to stabilize cultivation. It appears to us that there is also a wide scope for the extension of field embankments in these rich soils. *Kans* cannot thrive in the embanked field, because through a great part of the year the soil is submerged in water; and it has been stated before us that the embankment of rabi fields is one of the simplest methods of *kans* eradication. It would possibly be outside the scope of our enquiry and might also savour of presumption on our part if we were to attempt in the short time at our disposal, to draw up a detailed scheme for the development and regeneration of the Khurai tahsil. But it does appear at first sight that field embankment might enormously increase the economic stability and productive capacity of this tract. To finance such operations money is required. It appears to us that the best line to follow would be the granting of the rights of transfer in land to occupancy tenants and the organization of a campaign of taccavi distribution for land improvement as soon as normal times are restored. As there is little or no demand for land at present, the grant of right of transfer to occupancy tenants, while creating land values in their favour would not necessitate the granting of compensation to the malguzar; and therefore we feel that the grant of rights of transfer should precede any attempt to develop the tract. When once the tract has developed and when the prices of land rise, the malguzar will naturally claim a heavy compensation for the loss of his right to levy nazarana or premia.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 13,379.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Barodia	27	28	19	14	6	3	7	4	108

STATEMENTS.

Chatarilal, son of Mulchand, Parwar Bania, of Barodia says—

I previously held a lease jointly with Pannalal of Mathne for six years of this village and several others, viz., Singhpur, Binnota, Pitasao, Barodia Barnay Balao Rahal No. III and 2 annas Imalaya on a rent of Rs. 4,300 per annum. The land revenue was Rs. 2,600 in all. This also we paid. In S. T. 70 and 71 crops failed and rents and revenue were suspended. The lessor Seth Kundanal sued us for the further arrears of lease money which we could not pay. The case went on for eight years and a decree was passed against us for Rs. 12,000. I was the defendant's lessee and Pannalal had left the management to me. So I had to bear the whole loss.

I took Rs. 4,000 from Shriman Sao Mohanalal of Khurai, and Rs. 2,000 from other mahajans. I sold gold and silver, grain and cattle and raised Rs. 4,000 and pledged gold and silver ornaments for Rs. 2,000. This is still pledged. I had previously owed Rs. 6,000 to Mohanalal.

I had shares in four villages. I sold the shares in three villages for Rs. 6,500 and paid Rs. 5,500 to Mohanalal towards the debt. I had executed a mortgage of the remaining village, i.e., the 12 annas share of Haleti, for Rs. 9,500 for the balance due to Mohanalal on 9 per cent interest.

I still owe him Rs. 10,000, including interest.

I originally borrowed Rs. 3,500 from Mohanalal. With interest that came to Rs. 5,500. Then I borrowed Rs. 4,000 and executed a mortgage for Rs. 9,500.

I also owed him Rs. 1,400 on another mortgage and Rs. 1,300 on an unsecured debt. Total Rs. 12,200. I paid Rs. 4,500 towards the main debt and Rs. 1,400 towards the mortgage. I have paid Rs. 1,300 on the account and owe Rs. 200 interest. I still owe Rs. 10,200.

I previously did money-lending, but lost over this owing to bad years. I have lent nothing for the last two years. There are debts of about Rs. 3,000 in all which I have to recover and 200 manis of grain. With luck I should recover Rs. 2,000 of this and some 50 or 60 manis of grain.

Balchand, Latkanchand and Premchand are my cousins and their debts are separate.

They owe Rs. 6,000 in all. They own 4 annas in Harna.

In Samvat 70 the crops failed. They borrowed Rs. 2,000 from Shriman Sao Mohanalal for advancing seed to tenants. In Samvat 82 this debt was converted into a mortgage for Rs. 3,000. They have performed marriages of three brothers, three sisters and two nephews, since Samvat 70 and spent not less than Rs. 1,000 in each marriage. They have additional debts of Rs. 3,000 in addition to the mortgage, total Rs. 6,000. In Samvat

70 they were owed Rs. 4,000 and 75 manis of grain on their money-lending, all of which has been lost through the failure of the debtors. They have not enough money now to sue for recovery.

Singhai Chadarilal has also performed six marriages in Samvat 70. He says he spent Rs. 8,000 in all in this. He says he got back Rs. 3,000 in gifts. Balchand, etc., now owe in all Rs. 6,771 and 48 maunds of grain. With luck they hope to recover Rs. 1,000 of the old debt due to them.

Chadarilal also owes Rs. 1,373 taccavi for seed and bullocks, etc., and in all owes still Rs. 17,580 to mahajan and 235 maunds of grain, total Rs. 18,953 each and 235 maunds of grain.

Both Chadarilal and Balchand, etc., hold some malik-makbuza land in this village. Chadarilal pays Rs. 8 in all in this village and Balchand, etc., pay Rs. 26 in this village. Their debts have therefore been included in the debts of malik-makbuzas in this village.

Anandi Mojilal, Kalar, says—

I borrowed 4 manis of grain in Samvat 56-57. It was old grain and did not germinate. I borrowed from Chadarilal. I repaid 5 manis. I also gave 7 bullocks worth Rs. 100. I paid Rs. 40 worth grass and I also paid Rs. 20 in cash. I also gave 17 manis of grain in the field. He now claims 2½ manis and made me write a bond for 2½ manis of grain.

I took a bullock worth Rs. 45 from Kanchedi, Powar, of Raijwar some 20 years ago. I paid Rs. 20 in cash. I gave a pair of bullocks worth Rs. 100. I gave one mani of grain. He has now obtained a decree for Rs. 127 against me. I never got a receipt. They refuse to give a receipt.

All the tenants say that in this tract no sowkars or Banias ever give receipts when repayments are made.

They file false cases and forge documents, etc.

APPENDIX E-XLVIII.
WHEAT ZONE.

SHAHGARH, TAHSIL BANDA, DISTRICT SAUGOR.

Shahgarh is situated in the extreme north of the Saugor district and of the Central Provinces and, like the remaining villages surrounding it below the ghats which buttress the Saugor plateau on the north, both geographically and economically belongs to Bundelkhand. The village is therefore of peculiar interest as an example of the conditions prevailing in this tract. The tract is above 400 or 500 feet lower than the country above the ghats from which it differs *toto coelo*. The prevailing soil is disintegrated Vindhyan sandstone. The worst is pure sand, while there is a small area of sandy clay and light loam soil. In most of these villages, as elsewhere in Bundelkhand, cultivation is roughly divided into *tareta* and *har*. The *tareta* is the small irrigated area near the village site and the *har* is the sandy waste beyond. Irrigation is usually from kachha wells as the water table is high, and the usual crops grown in the *tareta* are wheat barely which are often grown mixed. On the *har* the chief crops are kodon-kutki and til. Long resting fallows are necessary on these light soils, and, as the waste land is practically limitless, cultivation is shifting. The local weights and measures are as follows:—

	<i>Sihari (kharif) or pailawar.</i>	
8 seers	...	1 paila
2 pailas	...	1 sei.
20 seis	...	1 mani
	<i>Unhari (rabi) or Kuraiywar.</i>	
5 seers	...	1 kuraiya
2 kuraiyas	...	1 sei
20 seis	...	1 mani

Areas are expressed in terms of the seed sown. Hence 1 sei of land on the *har* according to the paliwar measure, is about 2 acres, that is the area in which 16 seers of kodon are sown. But it takes 5 seis of Nagawar or *tareta* according to the kuraiwar measures, to make one acre, that is the area in which 50 seers of wheat are sown.

The population of this tract is largely pastoral as excellent grazing ground is available for valuable herds. Oil seed and *ghee* are the chief articles of export. The bulk of the food grain is consumed locally.

Shahgarh itself is the principal bazar village and road head of this tract. Its total population is 1,328 and it has a police station-house, a big tank and a school, and a village panchayat has been recently established here. It is a village of some historical importance. It was confiscated after the mutiny from the old Rajah of Shahgarh and was recorded as Government property at the 40 years' settlement: but in 1865 it was exchanged together with Singhpur Mahal I in the Rehli tahsil, for Umred, adjoining Saugor which was required for the extension of the cantonment, and is now held revenue free by Pandit Wasudeo Rao of Saugor for the maintenance of the temple of Mahadeo at Saugor. It is situated below the ghat, 43 miles from Saugor on the first class Saugor-Cawnpore road on the right bank of the Lauch river.

The total village area is 3,720 acres; the total occupied area for cultivation is 2,136 acres. 134 acres are now held on grain rents, while the rental demand for the remaining 2,002 acres is Rs. 834 or about 6 annas per acre. The principal crops are kodon-kutki and grass bir. The total cropped area has fallen from 1,114 at settlement to 531 acres at present, due partly to the succession of bad years; but the total irrigated area of the *tareta* has increased from 15 to 27 acres. There are 144 tenants in the village, excluding bariwalas, and the average rent is, therefore, about Rs. 6 per tenant.

Costs and profits of agriculture.—It is difficult to gauge the average income from agriculture, having regard to the shifting character of the cultivation. According to the tenants' own statements the value of the total outturn comes to Rs. 9,990; but this estimate of theirs is based on the outturns of three years of crop failure. In the same way, it is a difficult matter to gauge the average cost of cultivation owing to the extraordinary variation in the cropped area and the shifting character of the cultivation from year to year. The statement of Bhaiyalal Rangrez, Muhammadan, who holds 12.72 acres of land on Rs. 8-8-0 rent, as regards his cost of cultivation and outturn was accepted by the villagers as being a correct estimate of the ordinary cost and profits for the *har* or unirrigated land.

<i>Total output.</i>		
Kodon 20 maunds	...	50
Kutki 6 maunds	...	15
Dhan 20 maunds	...	60
Rali 6 maunds	...	15
Urad 4 maunds	...	20
Til 5 maunds	...	20
		180
<i>Costs of cultivation.</i>		
<i>Seed—</i>		
Kodon 5 sei	...	2 8 0
Kutki 3 sei	...	1 8 0
Dhan 8 sei	...	6 0 0
Til	...	1 8 0
Rali 3 sei	...	1 8 0
Urad 1½	...	1 8 0
		14 8 0
<i>Capital and labour.</i>		
1 ploughman for 2 months	...	10 0 0
Weeding	...	5 0 0
Fencing	...	2 0 0
Grazing	...	6 0 0
Carpenter	...	2 8 0
Lohar	...	2 8 0
Bullocks	...	10 0 0
Bullock feed	...	15 0 0
Implements	...	6 5 0
Kotwar	...	0 8 6
Rent	...	8 8 0
		68 5 6
		83 0 0
Net profit on 13 acres	...	97 0 0
Net profit on one acre	...	7 8 0

This statement would show the total cost of cultivation to be about Rs. 6-8-0 per acre, including rent, while, according to the tenants' own statements, the average net profit from the *har* comes to a little over Rs. 7-8-0 per acre. Assuming the normal cropped area in ordinary years to be not less than 1,000 acres, and excluding the valuable *tareta* cultivation, the total net profits from the *har* would come to about Rs. 7,500 per year from agriculture in this village. In addition tenants hold 302 acres of land in other villages. The 302 acres of land held in other villages is of a superior quality and we can safely assume the average net profits from this area at the same rate of Rs. 7-8-0 per acre, producing a total net income of Rs. 2,251. The net income from the *tareta* baris is probably not less than Rs. 1,000. The total net income from agriculture proper earned by the 144 tenants can, therefore be assumed as being on an average not less than Rs. 10,751 or about Rs. 74 per tenant. This appears to be a very insignificant sum; but, as a matter of fact, the income from non-agricultural sources is more important.

Non-agricultural income.—The village produces some valuable clay and the pottery manufactured here has a considerable reputation and is sold all over the district.

A good soft stone is also found here from which cups, mortars and several other articles are made, although this industry is nowadays on the down grade for want of market facilities. The village adjoins the Panna and Bijor States and traffic in stolen property is said to be carried on by the local Baniyas and Sonars on a large scale. There are in the village a considerable number of Baniyas and Sonars and some of these persons are under police surveillance, being suspected of being receivers of stolen property. Apart from the question of receiving stolen property, these Baniyas are engaged in the purchase and export of *ghee* and til to Saugor and in the import of commodities such as cloth, groceries, salt, etc.

There is a large market held here weekly to which the *ghee*, til and other agricultural products are brought from the country-side for sale. The local Baniyas purchase these articles for transport to Saugor, selling at the same time those commodities which they import from outside. A certain number of them are also hawkers conveying their commodities for sale to villages in the country-side and making their petty purchases of til and *ghee*. Cattle-breeding and the sale of *ghee* are also important, while the carting of goods to and from Saugor provides a substantial income to many. The cultivators, therefore, derive a considerable income from such non-agricultural sources as cattle-breeding, *ghee*, carting, pottery, stone work, oil-pressing, or in connection with the market as weighmen, hamals, etc. The total income from non-agricultural sources of this kind of the 144 tenants is, according to their own statements as recorded in form A, Rs. 15,733 or 1½ times the income from agriculture. The total admitted income from agriculture and non-agricultural sources of the 144 tenants then comes to Rs. 25,234 or an average of about Rs. 175 per tenant.

Costs of maintenance.—The costs for food in this tract are less than in many other parts of the province, as the people live mainly on kodon-kutki, the price of which in Shahgarh is far below the price of food grains at headquarters. The normal expenditure on food in cash and kind and on clothing for the normal family of five persons is estimated at between Rs. 180 and Rs. 200 per annum; but the actual expenditure may be possibly even less. It seems certain, however, that the income in normal years must be considerably greater than the income disclosed by the tenants themselves, for the very reason that the whole of this tract has just passed through three years of very poor crops, two of which have been scarcity years. The statement of Kallu Liladhar attached is an example of the difficulties with which we had to contend in endeavouring to obtain correct estimates of income and expenditure from these villagers.

Debts.—There are 144 malik-makbuzas and tenants in this village, excluding bari-holders. Of these, 24 are free from debt; the total secured and unsecured debt is Rs. 22,540, which works out at Rs. 156-8-0 per head and to Rs. 188 per indebted tenant. A more detailed analysis of indebtedness makes the position clearer. One Narain Parsad, holding some petty shares in villages elsewhere, with the total area of 256 acres in all in this and other villages on Rs. 233 rent, owes Rs. 6,812, including Rs. 672, Government taccavi and Rs. 200 arrears of rent. The balance is due to mahajans. This includes Rs. 1,250 expenditure on litigation.

A Bania, Achhelat, alleges a debt of Rs. 1,553 of which Rs. 1,000 is for litigation. He also does money-lending and has a grocery shop and is not primarily an agriculturist.

One Chandoo (No. 55) alleges a debt of Rs. 1,400 for the purchase of cloth. He has a shop and a money-lending business and holds 4 acres of land.

One Dharamdas alleged a debt totalling Rs. 1,512. He is primarily a money-lender and pays Rs. 16 rent.

Another Bania, Basore, alleges Rs. 1,300 debt borrowed for his business. He is a money-lender and admits the debt due to him totalling Rs. 1,000.

These are special items and are at most ordinary business advances. These items total Rs. 12,577, leaving a balance of Rs. 9,963 on the remaining 139 tenants, or an average of Rs. 72 per head.

Sources of finance.—The sources from which the debts were incurred and the purpose for which they were borrowed may be seen from the following:—

Sources.		Rs.
Government	...	772
Malguzar	...	444
Mahajans	...	21,324
Total		22,540

Purposes.		Rs.
Old debt	...	3,806
Marriage	...	2,825
Family expenses	...	2,114
Rent	...	1,444
Seed	...	1,799
Land improvement	...	320
Agricultural expenses	...	7,697
Litigation	...	2,485
Total	...	22,590

Leaving out of consideration the old debts, the purposes of which cannot now be ascertained, the sum borrowed for payment of rent and for seed, land improvement and agricultural expenses, may be classed as productive and the rest as unproductive. That is, Rs. 11,260 is productive and Rs. 7,474 unproductive or 60 per cent is productive and 40 per cent unproductive. The mortgage debt is Rs. 5,407, *i.e.*, about 24 per cent of the total. The rate of interest for such debts is about 9 per cent, while for simple debt it is about 25 per cent. It would be seen that the principal item of the debts is loans for agricultural expenses, which include purchase of seed, cattle, etc., amounting to Rs. 7,697. In this village, as elsewhere, nearly all the agriculturists follow the usual custom of keeping a running account with the sowkar, borrowing small sums as required for the expenses of cultivation, purchase of bullocks, etc., and repaying them at harvest or soon after. According to the tenants' own statements, the average agricultural expenses amount to Rs. 6-8-0 per acre per annum or about Rs. 6,500 in all for an area of 1,000 acres normally under cultivation, while scarcity conditions have prevailed during the last two years, necessitating the opening of relief works in this tract and making it practically impossible for the agriculturists to repay their short-term loans at harvest. Under these circumstances, the total indebtedness of Rs. 7,697 under the head of agricultural expenses is not surprising. The total tenancy indebtedness, excluding the big tenants, is less than half the estimated net income from agriculture *plus* the non-agricultural income admitted by the tenants themselves. The principal problems to be met with in this village, however, are the high interest and poor credit. The average rate at which money has been borrowed is about 25 per cent and the interest at this rate on Rs. 9,936 a year will therefore approximate to Rs. 2,500 a year or three times the annual total rental demand. Having regard to the very small margin left for subsistence, there seems to be little hope of these debts being repaid at the existing rates of interest, unless some abnormally good years follow. On the other hand, the actual security which the tenants have to offer here is very little. The land is of very low value, and with shifting cultivation can hardly be valued as an asset at all.

A land mortgage bank could, therefore, do little here when the land itself is not a material asset, nor can the ordinary money-lender or banker be expected to make advances at low rates of interest to persons with so little security to offer.

The tract is undoubtedly a poor one and the inhabitants of this village would not be able to maintain themselves if they depended upon agriculture alone. The only agency which we can suggest for improving their financial condition would appear to be some form of co-operative credit society based upon joint liability, if any system of co-operative credit can be devised suited to this particular case. It should be noted, however, that in addition to agricultural cattle, the tenants hold at present 366 cows and she-buffaloes. The number of their cattle has undoubtedly been reduced in the last two years owing to the necessity for sale in order to maintain themselves in these years of crop failure. But the value of the non-agricultural cattle still owned by them is estimated at not less than Rs. 15,000, which considerably exceeds the amount of the total debts of the 139 tenants, excluding the five men with big debts. It seems certain that the income from cattle breeding and *ghee* has been understated. In any case it is clear that the village is not primarily dependant upon agriculture for its existence.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 10,206.

APPENDIX XLIX.

WHEAT ZONE.

ABHANA, TAHSIL AND DISTRICT DAMOH.

Abhana is the largest and one of the best villages of the Barma valley, with a total area of 4,263 acres, situated on both sides of the main Damoh-Jubbulpore road, 11½ miles from Damoh.

The typical soil is a good clay loam, which is suited to embankment, but requires an energetic working to yield the best results. Wheat and rice are the main crops, and there is a fine tank and some garden land irrigated from wells.

Under ordinary circumstances a village of this kind might be expected to be in a prosperous condition and the cultivators well off. The village is, however, of special interest owing to the large amount of old debts due to the malguzar, who is a rich Parwar Bania. Many of these debts have been traced through the account books of the malguzar back 45 years, and are discussed hereafter.

The malguzar, Seth Gulabchand, a minor, is the son of Seth Dulichand, who is referred to in paragraph 26 of Mr. Trench's settlement report. The village is in the possession of this family for very many years, and they are very rich with a large money-lending business. They hold 193 acres of home-farm in this village, which is estimated to be worth Rs. 150 per acre. 43 acres are held in malik-makbuza right, 280 acres in absolute-occupancy right and 1,201 acres in occupancy right by tenants, excluding bari-holders. The total rental demand from them is Rs. 2,950. In addition tenants with small gardens or baris and absentees hold 198 acres on Rs. 234 rent. There are 128 tenants in the village, whose families account for 751 persons, i.e., 221 males and 247 female adults and 283 children. The total population of the village is 1,365 souls, and the remaining 614 consist of persons who earn their living as grocers, shop-keepers, petty sowkars, labourers, carters, etc.

The village adjoins the Government forest and is situated on the main Public Works Department road, and the income from employment other than agriculture is considerable. According to the statements of 128 tenants, as recorded in Form A, their total income other than the income from land comes to Rs. 27,793.

Cultivation.—The total occupied area is 1,764 acres. The cropped area in 1928-29 was as follows:—

Rice 601	...	...	Total rabi 690.
Wheat 663	...	...	Total Kharif 711.
Kodo 32	...	...	Irrigated 24.

Normally, about 900 acres are under wheat of which over 400 acres are embanked. The area under wheat was much below normal owing to the previous year's crop failure.

The principal crops are wheat and rice. According to the tenant's own estimates of their expenses and outturn from agriculture—

	Rs.
Seed	7,719
Capital depreciation on the cost of bullocks and their feeding charges.	1,225
Other expenses such as costs of hired labour, the payment of village servants, etc.	6,131
Total	15,075

or a little less than Rs. 10 per acre.

On the other hand, their estimate of their crop outturn as valued by them comes to Rs. 37,969 or an average of Rs. 25 per acre. These figures, however, are based on the recent abnormal cropping and are coloured by the experiences of the crop failures of the last three years. The cultivators state that they have estimated the outturn of wheat at 3 times of seed and rice at 5 times the seed. They normally use 120 lbs. of seed for sowing per acre. As the wheat land here is rich and fertile and a considerable area is embanked, the outturn here should certainly be up to the average of the outturn of the district as a whole. The cultivators, however, agree that in ordinary good years they should obtain from 4 to 5 times the seed for wheat and 10 times the seed for rice. The malguzar's agent states that the normal gross outturn of wheat should be 5 to 6 times the seed and of rice 10 times.

The system of "machawa" rice cultivation is followed. After a heavy burst of rain the cultivator ploughs his field into a semi-liquid puddle of mud into which the young seedlings, already artificially germinated in baskets, are thrown and are then pressed in by driving over it a bakhar turned upside down. One of the principal advantages of this method is that it reduces subsequent weeding to a minimum. A number of experiments in the district show that the outturn of the "machawa" cultivation is about 25 per cent more than the ordinary system of broadcast rice cultivation; and numerous crop experiments made in the past show that the village outturn from "machawa" cultivation in these better villages cannot normally be less than 1,000 lbs. per acre. The cultivators ordinarily sow from 80 to 90 lbs. of rice per acre by this "machawa" method, and we shall therefore be on very safe ground in accepting the normal outturn at 10 times or, say, 800 lbs. for the purposes of our calculations. It is probably as a matter of fact not less than 1,000 lbs. per acre. On the tenant's own statement, however, the net profit per acre averages Rs. 15 for the village as a whole. According to our own estimate the net outturn could not be less than Rs. 20 per acre at least in this fertile village in a normal year. But accepting the tenant's own low statements on the abnormal cropping of the current year, the total net income from agriculture would be about Rs. 26,000. This is slightly less than the income from other sources which is shown as Rs. 27,793. The total net income from agricultural and from non-agricultural sources would amount to about Rs. 54,000 or about Rs. 420 per cultivator.

Cost of maintenance.—We have, as usual, examined the tenants' individual estimates of the expenditure required for food and clothing. As usual, they vary considerably, according to the position of the individual tenants and the size of their families and their individual tastes. Tenants' individual estimates total up to Rs. 27,042 per year in cash and grain for food and Rs. 3,331 for clothing: total Rs. 30,373, divided between 128 tenants on an average of Rs. 237 per tenant. These figures are for the food and maintenance of 751 persons in all, as is explained above, average per head being Rs. 43. These figures would show, as is explained in the beginning of this note, that in normal years the average tenants ought to have sufficient surplus, *i.e.*, about Rs. 180, to enable him to defray those other expenses which occur from time to time. As a matter of fact, however, owing to the extreme variations of the seasons in this district, his income from agriculture is bound to vary considerably from year to year. Even then, however, this alone in this particular village would not seem to be an adequate reason for heavy indebtedness.

Sources of finance, indebtedness and its causes.—There are 128 tenants in all. Of them, 20 are free from debt. The total cash indebtedness alleged in this village comes to Rs. 1,29,667, plus 468 manis of grain of which Rs. 98,949 are alleged to be old debts due to the malguzar, many of which date back for over 50 years. Excluding these, the total indebtedness comes to Rs. 30,717 in cash and 468 manis of grain worth Rs. 18,720 borrowed from the following sources:—

			Rs.	a.	p.
Government	...	...	1,533	0	0
Malguzar	...	...	1,325	0	0
Mahajan	...	...	15,933	8	0

As regards the old debts, the cultivators themselves are unable to state the exact amount due and as to how they first originated. The agent of the munim stated before us that he himself gave the figures of the old debt to the patwari to be entered in the forms prepared. He states that the original business of the family was money-lending, through which they acquired this, and one other malguzari village. Most of these old debts have been fixed for repayment in instalments; and the malguzar's agent says that cultivators were regularly paying these instalments up to four or five years ago, and that they are not dishonest but owing to the successive failure of crops and damage by rust and frost they are unable to make payment of the instalments, and the arrears were accumulating. He stated that his master occasionally remits large sums and does not press for payment in bad years. He was unable to state, however, what sum was originally advanced on these old debts. The custom was to get a bond written in the case of default in payment of instalments, so as to prevent the amount from becoming time barred. But if the debtor refused to execute the bond they filed suits and obtained decrees; but he said that he had obtained decrees against only 4 or 5 persons. In execution of the decree they did not take the land, but seized the cattle and any other moveable property.

In our enquiry we have found that no absolute-occupancy tenant has lost his land during the last 15 years and only one occupancy tenant has lost his land for arrears of rent. But cultivators on the other hand stated that the malguzar's money-lending business was not straightforward, and that in grain dealing particularly frauds were committed. They stated that they were given grain by small and were required to repay by larger measures. Malguzar's agent admitted that when they advanced grain they kept account of the amount outstanding in cash. We proceeded to examine these old debts in detail :—

Takhatsingh has 40 acres of occupancy tenancy land on Rs. 83 rent. He has 4 ploughs, 8 bullocks, 1 cow and 5 she-buffaloes and has 7 members in his family. He estimates his annual maintenance expenses at Rs. 270. He has borrowed Rs. 80 taccavi from Government, owes 12 manis grain's interest to the malguzar at 25 per cent and has also borrowed Rs. 150 for seed from the sowkar, Rs. 300 for bullocks and Rs. 350 for purchasing clothing, total Rs. 880 in cash and 12 manis of grain. In addition he owes an old debt of Rs. 3,000 to the malguzar, which has been fixed in a bond for payment in annual instalments of Rs. 25 per year for 120 years. This debt is coming since Sambat 67. No trace can be found in the accounts of the origin of the debt. The bonds have been renewed from time to time.

Mt. Ganna, the widow of Gutti, Lodhi, has got a debt of Rs. 6,968. There are two instalment bonds, one for the payment of Rs. 24 per year, the other of Rs. 50 per year; and in addition to this the grain debt amounts to 24 manis. This debt has been coming on continuously since Sambat 48.

Pahari, Lodhi, has a total debt of Rs. 2,849. This is on an instalment bond repayable Rs. 29 per year executed in Sambat 71. He also owes 47 manis of grain. Every instalment has been regularly paid by him up to the last two years.

Muratsingh owes Rs. 3,388 and 15 manis of grain. He has an instalment bond of Rs. 2,836 and the balance is shown as due on the *bahi khata*. This instalment bond was written in Sambat 71. He has been paying instalments regularly. Before the instalment bond was executed the debt was on the *bahi khata*.

In all the above cases the loans were taken in small sums and not in lump sums. At the time when the instalment bonds were calculated the rate of interest at 1 per cent was charged on the future years and was entered in the bonds. Gourisingh owes Rs. 4,664, and in addition 12 manis of grain. There are 4 instalment bonds for the total sum of Rs. 4,000, but the debt has been continuing since Sambat 48. On one bond the instalment payable is Rs. 10, on another Rs. 20, on the third Rs. 35 and on the fourth Rs. 25, total Rs. 90 per annum. No debt has been remitted. There are other similar old debts.

We pointed out to the malguzar's agent that in the case of an instalment bond of Rs. 25 per annum he was due to receive Rs. 25 per year for 120 years until the debt of Rs. 3,000 is paid off, but that his purpose would equally well be served if he accepted a sum of Rs. 400 cash down, which at 6½ per cent would

yield him an income of Rs. 25 per annum in perpetuity. The malguzar's agent stated that they preferred to keep these debts running on. It was clear that the main object of the malguzar was to keep these persons under his thumb as practically bond slaves.

This was one of the few villages in which there was no debt conciliation proceeding after the famine of 1887 and 1900 in Rai Bahadur Anantlal's time. Our enquiry shows that on this occasion the malguzar refused to agree to any debt conciliation.

Gourisingh, alluded to above, holds 23 acres of land at Rs. 54 rent. He states that he himself has only borrowed Rs. 200 from the malguzar which he borrowed five years back for his daughter's marriage at 24 per cent interest. Of this debt, he states that he has repaid nothing and executed a bond for Rs. 500 for this debt last year. As regards the old debt, he says it was incurred by his father and grandmother, and that the malguzar and he have agreed to an arrangement by which he would pay Rs. 40 per annum in instalments on 4 bonds. He says that these bonds were executed 38 years ago and since then he may have paid 5 to 7 instalments and no more. He says he does not know how much his father borrowed, but that the malguzar told him that his father's debt was so much and he accepted his word. He had no hope of repaying this money.

Kamodsingh, Rajput, with 13 acres of land at Rs. 27 rent, states that he owes Rs. 2,488 to Seth Gulabchand, the malguzar, which was borrowed by his father. He died seven years ago. He does not know the rate of interest on this debt, but he says that he repays his grain debt 3 or 4 manis every year. Towards the repayment of the grain he gets no receipt and he cannot say how much he repaid up till now. He has never incurred any cash debt and only owes 2 manis of grain, which he borrowed from the malguzar. In addition he owes Rs. 9 in Government taccavi and some Rs. 50 in petty debts.

The general attitude of the cultivators in this village appears to be one of hopeless resignation. They stated when asked that they did not want the right of transfer in their occupancy land, because they were so heavily indebted that there was no prospect of anything but the eventual loss of their land resulting from the grant of right of transfer. But, on the other hand, the malguzar does not appear to want their land. This is a typical example of what Mr. Trench, the Settlement Officer, wrote in paragraph 46 of his settlement report, which we have quoted in our note on the Damoh district as a whole. Fortunately, however, villages of this kind are not common even in the Damoh district. No one could tell us how much money was originally advanced and how much has been paid off on the old debts of Rs. 98,849. Repayment is generally taken in kind and the cultivators say that it is easy to practise fraud in weighments. No receipts are ever given. After a lapse of a few years, the debtor is made to execute a "teep" or bond for instalments of Rs. 20, Rs. 25 or Rs. 30 per year. This is done rather to prevent the debt from becoming time barred than in order to facilitate repayment. The malguzar

is not anxious about the recovery of these debts, because in most cases the original debt has already been repaid many times over. The debts are kept alive simply to keep these cultivators under the control of the landlord.

The ordinary rate of interest in this village is 24 per cent; and if the late malguzar had been anxious to secure an income of Rs. 20 a year, it would certainly have been better for him to accept Rs. 100 in cash, earning Rs. 24 a year, and free the tenant from his debt than to keep these age-long debts pending, hanging like a sword of Damocles over the heads of the tenants. The tenants say that in bad years the malguzar did nothing, but in good years he seized their crops, allowing them only sufficient margin for food and clothing expenses. As one of the tenants stated, to be in the village was of itself a perpetual famine. It does not seem possible that the tenants and their children or grand-children with these old debts outstanding can ever free themselves from the debt. Even if they surrendered their land, the debt would still be hanging over them.

The purposes for which the more recent debts of Rs. 49,437 were incurred may be classified as follows:—

	Rs.
1. For payment of old debt	9,029
2. For marriage and other ceremonials	2,167
3. For famine and distress	7,534
4. Arrears of rent	1,390
5. For seed and manure	4,648
6. For purchase of improved agricultural implements	2,060
7. Sinking of well	405
8. For purchase of land	3,438
9. Grain debt	18,720
Total	49,931

These debts excluding the old debts amount to—

- (1) A little less than half the price of the cultivated land.
- (2) A little over 23 times the land revenue.
- (3) A little over Rs. 28 per acre.
- (4) About Rs. 5,000 less than the total income of the village.
- (5) Rs. 383 per tenant and Rs. 453 per indebted tenant, 20 being free from debt.
- (6) The proportion of secured to unsecured debt is one to four.

The interest on these more recent debts alone amounts to nearly 5 times the total rental demand.

The general attitude of the villagers is one of apathy and indifference. It is quite possible that their crop outturns even in a good year are nothing like what they ought to be because they have no incentive to endeavour to secure the full outturn by proper cultivation of their fields. It is difficult to determine the best remedy for the present state of affairs in this village, and

in the few others like it. Even if debts were conciliated or remitted it is extremely doubtful whether after their life long habitude to indebtedness the tenants would be long free from debt. It must be remembered that neither they nor their fathers have ever known any economic sytem or methods of finance except those prevailing.

This village was again visited in March at harvest time. Owing to rains in December the crops this year have been good and the cultivators said that after paying for harvesting in kind the wheat outturn would be six or seven-fold.

The malguzar's uncle was present and said that if Government started some proceedings they were ready to agree to arbitration for debt conciliation. As the actual malguzar is a minor he said that Government would have to make the first move in the matter.

In this particular village debt conciliation may now be possible and we recommend that Government should make an experiment here and see what can be done. A land mortgage bank can do excellent work here if the old debts are written down to a reasonable sum.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 9,897.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Abhana	69	17	9	11	11	2	6	3	128

APPENDIX E-L.

WHEAT ZONE.

BAKAIN, TAHSIL HATTA, DISTRICT DAMOH.

A village with a population of 570 persons in the north-west of the Damoh district in the Hatta tahsil, about 18 miles from Damoh on the Damoh-Batiagarh road. The village lies in the more fertile part of the district in the Batiagarh group which has a reputation of being one of the best wheat producing parts of the district. Kurmi cultivators predominate and they are very industrious cultivators and land here is well tilled and fully worked. The villages of this tract are well known for their good cultivation and heavy wheat outturns. The general position is fairly level and good clay and clay loam soils predominate.

The total occupied area is 1,154.89 acres.

Malguzar.—The owner of the village is a rich Pandit, maufidar, who is a good landlord, and holds 137 acres of home-farm. He has borrowed Rs. 2,000 taccavi from Government for field embankments, but has no other debts and has a very large cash and grain lending business.

The cropping in 1925-26 and 1928-29 was as follows:—

		1925-26.	1928-29.
1		2	3
<i>Kharif crop.</i>			
Juar	...	67	196
Other	...	28	60
	Total	95	256
<i>Rabi crop.</i>			
Wheat	...	408	167
Gram	...	1	44
Linseed	...	12	82
	Total	421	293

Wheat is easily the most important crop in this village, the fall in 1928-29 being due to the very serious damage caused in the previous year from rust and the shortage of wheat seed. This also accounts for the large increase of the area under juar. Here, as elsewhere in the Damoh district, famine relief works were opened.

Costs and profits of agriculture.—The villagers say that they sow one mani of seed in four acres, the local mani being of 240 seers, so that in sowing operations they allege they use 120 lbs. per acre. They state that the normal outturn in this tract is four or five times the seed; but the payment for the harvesting and cutting of the crops is made from the gross outturn which is measured after these payments are made. The Government

standard outturn for wheat, in this district as a whole which is based on a number of experiments over a period of years, is 580 lbs. per acre, and it is clear that, in this village, which is much above the average of the district as a whole, the wheat outturn should be above the district average. The tenants' estimates of their expenses on seed, bullocks and other items and the value of their estimates of their normal gross outturn have, as usual, been recorded in form A. We give the statements of the profits of agriculture of Bhao Singh, Ahir, below:—

Bhao Singh has got 7.76 acres in maurasi right and cultivates 4 acres on Sikmi. There are four persons in the family—one man, one woman and two children. He requires Rs. 100 every six or seven years for bullocks and Rs. 80 annually for other agricultural expenses.

<i>Total output.</i>		Rs.
Wheat, after paying for harvesting, 24 maunds	...	120
Gram, 27 maunds	...	108
Linseed, 20 maunds	...	120
Masur, 12 maunds	...	48
Total	...	396
<i>Expenses of cultivation.</i>		
<i>Seed—</i>		Rs.
Wheat, 6 maunds	...	30
Gram, 3 maunds	...	12
Linseed, 1½ maund	...	9
Masur, 1½ maund ...	...	6
Total	...	57
<i>Labour.</i>		
Lohār	...	3
Carpenter	...	3
Total	...	6
<i>Capital Depreciation.</i>		
Bullocks	...	Rs. 16 8 0
Bullocks feed	...	10 0 0
Implements	...	2 12 0
Total	...	29 4 0
Total expenses	...	92 4 0
Profit for 12 acres	...	303 12 0
Profit per acre	...	25 4 0
<i>Deduct—</i>		Rs. a. p.
Rent on 7.74 acres and Kotwars dues, amounting to Rs. 24-8-0, i. e., per acre.		3 4 0
Net profit per acre	...	22 0 0

NOTE.—He also pays Rs. 30 or Rs. 7-8-0 per acre sub-rent for the four acres on Sikmi.

This is a typical example of a cultivator who works himself with his family in the fields and employs the minimum of outside labour. He has estimated his wheat outturn at four fold or 480 lbs. per acre; but on examination he stated that in good years the outturn ought to be at least 25 per cent more than this. Another interesting case is that of Chintu, Kurmi, who holds 6 acres on Rs. 15-8-0 rent. This land he sublets on *batai*. He himself provides the seed which approximately costs Rs. 30 as follows :—

	Rs.	a.	p.
Wheat, 5 maunds	25	0	0
Chhena, 24 seers	2	8	0
Linseed, 6 seers	1	0	0
Masur, 12 seers	1	4	0
Juar, 1 seer	0	3	0
Urad, $\frac{1}{2}$ seer	0	1	6

According to the terms of the lease, he first gets back the seed which he has supplied and then takes half of the remaining crop. According to him the value of the gross outturn was Rs. 158 so that his share would come to his seed worth Rs. 30 plus half of Rs. 128 or Rs. 64 total Rs. 94. The share of the sub-lessee was Rs. 64. The statement of Liladhar, Kurmi, is as follows :—

There are six members in the family—one man, two women and three children. He has got 62.40 acres of land in various rights, of which 10 $\frac{1}{2}$ acres are fallow.

Total output :—Wheat 168 maunds (after katai)—

	Rs.	a.	p.
Wheat, 168 maunds (after katai)	896	0	0
Masur, 12 maunds (after katai)	48	0	0
Gram, 30 maunds (after katai)	125	0	0
Linseed, 7 $\frac{1}{2}$ maunds (after katai)	60	0	0
Juar, 36 maunds (after katai)	144	0	0
Urad, 1 $\frac{1}{2}$ maunds	6	4	0
Mung, 1 $\frac{1}{2}$ maunds	6	4	0
Arhar, 6 maunds	25	0	0
Bajra, $\frac{1}{2}$ maund	3	0	0
Total	1,313	8	0
Total output	1,313	8	0

Expenses of cultivation.

Seed—	Rs.	a.	p.
Wheat, 42 maunds	224	0	0
Masur, 3 maunds	12	0	0
Gram, 6 maunds	25	0	0
Linseed, 1 maund	8	0	0
Juar	1	4	0
Urad	0	6	0
Mung	0	6	0
Arhar	0	3	0
Bajra	0	1	6
Total	271	4	0

		Rs. a. p.
<i>Labour.</i>		
Grazier	...	36 0 0
Weeding	...	20 0 0
Lohar	...	4 8 0
Carpenter	...	6 8 0
Harwahas	...	90 0 0
Other labour	...	5 10 0
Total	...	102 2 0

		Rs. a. p.
<i>Capital.</i>		
Depreciation on bullocks	...	40 0 0
Bullocks feed	...	25 0 0
Implements	...	11 0 0
Total	...	76 0 0

		Rs. a. p.
<i>Others.</i>		
Manure	...	5 0 0
Borka	...	6 0 0
Total	...	11 0 0

Total expenses Rs. 9 per acre	...	460 6 0
Profit on 52 acres	...	853 0 0
Profit on one acre (excluding rent)	...	16 8 0

He says his estimate of outturn is based on last year's crop, but in normal years at least 25 per cent more should be received, *i.e.*, +Rs. 328 net profits Rs. 1,181 = Rs. 22-12-0 per acre. The typical cultivator among the Kurmis is Dilipat, with one female adult and four children in his house. He holds 12.28 acres on Rs. 32 rent in this and adjoining villages. His seed in all costs him Rs. 59-12-0. He estimates the annual depreciation on his bullocks at Rs. 10 and he spends Rs. 5 in weeding, Rs. 9 in payment to the Lohar and Barhai, Rs. 8 to the sowkar, Re. 1 on implements and Re. 1-4-0 to the Kotwar. His total outturn is—

		Rs. a. p.
Wheat, 42 maunds	...	210 0 0
Linseed, 2½ maunds	...	16 0 0
Masur	...	12 0 0
Gram	...	9 8 0
Juar	...	22 8 0
Udath-mung	...	15 0 0
Rahar	...	6 0 0
Total	...	291 0 0

His land is evidently of a lighter soil than that of Bhao Singh, as the rent is about Rs. 2-8-0 per acre. His net profits come to about Rs. 17 per acre. The costs of cultivation in this tract

appear to be very much less than elsewhere as the wages of labour, at present at any rate, have fallen considerably owing to scarcity. The villagers say that agricultural labour is obtained at much lower rates than in tracts nearer the large towns, and is always paid in kind. The malguzar, with 127 acres of home-farm, estimates his total expenses as Rs. 536-8-0 for seed, Rs. 150 for capital depreciation on bullocks, Rs. 639 for labour and implements, total Rs. 1,325-8-0 = Rs. 10-8-0 per acre. He states that for 90 maunds of wheat seed he gets an outturn of 630 maunds worth Rs. 3,150, 12 maunds of chenna produces 96 maunds worth Rs. 284, 2½ maunds of linseed produces 10 maunds worth Rs. 64, 3 maunds of masur produces 30 maunds worth Rs. 120, while 2½ maunds of juar produces 420 maunds worth Rs. 1,260, two rupees worth of udath-mung produces Rs. 90 worth, one rupee rahar seed produces Rs. 24 worth of rahar, one rupee of bajra seed produces Rs. 9 worth of bajra and two rupees worth of tilli seed produces 15 maunds of tilli worth Rs. 95. His estimate of his total crop outturn comes to Rs. 5,197. His costs per acre, therefore, are Rs. 10-8-0 and gross outturn per acre is Rs. 41 and his net profits per acre Rs. 30-8-0. This of course does not include the rent. It is stated that the malguzar's land is the best land in the village and much of it is embanked.

Costs of maintenance.—The costs of maintenance for an ordinary family in this village as estimated by them vary between Rs. 150 and Rs. 200. This includes the ordinary costs of food and clothing. The expenses of big tenants are of course more.

Debts.—There are in all 31 tenants, but most of them hold land in more than one village. They hold in all 1,155 acres of land in this and other villages on a total rent of Rs. 2,761. The holdings in this village are sometimes small in area, but there are only two cultivators holding in this or other villages less than 5 acres of land in all as is explained in the following statement:—

Area.	Number of cultivators.	Number of cultivators in debt.	Total debt.		Debt per head of indebted tenant.	
			Rs.	a. p.	Rs.	a. p.
Less than 1 acre	...	...	...	...	...	...
1 to 5 acres	2	2	222	0 0	111	0 0
5 to 10 acres	9	9	3,038	10 0	337	8 0
10 to 15 acres	7	5	1,636	6 0	327	0 0
15 to 25 acres	4	3	569	8 0	189	12 0
25 to 50 acres	3	3	1,250	0 0	416	12 0
50 to 100 acres	3	2	525	0 0	262	8 0
over 100 acres	3	1	1,342	12 0	1,342	12 0

The total debts including the grain debts, comes to Rs. 8,584. The debt represents Rs. 7-8-0 per acre and about 3½ times the rent.

The debt per cultivator comes to Rs. 277 and per indebted tenant Rs. 343. The average value of land in this village is between Rs. 50 and Rs. 100 per acre. Assuming the all round value to be Rs. 60 per acre, the total indebtedness of the tenants represents only 12½ per cent of the value of land.

Non-agricultural income.—The tenants in this village, however, also admit a substantial income from other sources, for instance, Gulabdas, Bairagi, with 22 acres of land of Rs. 66 rent, obtains Rs. 365 from "dharshan", Rs. 50 from the sale of ghee and Rs. 30 from grazing. He has seven she-buffaloes and eleven cows. The average income per tenant from non-agricultural sources is about Rs. 65. Those who do agricultural labour earn Rs. 90 to Rs. 100 per annum from this source. Gulke kashதாக with a family of six persons is said to earn Rs. 200 a year from agricultural labour.

Interest charges.—The most common rate of interest is from 12 to 18 per cent. The rate does not seem to vary according to the size of the holding or the right in which it is held. Thus Chintu with a holding of 6½ acres has borrowed Rs. 120 at 12 per cent, while Babu, Kurmi, with a holding of 95 acres, has borrowed Rs. 825 at the same rate.

Sources of finance.—The sources from which these debts were incurred are—

Government	...	...	Rs.	1,015
Malguzar	...	...	...	3,962
Mahajan	...	...	...	3,607
		Total	...	8,584

The purposes for which they were borrowed are—

	Rs.	a.	p.
Seed and bullocks	4,623	8	0
Purchase of land	1,101	0	0
Crop failure and maintenance	140	0	0
Marriages	998	8	0
Old debts	1,721	0	0

The villagers state that a great portion of the debt in this village is the natural outcome of the crop failure in the last two years, as they have been compelled to take advances of money from Government and other sources for the purchase of seed and bullocks and for carrying on their agricultural business. They say that they generally borrow money at the beginning of the agricultural season and pay back at harvest time, if the crops are normal. In a bad year, the debt increases as they are unable to make repayments.

They desire to be given the right of transfer in their land as they think they can get money at a lower rate of interest and can get better prices for their land.

Taccavi.—They complained that on the rare occasions when they want taccavi, they do not get as much as is necessary. Bhaò Singh states that he asked for Rs. 100, but got only Rs. 40.

Conclusion.—Very few of them are literate and have to depend on the honesty of the money-lenders for the correctness of their accounts. The general condition of this village, in spite of two years of crop failure, is on the whole extremely satisfactory. This is due partly to the fertility of the soil and the industry of these cultivators; but is also undoubtedly due to the efforts of the malguzar himself who does his best to help his tenants and does not endeavour to make undue profits out of financing them. This village affords an interesting example of how a good village in Damoh can bear up under crop failure; but is unfortunately rather an exception to the general rule. It affords a striking example to Abhanña in the Damoh tahsil.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 12,690.

APPENDIX E-LI.
PLATEAU ZONE.

SUKTHARA, TAHSIL AND DISTRICT SEONI.

This village is situated $11\frac{1}{2}$ miles south of Seoni market and railway station, on the main Seoni-Nagpur first class road. Its cropping is typical of the lighter soil, mixed wheat and rice, villages. It is a ryotwari village. It was previously a zamindari village of the Bhimgarh estate, but was escheated and settled ryotwari in 1897.

The ryots of a ryotwari village can inherit their holdings through the usual male line, but they have no right of transfer, nor of subletting without special permission, and they hold upon certain conditions for the breach of which they are liable to be ejected.

There are 21 ryots sarkar in the village, holding 404 acres of land in ryot sarkar right. They pay Rs. 439 as revenue. The revenue is collected by the patel who receives two annas in the rupee commission for this duty, and who also holds some 160 acres of land in the same right for which he himself pays land revenue.

The average acreage rent rate is approximately Re. 1-1-0 per acre. The principal crops are wheat and rice. There is also a certain area of lighter soil under kodon-kutki and other lighter millets. Our enquiries show the average cost of cultivation, including rent at about Rs. 12 per acre, for wheat land and Rs. 15 per acre for rice land in this village, when hired labour is employed but when the cultivator and his family work themselves and do not employ hired labour the costs are not more than Rs. 10 per acre. The gross outturns average about Rs. 30 for wheat and Rs. 35 for rice. The costs of cultivation and the gross outturn for kodon-kutki are less.

We have examined in detail several ryots with regard to their expenses of cultivation and other annual expenses and gross and net outturns. The principal ryot is Pakiya, Kunbi, whose statement is attached. He holds 48.45 acres in this village on Rs. 62-6-0 rent, while he also holds in another village 21 acres of land in occupancy right on Rs. 20 rent. His total holding in both villages is a little over 69 acres, and his total rental is Rs. 82-6-0. The crop outturns vary considerably from year to year according to the character of the season, and Pakiya, Kunbi, has been careful to give an estimate of the average gross outturn below the normal outturns as evidenced by crop experiments, etc. According to his statements, however, his total expenses including capital depreciation on cattle, come to Rs. 1,056 or Rs. 15 per acre. He estimates his gross outturn at Rs. 2,380 or at Rs. 34 per acre and his net profit at Rs. 1,324 or Rs. 19 per acre. The average net outturn for a mixed holding here is probably not less than Rs. 20 per acre. In a large holding of this kind of course the net profits are usually less, as the agricultural work has to be done by agricultural labour or by

hired servants. Taking a round figure of Rs. 18 as net profit per acre the total net profit per annum for 404 acres of ryot sarkar land would be Rs. 7,272 or an average of Rs. 346 per ryot.

Subsidiary employments.—The village adjoins the Government forest to the south, and it itself contains a considerable area of jungle. There are ample facilities for grazing. Fuel is also obtained in abundance, while a number of ryots and non-agriculturists obtain a good income from carting fuel for sale to Seoni town. It was admitted at our enquiries that any ryot who desired to do so could easily earn Rs. 60 or Rs. 70 per annum in the slack season from carting. Many of the members of the families of the ryots and of non-agriculturists also earn good wages by working in the Public Works Department gangs for the maintenance of the Great Northern road, which passes through the village. Statement A, prepared from examination of the villagers themselves, shows that 21 ryots and their families annually earn Rs. 2,940 from such non-agricultural sources. For instance, Kalang, Gond, with 24.40 acres of land on Rs. 22-8-0 rent, has 6 adults and 2 children in his family. One of these works as a farm labourer, another in the Public Works Department gang on the road, while others do casual agricultural labour and earn in all Rs. 225 per annum from these sources.

There are in all 66 households in the village, and the total population is 282. The 21 ryot and their families account for 121 persons, *i.e.*, 37 males, 44 females and 40 children. The remaining 161 persons do not hold any land; they consist of 47 males, 61 females and 53 children. This latter class included the local grocers, the village school masters, the postal dâk runner, a mate on the Public Works Department road, etc., all of whom earn a good income. There are also 3 or 4 professional beggars, who get about Rs. 50 worth of grain and cash per annum each from charity. Others are agricultural labourers or do carting, etc., and this village provides interesting evidence of the profits obtainable from employment other than agriculture in a village favourably situated.

Debts.—The total debts of ryots amount to Rs. 4,260 and are classified as follows:—

- (1) For old debts Rs. 344.
- (2) For the purchase of seed and bullocks Rs. 2,267.
- (3) For non-agricultural business Rs. 584.
- (4) For wedding etc., Rs. 1,345.

These total debts amount—

- (i) to about four-sevenths of the total net profits of one year's agriculture, and
- (ii) to less than one-quarter of the total gross outturn in a normal year plus the income of ryots from non-agricultural sources.

Most of the debts are merely seasonal short-term loans which will be paid off at harvest.

The tenants on the whole are not embarrassed with debt. The principal ryot Pakiya, alluded to above, has borrowed Rs. 250 at 25 per cent interest from a sowkar. But he also does money-lending for a larger amount at the same rate of interest.

One Bhangada, who is a hawaldar of the village or agent of the patel, has debts totalling Rs. 665. He receives pay of Rs. 120 per annum from the patel for his services as hawaldar, and owes Rs. 360 which he has borrowed from the patel without interest for the marriage of his son, which is being paid off from his salary. This man has also a grocery shop and does timber business for the financing of which he has borrowed Rs. 150 at 25 per cent interest. Three years ago he had spent Rs. 300 in building his house, Rs. 500 in his son's marriage, total Rs. 840. This debt has now been reduced to Rs. 665. This man's statement is also attached.

Another Gundo, Gond, ryot has 16 acres of land on Rs. 22 rent. He owes in all Rs. 750, Rs. 400 of which was advanced without interest by the patel for improving his land. Another big ryot Dogia, with 54 acres of land paying Rs. 63 rent, owes Rs. 950, of which Rs. 400 has been taken from the bank for improving his land. These are the principal debts.

These ryots hold also some tenancy land in other villages; in all 8 of the ryots hold land in tenancy right elsewhere. Three of the ryots are free from debt. One ryot Mt. Sukwara has only 3.50 acres on Rs. 4-10-0 rent. Her land is at present lying fallow, but she and one other male-member in her family and her young son earn Rs. 170 per annum either by working on the Public Works Department road or by agricultural labour. This is the smallest holding. One other ryot Dariyao has 9 acres of land on Rs. 8-12-0 rent. He owed Rs. 94 debt to the patel without interest and has also borrowed Rs. 20 taccavi for purchasing bullocks and Rs. 50 from the bank. He supplements his agricultural income by cart hire.

Co-operative credit bank.—There is a small co-operative credit society here of which 9 members owe Rs. 890 to the Central Bank. One of these persons alone is responsible for Rs. 400 of the debt. In addition, these 9 persons owe between them Rs. 2,139 to other persons and are actually responsible for most of the debts of the village. Here, as elsewhere, the members of the co-operative credit society are much more indebted than the other persons in the village. The total rental payments in this village and for the occupancy land held elsewhere by these 9 members of the co-operative credit bank comes to Rs. 190, while the total debts amount to Rs. 3,029. The rest of the village owes only Rs. 1,231 in all.

Indigenous money-lenders.—Rs. 1,600 are owed to Bahmanji, the patel of the village, and most of this is alleged to be old debt now not bearing interest. This gentleman is a non-resident Honorary Magistrate, who resides at Seoni headquarters. He also advances grain to the villagers when required from time to time, and appears to be a sympathetic landlord.

of the old school, who is more concerned with helping his ryots than making profit from them. Other debts are owed to Seth Sampatram and other sowkars of Seoni town. The usual rate of interest is 25 per cent, but Rs. 9 have been borrowed by a Gond widow from another Gond ryot at 75 per cent interest.

Government loans.—In this village Government has advanced Rs. 784 taccavi at 6½ per cent, repayable in two or three instalments, for the purchase of bullocks or the improvement of land. And Government appears to be discharging satisfactorily its responsibilities with regard to the financing of its ryots in a ryotwari village.

Thrift.—The general condition of the village and the villagers appears to be satisfactory. Their general security is probably due as much to their income from non-agricultural sources as to anything else. Some ryots admit having some ornaments of gold and silver, but there are none who have accumulated savings in cash deposit in the post office or with a banker.

Marketing.—Ryots sell their crops in the weekly bazar at Gopalganj, 4 miles distant towards Seoni. No complaints were discovered with regard to marketing facilities.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 2,075.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Sukhtara	3	3	5	2	2	1	2	3	21

Villagers state—

Rice 10 kuros per acre yield generally 10 times, i.e., 5 khandi or 1,000 lbs. per acre.

Wheat 1 khandi per 3 acres or 6½ kuros per acre yield generally 5 times, or 500 lbs. per acre.

There is a lot of cattle diseases in the village, because this is a road-side village and all sorts of animals pass through the village and drink water in the tank.

One khandi rice = 2½ maunds = 200 lbs.

One khandi wheat = 3½ maunds = 280 lbs.

Bhangada—

He is a member of the co-operative society and works for the patel as hawaldar on Rs. 120 a year. There are

2 men, 1 woman and one child in the house. He has 26.51 acres of land, the rent of which is Rs. 25-12-0. He has got 1 plough, 2 bullocks and 5 other animals. His annual family expenses come to about Rs. 220. He sows 5 maunds of dhan which yields 50 maunds worth Rs. 160. 7 maunds of wheat yield 35 maunds = Rs. 112. He gets about 56 maunds of kutki = Rs. 160. He has got Rs. 30 worth of utensils and Rs. 170 worth of gold and silver in the house. For cutting one khandi land of wheat 5 kuros wheat is given. The rate for transplanting rice is 2 to 2½ annas a day. It comes to 10 to 12 rupees for 2 khandis of rice. Weeding is not required in transplanted rice generally. For harvesting 12 kuros of dhan have to be given for 2 khandis = Rs. 4. He engages one servant at 4 khandis of grain = Rs. 70. Umbrellas are not supplied to women, etc. Price of bullocks Rs. 80, working life six years. He borrows seed from patel at Deori. He has borrowed Rs. 360 from the patel for the marriage of his son without interest and Rs. 50 at 25 per cent, half for cultivation and half for family expenses on payment of interest. Rs. 100 at 25 per cent (he took teak worth Rs. 236 in partnership with another man for sale in Seoni and did not pay part of the price to the owner of the timber hence this debt). From Government Rs. 30 this year for bullocks and from the bank Rs. 70 at 11½ per cent for bullocks. Three years ago he spent Rs. 300 in building his house. He spent in all Rs. 500 for his son's marriage. He borrowed Rs. 40 for silver at the time of marriage at 18½ per cent. He keeps a grocery shop, from the profit he gets kerosene, tobacco, salt and gud worth about Rs. 30. The she-buffalo gives about 5 seers of milk for six months in the year at 2 annas a seer is equal to Rs. 150. He has to pay 5 pice per day for feed for six months and Rs. 3 for grazing for the whole year.

Rates to be paid to craftsmen, etc.—Per plough 2 kuros rabi grain to Lohar, 2 kuros rabi grain to Carpenter, 1 kuro rabi grain to Chamar for *nada*, 1 kuro to Bhumak, 1 kuro to Garpagari, 2 kuros to Barbar, 2 kuros to Dhobi, one anna per rupee rent to Kotwar. Implements are made and repaired free in exchange of this.

Dallu, Gond—

There are 1 man, 2 women and 1 child in the house. He has 15.90 acres of land, the rent of which is Rs. 19-6-0. He has one plough and 2 bullocks. Two members of the family work in the field. His annual expenses for food and clothing come to Rs. 147. He sows 5 maunds of dhan, yield 50 maunds = Rs. 140; kutki ½ maund yield 10 maunds = Rs. 52; wheat 2½ maunds yield 17½ maunds = Rs. 80; gram 1½ maund yield 14 maunds = Rs. 70; total Rs. 382, net profit Rs. 242 for 15 acres = Rs. 16 per acre. Other income wages Rs. 40. He has 10 kuros of grain, Rs. 3 worth of utensils and Rs. 30 worth of gold and silver in the house. He borrowed from patel Rs. 150 at 25 per cent for seed and bullocks which died later on and from Government Rs. 40 for bullocks.

Peer Mohammad.—

There are 1 man, 2 women and 1 child in the house. He has 32.25 acres of land, the rent of which is Rs. 36-8-0. He has 1 plough and 3 bullocks. Only 1 member of the family works in the field. His annual family expenses come to Rs. 215. He sows 5½ maunds of dhan which yield 56½ maunds=Rs. 157-8-0; 7 maunds wheat yield 35 maunds=Rs. 160, gram 1½ maund yield 14 maunds=Rs. 48: total Rs. 365-8-0. For 12 acres net profit Rs. 21 per acre. Other income from carting Rs. 55. Net Rs. 250. He has also 5 kuros grain, Rs. 10 worth of utensils, Rs. 50 worth of gold and silver in the house. He is only cultivating now 2½ khandis of rice land and 2½ khandis of wheat land, *i.e.*, 12 acres, and the rest is fallow. His father died when he was young, that is why they are in such a bad condition. There is also a quarrel with his brothers who are working out side the village.

Sitabai, Kunbi—

She is alone in the house and has 13.25 acres of land the rent of which is Rs. 18-8-0. She cultivates 6½ acres only herself. She has 1 plough, and 2 bullocks. She works in the field. Her annual expenses come to about Rs. 77. She sows 30 seers of dhan worth Rs. 2-8-0; which yield 8½ maunds=Rs. 24-8-0; wheat seed worth Rs. 24 yield 26½ maunds=Rs. 120; gram, etc., Rs. 6 yield 14 maunds=Rs. 48: total gross outturn=Rs. 192-8-0 for 6½ acres. She has 1 khandi, grain Rs. 2-8-0 worth of utensils, Rs. 16 worth of gold and silver in the house. Her bullocks died and she has hired a pair of bullocks from Darai, Bhoi, for 2 khandis of rabi. For six months she engaged a servant for 2 khandis of rabi. She borrowed Rs. 20 from Government for seed and Rs. 20 for *bakhars*. She owes the mahajan Rs. 100. She had borrowed Rs. 50 at 12 per cent. Now it has been settled that in full payment of Rs. 100 she should pay 10 annual instalments of Rs. 12. This she had borrowed for buying bullocks. She manures rice, but not rabi.

Kolhibai, Pradhan.—

In addition to herself there is only child in the house. She has 10.77 acres of land in the village for which she has to pay Rs. 9 rent. In another village she has 10.11 acres of mourasi land, the rent of which is Rs. 13. She has 1 plough, 4 bullocks and 8 other animals. She alone works in the fields. Their annual family expenses come to about Rs. 106. She sows 11½ maunds of dhan worth Rs. 31-8-0 and gets an yield of 112 maunds=Rs. 315; wheat 10½ maunds worth Rs. 51 yield 52½ maunds=Rs. 262½; juar, gram, etc., 3½ maunds worth Rs. 12 yield 28 maunds worth Rs. 96: total 663 gross outturn for 21 acres of land. She has 1 khandi grain, Rs. 18 worth of utensils, Rs. 5 worth of silver in the house. She has engaged 1 servant at 5 khandias. Transplantation costs about Rs. 10 to Rs. 15. She owes mahajan 7 khandis of wheat at sawai for seed, the village patel 1 khandi at devda for seed, Government Rs. 60 for bullocks.

Dagaya, Kunbi.—

He is a member of the co-operative society. There are 2 men, 1 woman and 1 child in the house. He has 45.01 acres in this village, the rent of which is Rs. 54-4-0 and has 8.75 acres in other villages, the rent of which is Rs. 8. He has 3 ploughs, 5 bullocks and 10 other animals. For rice cultivation, he-buffalos are used. Two members of the family work in the field. His annual family expenses for food and maintenance etc., come to about Rs. 280. He sows 10 maunds of dhan worth Rs. 28 yield 100 maunds=Rs. 280; kutki $\frac{3}{4}$ maund worth Rs. 1-12-0 yield 42 maunds worth Rs. 84; wheat 35 maunds worth Rs. 160 yield 175 maunds=Rs. 800 teora, gram, etc., 7 maunds worth Rs. 4 yield 56 maunds=Rs. 192: total Rs. 1,510 gross outturn for 53 acres.

He engages one servant at 5 khandis and second servant at 4 khandis. He has women servants for cultivation at 3 kuros a month and one grazier at 16 kuros a year. There is no expense for watching. Sowing of wheat costs Rs. 2 per plough= Rs. 6. Transplantation Rs. 25. He uses manure for rice seedlings. If anything is left over then he uses in field. They get fuel free. For two months they use the dung as fuel and the rest is thrown in a pit to be used as manure. They cannot sow with *tisan* because the land is hard and it will require many bullocks. From carting he makes about Rs. 50. He has about 7 khandis of grain, Rs. 20 worth of utensils and Rs. 42 worth of gold and silver in the house. He has got 3 houses and 2 carts. The new harvest is not yet reaped.

Pakai, Kunbi—

There are one man, 2 women and 9 children in the house. He has 48.45 acres in the village of which the rent is Rs. 62-6-0. In another village 21 acres of which the rent is Rs. 20. He has 5 ploughs, 12 bullocks and 32 other animals. Three members of the family work in the field. He sows 20 maunds dhan worth Rs. 56 yield 200 maunds=Rs. 562; kutki $1\frac{1}{4}$ maund worth Rs. 3 yield 22 $\frac{1}{2}$ maunds=Rs. 45-8-0; wheat 49 maunds worth Rs. 224 yield 245 maund=Rs. 1,120; teora, gram, etc., 21 maunds worth Rs. 72 yield 169 maunds =Rs. 576. Other sources of income is from cattle about Rs. 70 a year. He has 24 khandis of grain, Rs. 45 worth of utensils and Rs. 106 worth of gold and silver. He engages 5 servants at 20 khandis of paddy=Rs. 140 plus 10 khandis of rabi=Rs. 160: total Rs. 300. Two women servants= 2 khandis 16 kuros paddy and 1 khandi rabi=Rs. 35-8-0. One grazier 12 kuros rabi=Rs. 9-8-0. Carpenter 10 kuros=Rs. 7. Blacksmith 10 kuros=Rs. 7. Barber 10 kuros=Rs. 7. Garpagari 1 kuro=annas 12. Bhumak one kuro=annas 12. Potter 12 kuros Rs. 8-6-0: total Rs. 30-14-0. Sowing, weeding and transplantation per khandi rice land 15 kuros paddy Rs. 5-4-0. Harvesting of rice per khandi of rice land 6 kuros=Rs. 2, Rs. 7-4-0: seed 8 khandis rice at Rs. 8=Rs. 64; 14 khandis wheat at Rs. 20 =Rs. 280; 6 khandis gram at Rs. 14=Rs. 84: total Rs. 324. Wheat sowing khandi of land 8 annas. Harvesting per khandi of land 4 kuros=Rs. 3-4-0 winnowing per khandi of land 1 kuro =annas 12. Total Rs. 4-8-0. Bullocks 7 pairs Rs. 80 a pair,

working life 8 years=Rs. 70 per year. Feeding of 7 pairs per year Rs. 60=Rs. 130. Total expenses, servants Rs. 345. Village servants Rs. 30-14-0. Government cess Rs. 3-14-0. Kotwar Rs. 5-12-0. Rent Rs. 82-6-0. Kharif sowing etc., Rs. 58. Rabi sowing, etc., Rs. 63. Bullocks Rs. 130. Seed Rs. 328. Total expenses, Rs. 1,056 for 69 acres of land or Rs. 15 per acre. Outturn 80 khandis rice at Rs. 8=Rs. 640. Wheat 70 khandis at Rs. 18=Rs. 1,260. Gram 40 khandis at Rs. 12=Rs. 480. Total Rs. 2,380 or Rs. 34. per acre. Expenses Rs. 1,056=Rs. 1,324 is the profit for 69 acres, per acre profit Rs. 19.

APPENDIX E-LII.

PLATEAU ZONE.

KEOLARI, TAHSIL AND DISTRICT SEONI.

A large village, area 1,671 acres and population 1,688, situated in the eastern wheat haveli of the Seoni district on the 1st class Seoni-Mandla road, 34 miles east of Seoni. Wheat is the principal crop and this village is typical of the wheat haveli of the district.

The Bengal-Nagpur Railway from Seoni to Nainpur passes through the village with a railway station here.

There is a well-established wholesale and retail grain market and in normal years a considerable amount of wheat and hemp is exported by rail from here.

The village is the headquarters of the village panchayat, embracing Keolari and four adjoining villages. The village panchayat have done much to improve roads, sanitation, etc., and the Director of Public Health at a recent inspection was much impressed at the results achieved. There is a good Government dispensary, a police station-house, a very good Government Girls' school, a large Vernacular Middle School with a hostel and well-trained troop of boy scouts, a night class for adults, etc. This is one of the villages upon which the District Uplift Association have concentrated, and this village is on the whole one of the most advanced in the district. The malguzar is a Bania of long standing who does considerable money-lending business and who has added to his estate by purchasing Baglai and one other adjoining village. He alleges debts of Rs. 13,200, but has also a considerable money-lending business, and these advances were taken by him simply in the ordinary course of business. His debts include Rs. 3,200 Government taccavi for purchase of selected seed and improvement of his home-farm.

Debts of tenants.—There are 52 tenants holding 1,035 acres on Rs. 1,216 in this village. Of them, 13 are entirely free from debt. Several have land in other villages. They owe in all Rs. 5,623 as follows:—

		Rs.
Government taccavi	...	533
Co-operative Credit Bank	...	<i>Nil.</i>
To the malguzar	...	970
To Mahajans	...	4,120
	Total	5,623

The debt is classified as follows:—

Purchase of land, seed, bullocks, etc.	...	3,112
For construction of houses	...	669
Litigation	...	550
For marriages	...	1,292
	Total	5,623

The average debt per tenant is less than Rs. 110 equal to Rs. 5-8-0 per acre and $4\frac{1}{2}$ times the rent.

We have examined a number of cultivators with regard to the cost of cultivation, their annual expenses and the gross outturn and the selling value of land. The tenants on the whole much underestimate the normal outturn from wheat. Some of them said the total outturn was only 3 times the seed or 300 lbs. per acre, etc., etc. They explained that they were basing their estimates on the outturns of the last two years. In the last year but one the crop was very seriously damaged by rust, while in the current year the crops in this area were almost entirely destroyed by frost and rust, and Government declared scarcity and opened famine relief works in consequence. It is, however, well known that the normal gross outturn of wheat in this village and in the surrounding tract which is one of the most fertile wheat tracts of the district is about 600 lbs. per acre, as has been proved by numerous crop experiments in normal years. When we examined the accounts of the Government farm at Seoni where the soil is not superior we found the average outturn of wheat to be 1,000 lbs. per acre there.

The tenants later on admitted that the crop outturn might be 5 times or 6 times the seed. They say that they sow one khandi or 280 lbs. of wheat seed in $2\frac{1}{2}$ acres or about 112 lbs. per acre. An outturn of 600 pounds would be a little less than $5\frac{1}{2}$ times this amount. The value of 600 lbs. of wheat seed at the rate of 9 seers per rupee would be Rs. 39 and the ordinary value of the gross crop should not be less than Rs. 30 per acre. The expenses of cultivation of 10 acres of land in this village totalled, according to the statement of one tenant, Rs. 160-4-0, while the rent would be Rs. 12, total Rs. 172-4-0. So that according to their statement the net profit of 10 acres of land after deducting the rent and the actual costs of seed and cultivation would be Rs. 130 or about Rs. 13 per acre. Examination of sub-rents shows that the average subletting value per acre is Rs. 5-8-0 and therefore a sub-lessee would get only Rs. 75 for his maintenance during the year if we were to assume that the net profits are Rs. 13 per acre only and we can safely assume that they are more. Those who work themselves in the fields will not spend more than Rs. 12 per acre, plus Re. 1-4-0 rent, total Rs. 13-4-0. The average net profit can be taken at not less than Rs. 16 per acre. The average indebtedness of Rs. 5-8-0 per acre, therefore, represents about one-third of the annual net profit from cultivation and about one-sixth of the total gross outturn. Thirteen of the tenants were, however, free from debt.

These figures are of peculiar interest having regard to the fact that the crops have been bad for the last two years in this tract and were an almost complete failure last year. Several of the tenants at our enquiry admitted that they had worked on the metal-breaking relief camps during the present year. The main cause of the relatively small indebtedness of tenants is, we feel, the security of this tract. The soils here are deep and fertile and are immune from crop failure in ordinary years, and the very serious damage caused by rust and frost in the last two years was quite abnormal and had not been experienced in this tract for a long period previously. It, therefore, appears that most of the

tenants had considerable resources to fall back on when this disaster overtook them. The state of affairs in Chhapara, which is an insecure village habitually liable to crop failure, is quite different, and here the tenants are much more heavily indebted.

Subsidiary income.—Cultivators also earn a good income from carting and from the sale of milk and *ghee* in Keolari town itself. Field labour, carting work in the market, personal service, etc., provide ample employment to the non-agricultural labouring class here.

Size of holding—	Rs.
Below 10 acres	11
10 to 15 acres	18
16 to 25 acres	10
26 to 50 acres	8
51 to 100 acres	1
Over 100	1

Sources of debts—Government loans.—It appears that taccavi is not usually advanced in this village. The present taccavi loans represent the advances of selected wheat seed made in the current year owing to the destruction of the wheat crop by frost and rust.

Co-operative credit bank.—It is surprising to find that there is no co-operative credit bank in this secured village.

Indigenous banking.—The statement of Singhai Parmanand, the principal money-lender of Keolari, is attached. There are in all 19 persons in this village who do money-lending, and some of them do a considerable amount of money-lending in the surrounding villages and also purchase grain for export and do a business in the sale of cloth, etc. The ordinary rate of interest is 24 per cent for short-term or long-term loans to tenants, who have not got the rights of transfer in land, those having the rights of transfer, usually pay 12 per cent on unsecured debts, while upon mortgages the rate varies from 6 to 9 per cent per annum and 12 per cent is charged on the pledge of ornaments. The usual rate of interest for grain advances is 35 per cent.

The local money-lenders carry on business with their own capital and do not, as a rule, have any connection with outside credit bankers nor carry on business with borrowed capital. The mahajans of this place are mostly either Parwars or Marwaris.

They are opposed to the idea of licensing money-lenders. They think that licensing would increase the rate of interest, because the number of money-lenders will be reduced. They favour the idea of debt clearance banks and say that these should be run on co-operative credit lines. Hundis, cheques or bills of exchange are not in vogue in this village. The general state of finance in Keolari seems to be typical of the very elementary stage, which has been reached in banking in the Seoni district as a whole, and there appears to be wide scope for improvement.

Marketing.—The market system is the same as in Chhapara. There is a good grain market in Keolari itself.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 35,978. This includes the big men.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.	
1	2	3	4	5	6	7	8	9	10	
Keolari	...	7	11	4	8	5	4	5	8	52

APPENDIX E-LIII.

BARGHAT, TAHSIL AND DISTRICT SEONI.

A large village with an important wholesale market in the well known rice haveli tract of the south-east portion of the Seoni district, situated on the I class Balaghat-Seoni road, 14 miles from Seoni market and railway station.

The Barghat market is one of the most important rice markets in the north of the province. It is held every Saturday, and rice is brought for sale here both in small and large quantities, not only from the surrounding villages, but from the adjoining Ugli tract to the east and from the Balaghat district. A certain amount of rice is purchased here by the Seoni merchants for export by rail, and is conveyed by road to Seoni railway station. However several hundred carts of rice are also exported weekly by road throughout the season from the beginning of November to the end of March to other parts of the Seoni district and to the Narsinghpur, Chhindwara and Jubbulpore districts, partly by local cartmen and partly by purchasers from outside who bring their own carts to the market.

The supply of groceries and other provisions to those who attend the weekly bazar provide employment to a number of petty shopkeepers, and there are several small shops and a number of substantial houses in the village. At this bazaar cloth, which consists mostly the local country made variety, cattle, tobacco, groceries, etc., are also sold.

The right of collecting bazaar dues from these sites is auctioned by the district council for some Rs. 5,000 per annum.

The village has a good Vernacular Middle School with a troop of Boy Scouts, a Primary Girls' School, night school for adults, a dispensary and a police station-house. It is administered by the village panchayat, who have substantially improved the village roads and sanitation, and who keep special bulls supplied by the Agriculture Department for improving the village breed of cattle. The village is on the whole one of the most advanced in the district.

The total population of the village is 1,409 persons. There are 117 tenants, who with their families account for about 550 of the population. The remainder have no rights in land of the village and live either by agricultural labour, by carting, by petty trades, etc. The principal castes are the Powars, the Gonds, Mahars and Katias.

The Powars are well known for their agricultural industry and their skill in growing transplanted rice of the best varieties and are the principal malguzars and tenants throughout the rice tract in the east of the Seoni district and in the Balaghat district beyond. They claim to be of Rajput origin. The Gonds are partly tenants, but are mostly agricultural labourers. The Katias and Mahars are the principal weaving castes, but some of them also have tenancy land and do agricultural labour.

The malguzar or landlord is a Muhammadan of old family, who also owns other villages and other tenancy land, and has in the village 251 acres of home-farm. The total land revenue of this village is Rs. 1,160, and the total value of the property owned by the malguzar probably exceeds Rs. 1,00,000. He alleges debts of Rs. 10,000, secured by mortgage of his property at 9 per cent interest. These debts are alleged to be old debts. He holds a title from Government of Khan Sahib. As he is a Muhammadan by religion, he is prohibited from charging interest, and therefore says that he makes no advances to his tenants in cash, although he occasionally makes advances in grain.

Cultivation.—The total area of the village is 1,762 acres. Of this, 280 acres are covered by house sites, tanks, roads, etc., 1,400 acres are in cultivation and only 82 acres are available for grazing of cattle and for nistar. Of the 1,400 acres in cultivation, only 96 acres are old fallow, 998 acres are under rice and 165 acres are under wheat, while 145 acres are double cropped. Some are under kodon-kutki and other similar lighter millets.

Nearly the whole of the rice area is well protected and irrigated and there are numerous small irrigation tanks belonging either to the landlord or to tenants. Many tanks were either improved or newly constructed with Government assistance in the famine of 1900, and since that date there has been no serious crop failure in this village. 8 acres are held in absolute-occupancy right, which includes the right of transfer. The remaining 1,230 acres of tenancy land is held in occupancy right, which does not include the right of mortgage or transfer.

Value of land.—Recent transfers indicate an average purchase value of these tenancy rights at not less than Rs. 70 per acre. But as transfer of occupancy tenancy land under the existing Tenancy Law is practically confined to surrenders to, or the acquisition of leasehold rights from, the landlord, it is clear that the value of land if full transfer rights were granted, would be much greater.

The all-round average rent per acre works out at Re. 1-7-8 per acre. If the value of tenancy land be taken as Rs. 70 per acre, the present value of 1,238 acres of tenancy land would be Rs. 86,660.

We have made detailed enquiries from a number of agriculturists as to the cost of cultivation and the normal gross outturn of crops. The conclusion to be drawn is that the average costs of cultivation of transplanted rice come to about Rs. 15 per acre. This is for the average holding in which outside labour has to be employed for transplantation and cutting of crop. In a small holding of not more than 5 or 6 acres most of the agricultural labour is done by the tenant and his family, and here the expenditure is less, leaving a larger margin per acre for the sustenance of the tenant.

Opinions varied somewhat as regards the gross outturn in an ordinary year. This must evidently be the case having regard to the varying quality of land. The ordinary transplanted rice

land will yield at least 1,000 lbs. per acre, while the better irrigated land may yield 1,500 lbs. or more. On the basis of crop experiments and the opinions of cultivators we may take the average outturn at about 1,200 to 1,400 lbs. which at ordinary prices in the market would be worth between Rs. 40 to Rs. 50.

The costs of wheat cultivation are slightly less, as here no weeding or transplanation is required. The ordinary outturn is apparently 600 lbs. per acre, worth about Rs. 35 at normal prices. The cost of cultivation and the gross outturn of the minor millets is less.

We shall then be on very safe ground if we assume the ordinary net profit from agriculture in this village at not less than Rs. 20 per acre. This of course does not include the expenses of the tenant for his food and clothing. Tularam, Powar, admits a net profit of Rs. 25 per acre. (statement attached).

Debts.—The total amount of debts alleged by tenants is Rs. 18,461, which includes Rs. 5,440 debts incurred for non-agricultural business. For instance, Nabbu, Pinjara, holding 9 acres of tenancy land at Rs. 10 rent, owes Rs. 7-8-0 arrears of rent to the landlord, but also alleges a debt of Rs. 2,600 incurred from losses in the retail sale of tobacco.

One Bachhulal Bania carries on a wholesale trade in tobacco in Barghat. He has been carrying on this business for the last 50 years, and states that he has an average income therefrom of Rs. 4,100 per annum. He imports tobacco wholesale and advances it to retail dealers for sale in the surrounding villages, receiving payments from them after they have disposed of the tobacco. Several persons allege they have incurred debts in this business in addition to Nabbu, Pinjara, who owes Rs. 2,600 as noted above. Ishwari Oudhiya, who holds 5 acres of land at Rs. 10 rent, alleges a similar debt of Rs. 800 incurred in the tobacco business, and there are several other similar sums. These persons were not clear in their statements with regard to these debts, but our enquiries tend to show that these alleged debts of Rs. 5,400 incurred in the tobacco business are not for the most part of debts at all, but are simply the sums still outstanding against these persons for tobacco, which they had taken from Bachhulal, Bania, for sale.

It would not therefore seem to be proper to include this Rs. 5,400 in the total sum of agricultural indebtedness. And if this amount be excluded, the total debts of tenants come to Rs. 13,021. The total rental demand for these tenants is Rs. 1,841. The total area which they hold in this village is 1,238 acres, which at Rs. 70 per acre we have assumed to be worth Rs. 86,660. Agricultural indebtedness in this village, therefore, represents as follows:—

- (1) Seven times the rent.
- (2) About Rs. 10-8-0 per acre.
- (3) About 15 per cent of the value of the land which they hold.
- (4) About half the average net profits from the land, and less than one-third the value of one year's gross outturn.

The total indebtedness of the tenants is classified as follows:—

- (1) Old debt Rs. 2,681.
- (2) Arrears of rent due to landlord Rs. 217.
- (3) For purchase of land, seed, bullocks, etc., Rs. 4,784.
- (4) For construction of houses Rs. 415.
- (5) For purposes of money-lending Rs. 300.
- (6) For litigation Rs. 150.
- (7) For weddings and other ceremonies Rs. 3,850.
- (8) For other non-agricultural business Rs. 5,440.

The debts of tenants are extraordinarily little if we exclude the inevitable debts incurred in marriages. Several tenants have incurred debts exceeding 20 times their rent for marriages. 39 out of 117 tenants are entirely free from debt, while excluding the debts for the tobacco trade and three tenants who have overwhelmed themselves with debts for the purchase of new tenancy right, there are not many tenants who are heavily indebted. Among these, for instance, Karoo, Powar, with 4 acres of land at Rs. 8 rent, had borrowed Rs. 300 for marriage expenses at 25 per cent interest; Govindram, Powar, pays Rs. 11 rent, owes Rs. 50 to the bank and has also borrowed Rs. 250 at 18 per cent interest from a sowkar for marriage expenses; Doma, Powar, with 4 acres of land at Rs. 10-8-0 rent, owes Rs. 100 to bank, has also borrowed Rs. 300 at 25 per cent interest for marriage expenses; Dalloo, Lohar, with 9 acres of land at Rs. 14 rent owes Rs. 400 old debt to sowkars at 25 per cent interest, while Mt. Mulla, Gondni, with 5 acres of land at Rs. 10 rent, owes Rs. 640 old debt to sowkars which is alleged to be now without interest; Bitli, Teli, with 3 acres of land at Rs. 3 rent, owes Rs. 300 to sowkars. There are instances of tenants who are really embarrassed by debt. This embarrassment is, however, due rather to high rate of interest than to the amount originally borrowed.

The individual indebtedness of tenants seems to have no direct relation to their individual assets or necessary cultivating expenditure. The biggest tenant Phatesingh, Gond, pays Rs. 80 for 46 acres of land and owes Rs. 300 at 25 per cent interest borrowed from mahajans for purchasing bullocks. While Bhajanlal, Mehra, paying Rs. 49 for 32 acres, alleges that he owes Rs. 900 at 18 per cent interest incurred for purchase of seed and bullocks. On the other hand Tularam, Powar, paying Rs. 62 rent for 35 acres of land, is entirely free from debt and further admits that he has invested Rs. 1,000 in money-lending at 25 per cent interest. He explains that he began with a smaller holding and purchased 20 acres of land for Rs. 1,750 out of his agricultural profits. He also stated that his present capital of Rs. 1,000 now invested in money-lending was also earned out of the profits of his land.

He made the interesting statement that none of his debtors has up to now repaid any of the principal and that they pay interest only. It seems, very probable, having regard to local custom, that Tularam, Powar, is himself not particularly anxious to recover the principal so long as he can obtain a regular income by the recovery of interest.

Then again Dharma, Powar, pays Rs. 35 rent for 18 acres of land, but has no debts and does Rs. 100 worth petty money-lending, while Dhondia, Mehra, pays Rs. 18 for only 5 acres, yet is free from debt, and does a small grain lending business, and Kohakram, Powar, pays Rs. 38 for 19 acres is free from debt and does Rs. 100 worth petty money-lending.

There are many other tenants with quite small holdings who are entirely free from debt, e.g., Naru, Pardhan, with 5 acres at Rs. 7-12-0 rent, Mulchand, Mehra, with 3 acres at Rs. 7 rent, Mihilal with 4 acres at Rs. 7-8-0 rent and Mt. Ramlo, Gondni, with 11 acres at Rs. 9 rent, etc., etc.

There is no evidence pointing to the excessive fragmentation of holdings as the cause of indebtedness in this village. Several tenants have incurred debts at a heavy rate of interest for the acquisition of new tenancy rights. Mehroo, Powar, has 4 acres of land at Rs. 6-8-0 rent. The net profit from this holding at Rs. 20 per acre may be assumed to be Rs. 80 per annum. Yet he borrowed Rs. 200 at 25 per cent interest for part payment of premium for the leasehold right, and has therefore to pay Rs. 50 per annum interest on the loan against Rs. 6-8-0 rent. Similarly, Hagaria, Mehra, owes Rs. 300 at 25 per cent interest for acquiring 4 acres of land at Rs. 8-8-0 rent. The annual interest of Rs. 75 must surely absorb practically the whole of the net profit to his holding. The third case is that of Dallu, Powar, who has borrowed Rs. 200 at 25 per cent interest for acquiring leasehold right in 3 acres of land at Rs. 7-8-0 rent. It seems to be perfectly clear that these persons will never be able to pay the annual interest and are likely sooner or later to lose their land, and be left with a burden of debt. Their last state will be worse than their first.

Government loans.—In the whole village only Rs. 15 has been advanced as Government taccavi, although Rs. 4,784 of debt have been incurred for purely agricultural purposes, i.e., for the purchase of land, seed and bullocks, and this debt is nearly all at 25 per cent interest.

Co-operative Credit Bank.—There is one co-operative society with 19 members. They hold between them 202 acres of land on a total rental of Rs. 322. They have borrowed from the Central Bank Rs. 1,574. The bank charges the society at 9 per cent and the members themselves pay 12 per cent to the society. But in addition they also owe Rs. 2,155 other debts to sowkars. Most of the latter debts are at a rate of 25 per cent interest. The total indebtedness of these members of the co-operative credit bank comes to Rs. 3,829, which represents about 12 times their rent with an average indebtedness of Rs. 18-4-0 per acre. That is to say, that the indebtedness of the 19 members of the co-operative bank is considerably above the average indebtedness of the village as a whole.

Indigenous Bankers.—Including the debt owed by the malguzar 94 per cent of the total indebtedness of the village is owed to indigenous bankers or sowkars. The malguzar's debt of Rs. 10,000 being on a mortgage is at 9 per cent interest as the tenants have no power to mortgage their land and have nothing

to mortgage except their houses practically all of the remaining debts owed to sowkars are unsecured. The prevailing rate of interest on unsecured debt is "salsawai" or 25 per cent interest per annum. There are no really big money-lenders in this important village. Some of the Powar tenants, such as Tularam, Dharmu, etc., do some petty money-lending at 25 per cent interest, and many of the Powar tenants are in the habit of borrowing from their relations from whom the rate of interest is sometimes a little lower. Sheonath Lala, Kalar, and Bachhulal, Bania, do a certain amount of money-lending. Sheonath is also a liquor contractor and general merchant. Bachhulal, Bania, is mainly a wholesale dealer in tobacco as is explained above. One Hassoo Miyan lends out small sums at a high rate of interest. There is one Rohilla money-lender, Jan Mohammad, who is in a class by himself. He charges not less than 75 per cent interest after deducting one anna in the rupee at the time of advancing the money, he has some Rs. 500 or Rs. 600 invested in this business. He is usually able to recover his debts by the force of his own personality as is the habit of these Rohillas, without going to the civil courts. When we enquired in the village as to who borrowed money from this man, the reply received was that no respectable person, who had any credit, or who could borrow money from any one else, ever borrowed money from him. It appears, therefore, that he also serves a certain purpose and there is some justification for the high rate of interest, which he charges, having regard to the instability of his debtors. He principally advances small sums to agricultural labourers and other persons of this class.

Conclusions.—The conclusions to be drawn from the enquiry in this village would appear to be as follows:—

The village is typical of the best rice haveli tract of east Seoni and Barghat. Owing to the presence of the wholesale market, marketing of crops presents no difficulty, with the exception that some tenants are compelled to sell off their produce as soon as it is harvested in order to replenish their resources, which are usually exhausted by the time the harvest comes. Tenants have to incur some Rs. 12 to Rs. 15 per acre expenses in the 6 months prior to the coming of the rice harvest for cultivating their crops, and many of them borrow for the purpose. Much of the debt in this village consists of these short-term loans which will now be repaid as soon as the crop is harvested. The present high rates of interest absorb a disproportionate amount of their net savings and must retard their economic advancement.

The tenants admitted the importance of manure for the production of transplantation of rice. They stated, however, that the cattle manure from the village was inadequate for the whole cropped area, and unanimously stated that they would be most willing to make use of any artificial or other manure obtainable at reasonable prices. It is a fact well known to agricultural chemists that a good rice crop is impossible without heavy manuring, and it is possible that the net profits might be doubled with an adequate supply of manure. This is one of the principal needs of the rice tract requiring special finance. Land is usually

manured once in two or three years, and if arrangements could be made whereby manure could be supplied on credit at a reasonable rate of interest repayable in two or three years, the wealth of this tract would be substantially increased.

The tenants in this tract as elsewhere throughout the plateau are liable to suffer very heavy losses from time to time owing to cattle epidemics. Cases came to our notice of tenants, who purchased a pair of bullocks for substantial sums, which had died within two or three months from rinderpest or some other disease. Quite apart from the extraordinary losses due to periodical epidemics, the tenant is always required to replace his cattle after five or six years. At present he usually falls back upon the local sowkar who charges on loans 25 per cent interest.

The cases of those, who have acquired new tenancy right, are of peculiar interest. We feel that it is quite obvious that agriculture can never be carried on upon capital borrowed at 25 per cent interest and certainly not in a country like India where the outturn varies greatly from year to year. The village is typical of the more secure and more prosperous villages of the rice growing areas of the Central Provinces. Our enquiry makes it clear that cultivation in this tract can be carried on at a profit and that the more industrious and more fortunate cultivators like Tularam, Powar, who do not fall back upon loans at 25 per cent interest, can earn a substantial profit. The tract as a whole seems to be one in which the economic prosperity of the tenants could be greatly increased with proper credit facilities. But the present credit facilities are lamentable.

This is perhaps not the place in which to discuss at length the policy of Government in advancing loans under the Improvement Loans and Agricultural Loans Acts. The policy at present would appear to be to advance money only in poverty-stricken areas or at times of scarcity. Upon economic and financial grounds, however, there appears to be no objection to Government taking a large part in financing the purchase of bullocks and seed, etc., by taccavi loans in the secure tracts also. In these secured tracts at any rate there is no possible danger of Government losing over the transaction.

The co-operative credit society also is not functioning correctly. The members have not yet learnt the spirit of self help, thrift and co-operation.

The establishment of a land mortgage bank to meet all legitimate needs for long-term loans would probably operate to reduce the interest on short-term loans also.

In this tract much could be done in a thrift campaign provided convenient savings bank facilities existed.

On the whole, the village is, however, in an economically strong position.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 46,342.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Barghat	42	35	15	15	1	2	6	1	117

STATEMENTS.

- 65 seers—1 khandi of kapas.
 20 kuros—1 khandi of grain.
 1 kuro—8 seers of grain wheat or chawal.
 1 surriya— $\frac{1}{2}$ seer.

Harprasad—

There are 4 persons in the house, 1 man, 2 women and 1 child. He holds 5.65 acres of mourasi land the rent of which is Rs. 13. He has got 1 plough; 2 bullocks and 1 she-buffalo. No member of the family works in the field. He sows 1 $\frac{1}{4}$ khandis or 8 maunds of seed which yield 78 maunds 6,240 pounds the price of which is Rs. 240. He makes about Rs. 120 from his *pan* shop. His annual family expenditure comes to Rs. 230. He has got Rs. 80 worth of utensils Rs. 192 worth of gold ornaments and Rs. 100 worth of silver ornaments. He says he only grows rice. He has got one servant for the whole year to whom he has to pay 7 khandis paddy which is equal to Rs. 56 plus Rs. 5 in cash. To the watchman he has to pay one khandi—Rs. 8. Expenses for Khalyan 5 kuros. He also engaged a servant for two months at Rs. 10 a month.

He borrowed Rs. 245 for buying 5.65 acres of land and for improving it at 24 per cent interest. The land was fallow and worth Rs. 150 in 1919 when he bought it. After improvement, *i.e.*, making embankments the land is now worth Rs. 800. He borrowed Rs. 95 for the *pan* shop.

Sitoo—

He is a member of the co-operative society. There are 5 persons in the house, 2 men, 2 women and 1 child. He has 9.93 acres of mourasi land, the rent of which is Rs. 10. He has 2 ploughs, 4 bullocks and 2 other heads of cattle. Three members of the family work in the fields. He sows 3 khandis of seed and gets 90 maunds worth Rs. 285. He has no other source of income. His annual family expenses come to Rs. 210. He has one khandi of grain Rs. 30 worth of utensils, Rs. 46 worth of gold and Rs. 10 worth of silver. He has got one servant for the whole year at Rs. 60 a year. He sows 3 to 3 $\frac{1}{2}$ khandis which yield 34 khandis of rice. For harvesting he has to pay 4 to 6 surriyas of paddy per day. This work is done mostly by women and the

wages come up to 2 to 3 annas per day. He borrowed from the co-operative society this year Rs. 50 at 9 per cent interest. Previously he used to borrow small amounts of Rs. 5 or Rs. 10 at sawai rates.

Latkan, Chamar—

There are 6 persons in the house, 2 men, 3 women and 1 child. He has 31.46 acres of mourasi land, the rent of which is Rs. 28. He has got 2 ploughs, 4 bullocks and 3 other animals. Three members of the family work in the field. He sows 7 khandis of seed which yield 262 maunds worth Rs. 800. He makes another Rs. 100 a year by making notes. The annual family expenses come to Rs. 410. He has 5 khandis of grain, Rs. 30 worth of utensils, Rs. 150 worth of gold and Rs. 50 worth of silver. He keeps half the land fallow for grazing. He sows 6 khandis of paddy the yield from which is 80 khandis. He engages one servant for the whole year for Rs. 60. Another for three months at Rs. 10 a month. He borrowed Rs. 100 for bullocks at 25 per cent from a Mahajan.

Harlal, Kalar—

There are 8 persons in the house, 3 men, 4 women and 1 child. He has 37.78 acres of mourasi land, the rent of which is Rs. 57. He has 2 ploughs, 2 bullocks and 5 other animals. Four persons of the family work in the field. He sows 16 khandis of seed. His annual family expenses come to Rs. 460. He has 10 khandis grain, Rs. 50 worth of utensils and Rs. 100 worth of gold and silver in the house. He engages two servants for the whole year at Rs. 60 each and one grazier for Rs. 24. He sows his own seed 16 khandis of paddy at Rs. 8. For preparing seedlings Rs. 60. Weeding Rs. 8. For watching the crops he has to pay 1 khandi each extra to his two servants engaged for the year. Harvesting cost comes to 3 khandis at Rs. 8.

He used all the cattle dung for manuring from June to November and makes about 25 cart-loads of cattle dung cakes which he uses for household purposes. He requires 12 cart-loads of fuel in addition. This he brings from Government forest which is 20 to 25 miles away. This fuel costs him in all Rs. 2-8-0 per cart. His total expenses thereof comes to—

			Rs.	a.	p.
Annual servants	...	...	120	0	0
Grazier	...	...	24	0	0
Seed	...	...	128	0	0
Sowing and transplantation	...	...	60	0	0
Weeding	...	...	8	0	0
Watching	...	...	16	0	0
Harvesting	...	...	24	0	0
Rent	...	...	57	0	0
		Total	437	0	0
Other expenses say same as Chintu, Kalar	...	...	71	0	0
		Total	508	0	0

or Rs. 13 per acre.

	Outturn.	Rs.	a.	p.	
160 khandis at Rs. 8	...	1,280	0	0	
Less expenses	...	508	0	0	
		772	0	0	Rs. 21 an acre,

Chintu, Kalar—

There are 5 persons in the family, 2 men, 1 women and 2 children. He has 38.66 acres of mourasi land, the rent of which is Rs. 46. He has 3 ploughs, 2 bullocks and 14 other animals. No member of the family works in the field. He engages 4 annual servants, 3 at Rs. 60 a year and 1 boy on Rs. 40 a year. He also engages 2 women servants who get in all 5½ khandis of paddy worth Rs. 44. He sows 8 khandis dhan which yield 100 khandis worth Rs. 800 and 4 khandis which yield 16 to 18 khandis wheat at Rs. 16 per khandi. He sows 12 kuros of lakhori which yield 3 khandis at Rs. 12.

He borrowed Rs. 500 about five years ago for buying bullocks, etc., at 12 per cent unsecured and Rs. 200 about two years ago for marriage of his nephew at 12 per cent unsecured. The debt outstanding now amounts to Rs. 500.

Cost of cultivation.

	Rs.	a.	p.
3 servants	180	0	0
1 boy servant	40	0	0
2 women servants...	44	0	0
Paddy seed	64	0	0
Wheat seed	64	0	0
Sowing and transplantation	75	0	0
Harvesting rice	48	0	0
Wheat harvesting...	16	0	0
Rent	46	0	0
Total	577	0	0
Bullock depreciation	30	0	0
Feed for 2 pairs	18	0	0
Depreciation of cost	1	8	0
Carpenter	1	12	0
Lohar	3	4	0
Barber	8	0	0
Washerman	4	0	0
Bhumak	1	10	0
Kotwar	2	14	0
Total	71	0	0

Total expenses Rs. 648, i.e., Rs. 17 per acre. Yield 100 khandis paddy at Rs. 8—Rs. 800. 17 khandis wheat at Rs. 17—Rs. 289. Lakhori 36. Total Rs. 1,125 or Rs. 30 per acre. Less cost Rs. 17 per acre or Rs. 13 per acre net profit. This man has underestimated outturns.

Tularam and Lala, Pawar—

There are 14 persons in the family, 5 men, 4 women and 5 children. They have got 24.26 acres of mourasi land in this village, the rent of which is Rs. 44 and in another village 10.42

acres, the rent of which is Rs. 18. They have got 5 ploughs, 6 bullocks and 11 other animals, 9 members of the family work in the field. Their annual family expenses come to Rs. 740. They make another Rs. 250 a year from money-lending. They have got 50 khandis of dhan in the house, Rs. 150 worth of utensils, Rs. 900 worth of gold and Rs. 200 worth of silver.

They purchased 20 acres of land two years ago for Rs. 1,750.

Expenses of cultivation.—5 pairs of bullocks at Rs. 100—Rs. 500, working life eight years, *i.e.*, Rs. 60 per year. 3 carts Rs. 60 or Rs. 6 per year. Salt, etc., of the bullocks Rs. 20. Total Rs. 86. Implements—Lohar 15 kuros—Rs. 6. Carpenter (bakhar). Rs. 2-8-0. Nagar 10 at Re. 1—Rs. 10—5 yokes at 8 annas, *i.e.*, 4 annas per year. Ropes Rs. 2-8-0. Bamboo umbrellas Re. 1-8-0. Bamboo umbrellas for women Rs. 10 kudas 10 annas. One datari 12 annas. For one year 6 annas. Three fawdas Re. 1-8-0. One sabal (four years) 4 annas. 18 hasia (two years) Re. 1-2-0. Rope for binding 8 annas. Three charat (two years) Re. 1-8-0. Total Rs. 35-12-0, 2 servants at Rs. 60—Rs. 120, 1 boy at Rs. 40—Rs. 40. Total Rs. 160. Seed dhan 10 khandis at Rs. 8—Rs. 80, 5 khandis pissi at Rs. 16—Rs. 80—2½ seers juar 10 annas. 2 kuros popat Rs. 2. 12 kuros masur Rs. 12—1½ khandi lakhori Rs. 18. The total sum Rs. 192-10-0. Sowing and transplantation Rs. 100. Polas Rs. 2. Total Rs. 102. Village servants. Kotwar Rs. 3-14-0. Bhumak 4 kuros Rs. 2. Garpagari 1 kuro 8 annas. Barber 1½ khandi—Rs. 10. Dhobi 5 kuros—Rs. 2. Total Rs. 18-6-0. Harvesting paddy 10 khandis Rs. 80. Total expenses Rs. 674-12-0 or Rs. 19 per acre. Yield paddy 125 khandis at Rs. 8—Rs. 1,000, wheat 25 khandis at Rs. 16—Rs. 400, juar 4 kuros Rs. 14, popat 6 kuros Rs. 3, masur 2½ khandis Rs. 42, lakhori 5½ khandis Rs. 66. Total Rs. 1,525 or Rs. 44 per acre. Net profit Rs. 25 per acre.

Damdi, son of Bhangi, Mahar—

There are 2 men, 2 women and 6 children in the house. He has 20.86 acres of mourasi land. The rent is Rs. 32-8-0. He has one plough, 2 bullocks and 3 other animals. Four members of the family work in the field. He sows 9 khandis dhan which yield 157½ maunds worth Rs. 480. He also makes Rs. 50 from his loom. He has got Rs. 40 worth of utensils and Rs. 100 worth of gold and silver in the house.

Bachhoo, money-lender—

His income is Rs. 4,100 per year, mostly from tobacco business. All the loans are unsecured. Interest charged depends upon the character of the borrower and the sum borrowed. 25 per cent is charged on small sums. 12 per cent on sums over Rs. 100. When he sells tobacco on credit he charges a higher price than when cash is paid. On security of gold and silver he charges about 18½ per cent. No difference is made in the rate of interest between gold and silver pawn as security, but against gold a higher advance is made than against silver.

Hassumiyan—

He is a member of the co-operative society. There are 2 men, 1 woman and 3 children in the house. He has 26.34 acres

of mourasi land, the rent of which is Rs. 33-12-0. He has got 3 ploughs, 2 bullocks, 12 cows and 10 other animals. Two members of the family work in the field. He sows 10 khandis seed which yield $149\frac{1}{2}$ maunds worth Rs. 512. He makes about Rs. 200 a year by selling milk. He borrows money to lend again. He has got Rs. 10 worth of utensils and Rs. 200 worth of gold and silver in the house. He borrowed from the co-operative society Rs. 200 for bullocks and cultivation expenses and from Bachhoo Rs. 300 at 12 per cent. He has lent to Bhangi, Teli, Rs. 100 at 25 per cent.

Muhammad Jan Khan (Kabuli money-lender)—

He lends from 5 to 6 hundred rupees. He started in 1919, and charges $6\frac{1}{2}$ per cent per month, *i.e.*, 75 per cent per year. In case of law suits the court allows this rate of interest. Only those people borrow from Kabuli money-lenders who cannot get any loan from anybody else. They lend, say, Rs. 10 out of which they take back at the time of lending 10 annas; then one anna per rupee interest is charged on the whole Rs. 10. Thus the rate of interest in practice is something higher than 75 per cent.

APPENDIX E-LIV.
PLATEAU ZONE.

CHHAPARA, TAHSIL LAKHNADON, DISTRICT SEONI.

Dongareya-Chhapara, commonly known as Chhapara, situated on the Seoni-Narsinghpur road from Nagpur to Jubbulpore, 21 miles north of Seoni in the Lakhnadon tahsil, was in pre-British days the capital of the Seoni district with a population of some 30,000 persons.

The population now is 3,238 persons. There are 23 occupancy tenants holding 1,003 acres on Rs. 629 rent and 5 malik-makbuzas or plot proprietors with 39 acres on Rs. 61.

The malguzar has 372 acres of home-farm. He also owns other villages with a large home-farm and should be in a satisfactory condition.

He, however, owes Rs. 36,380 debts, the causes of which he cannot satisfactorily explain. He seems to be an improvident person and his statement as regards costs and profit of agriculture, if true shows him to be a very bad farmer. The tenants and malik-makbuzas owe Rs. 11,487 at interest averaging about 18 per cent.

The principal crops in the village are wheat, cotton and juar. The village lies in a tract which seems very insecure. For several years the crops have been very poor last year the rust did great damage, while this year frost and rust produced a famine and relief works were opened at Chhapara. In a normal year the value of the gross crop outturn may approximate to Rs. 25 to Rs. 30 per acre. The normal outturn of the 765 acres cropped area would be about Rs. 20,000. During the last three years the losses from poor crops may have amounted to Rs. 6,000, Rs. 10,000 and Rs. 14,000, total Rs. 30,000.

Under these circumstances it is not surprising to find the agriculturists indebted and the crops in this tract seems always liable to failure.

The village has considerable trade in cotton, hemp and grain. An annual fair of some importance is held in the village in January and February and lasts for six weeks. A large trade in cattle, cloth and other articles is done in the fair. The area is 1,400 acres and the population is 3,238. Total cropped area is 765. Dadu Jugal Kishore, a Kayasth, is the malguzar of the village. There are two vernacular middle schools, a night school for adults, a police station-house, a dispensary and a post office in the village which is managed by a village panchayat.

The main source of credit is the mahajan. The co-operative movement has not been able to break the monopoly of the mahajan, and as Government cannot find the whole sum required to finance normal agricultural operations, the mahajan does not feel the necessity of reforming his methods of business. In the village there are 20 sowkars. They are either Parwaris or Marwaris. Their business extends to the whole tract surrounding Chhapara, i.e., to 100 villages or more. Beside lending money, they trade in cloth, grain, hemp and kirana. Ordinarily they have their own

capital. They receive no deposits. Occasionally they have to borrow to lend, but generally their own capital is sufficient to meet all the requirements of their clients.

The rate of interest.—The rate of interest varies from Rs. 9 to Rs. 36 per cent. It depends on the status of the borrower, the security he can offer, and the amount borrowed. As most of the cultivators hold lands in occupancy right, loans as a rule are taken on personal security. The other form of security on which loans are taken are :—

(1) *Dastavez* or bond written on a stamped paper. Conditions of loan and the rate of interest are clearly mentioned, as also the penalty in case of default.

(2) *Sarkat* is a kind of bond written on plain paper. It is not attested and the rate of interest is not mentioned in the *sarkat*. This form is accepted from those in whose honesty the mahajan has faith. It does not require stamp duty.

(3) *Rahan* or mortgage.

(4) *Girvin* or pawn. This is very common. A person who has no credit and who wants money borrows money on the security of gold or silver ornaments. The rate of interest is slightly lower in this case.

(5) Loans in kind are made on sawai or Deodha systems. Cultivators require grain for seed and khawai and borrow it either from the landlord or mahajan on this system.

Compound interest is ordinarily charged on cash loans. Considering the cost of litigation and bad debts, the average rate of interest that a mahajan thinks he gets on his capital at the end of a year is Rs. 9 to Rs. 10 per cent. It must be considerably more or how else could Ramlal Dinaram who started money-lending with borrowed capital about 30 years ago, be worth Rs. 60,000 today. It is not possible to gauge the intensity of prejudice against the money-lender. That it exists, is a fact and the following two sayings will illustrate it :—

(1) "Jis Ka hove Bania Yar, Use nahin dushman darkar". (He who has a Bania friend requires no enemy.)

(2) "Tarwar Ka Mara bachjay, Magar Parwar Ka Mara nahin bache." (A man struck by a sword may live but one struck by a Parwar cannot survive.)

The mahajans, as a class, do not consider landed property a good investment, and look upon the administration of such property as a somewhat unprofitable burden. They acquire land rather from necessity than from choice. They are happy if they can get the interest regularly and accept land as a last resort.

The mahajans of this village favour the idea of Debt Conciliation Boards and debt clearing banks. They want these to be under Government control. They have no objection if mahajans are licensed and compelled to give copies of accounts to their clients.

Analysis of the indebtedness.—There are 28 tenants and one malguzar in the village. Of these, only five are free from debt. The total secured and unsecured debt amounts to Rs. 47,837. The

malguzar is heavily indebted and owes Rs. 36,350. The balance Rs. 11,487 is due from the tenants.

(a) The average debt per tenant comes to Rs. 410.

(b) The average debt per indebted tenant comes to Rs. 499 or Rs. 25 per acre of the tenancy land.

(c) The debt's multiple of the rent is Rs. 16 and of the land revenue is Rs. 36.

(d) Deducting old debt Rs. 28,850 we have to account for Rs. 18,987. Of this, Rs. 5,498, i.e., 28 per cent, was spent on productive and Rs. 13,489, i.e., 72 per cent on unproductive purposes.

Income from cultivation.—Deducting the cost of cultivation, the average normal net profit comes to Rs. 10 per acre according to the statements of the cultivators themselves.

Marketing.—As the village has a good market, the cultivators find no difficulty in selling their produce. But as there is no arrangement to store grain, quite a large number of cultivators are required to sell their produce immediately after the crops are harvested. In the neighbouring villages about 25 per cent of the cultivators sell their produce in their own villages to itinerant and petty traders or to agents of big firms. Others bring their crops to the market. They are not required to sell their produce to their mahajans. They, no doubt, offer it, in the first instance, to the mahajan, and if he is not prepared to purchase it at the prevailing rates, they sell it to any one who is willing to pay the market rate.

Saving habit.—The cultivator is not as improvident as he is generally believed to be. He saves if he can, and invests in gold and silver ornaments. He does not deposit it in any Bank. In Chhapara there is a postal savings bank, but excepting Government servants, none takes advantage of it. The reason said to be is that they do not know how to open an account.

The large non-agricultural population earn their living by private service to the merchants, or by carting, etc. Chhapara is one of the principal markets of the north of the district, and all grain, cotton, hemp, etc., exported, is carted by road to Seoni the nearest railway station.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 2,222.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Chapara	...	5	9	2	2	8	...	3	29

STATEMENTS:

Dadu Jugal Koshor, malguzar of Surkhera, Jaman Pani and Deori—

His *sir* and *khudkasht* amount to 744 acres, half rabi (wheat, gram and masur) and half kharif (cotton, juar and urad). Seed cotton 6 seers per acre yield 130 seers. Juar 1 kuro, *i.e.*, 8 seers, plus 4 kuros urad. One kuro of this mixture is sown per acre, yield 65 seers juar, 65 seers urad (compare Chhuto, Kumhar). Wheat 8 kuros per acre yield 46 kuros. If Mahut is received, gram 6 kuros per acre yield 36 kuros. Debt Rs. 28,000 borrowed on mortgage of four villages from Rai Bahadur Puran Shah and Jumanlal originally at 6 per cent. The rate has now gone up to 12 per cent as he did not pay instalments regularly. The arrangement was that every year he would pay the whole interest plus Rs. 1,000 for two years. In this way the whole of 28 thousand rupees was to be paid in 13 years. The sum was borrowed six years back. No instalment of interest or capital has been paid at all. So after three years the rate went up to 12 per cent. The arrangement was that if the first instalment was not paid, 12 per cent interest would be charged on the instalment sum, while the rate of interest on the principal amount would continue to be 6 per cent. This would also continue so far as the second instalment was concerned. If there was a default, then 12 per cent would be charged on the whole amount.

Thirty years ago he had a lending business of Rs. 10,000, including the grain loans. 25 per cent was charged on grain and 24 per cent on money. Apart from the 25 thousand rupees of secured debt he has also an unsecured debt of 10 thousand rupees at 12 per cent. Cause of indebtedness, two sons have been educated up to the B. A. This has cost him 10 thousand rupees. There have been eleven marriages in the family which cost him 22 thousand rupees. Litigation cost him 5 thousand rupees. He has also spent considerable amount in building houses in his villages and making improvements in his lands. During the last 25 years he has added 25 acres to his home-farm. This he has got as tenants have surrendered land. He sells everything at Chhapara direct for cash. He lets out 300 acres of his home-farm at half batai and sublets 25 acres at Rs. 4 an acre. 100 acres are lying fallow for four or five years as nobody would take it on sub-lease and he cannot cultivate it himself. The land is quite good and is fit for wheat and cotton. The rest he cultivates himself. During the last 26 years there have been five bad years.

Chhutti, Kumhar—

He is a member of the co-operative society. There are 3 men, 2 women and 1 child in the house. He has 41 acres of mourasi land, the rent of which is Rs. 70. He has 3 ploughs and 2 pairs of bullocks. Five members of the family work in the field. He has Rs. 50 worth of grain and Rs. 20 worth of utensils in the house. The total family expenses come to about Rs. 415. He borrowed from the co-operative society Rs. 300 at 9 per cent to buy 6 bullocks for Rs. 200 and seed for Rs. 100 three years ago. Taccavi Rs. 110 at $6\frac{1}{4}$ per cent for bullocks

four years ago. From mahajan Rs. 1,045 at 24 per cent two years ago. This was partly on account of cloth during a marriage. He bought on credit 150 rupees worth of cloth at 24 per cent interest. He also borrowed seed at sawai. It is not available now even at devdi. If the grain debt is not paid at the next harvest, then this, together with interest, is converted into a cash debt at 24 per cent interest. He also bought on credit another Rs. 125 worth of cloth. He sows 20 acres with wheat, gram and masur and 20 acres with cotton and juar. He sows 3 khandis wheat which yield 9 khandis at Rs. 18=Rs. 162. 10 kuros gram which yield 2 khandis at Rs. 15=Rs. 30 5 kuros masur which yield 1 khandi at Rs. 18=Rs. 18. He sows 3 seers of cotton seed per acre which yield 50 seers of *kapas*. From his 10 acres he gets 8 khandis of *kapas* at Rs. 15=Rs. 120. He sows 4 acres with juar and urad. In the proportion of one to four which yields 4 khandis juar at Rs. 10=Rs. 40 and 2 khandis urad at Rs. 12=Rs. 24. Expenses—3 pairs of bullocks Rs. 200, working life four years=Rs. 50 a year. Feed during the year Rs. 52.3 khandis seed Rs. 60, 10 kuros gram Rs. 7-8-0, 5 kuros masur Rs. 4-8-0, 4 kuros urad Rs. 4, 1 kuro juar Re. 1. Cotton seed Rs. 4. Implements same as Baraghat. 3 ploughs at Rs. 3-12-0 per year. Three *bakhars* Rs 3-12-0 per year. Other implements Re. 1 per year.

• *Servants*.—One yearly servant at Rs. 60; sowing rabi Rs. 7-8-0; weeding kharif Rs. 50; watching Rs. 3; fencing Rs. 2; threshing floor, etc., Rs. 4; other charges Rs. 2; total expenses bullocks and their feed Rs. 102. Seed Rs. 81; implements Rs. 81-8-0; wages, etc., Rs. 128-8-0; rent Rs. 70; kotwar Rs. 4-6-0; total outturn cotton Rs. 120; juar Rs. 40; urad Rs. 24; wheat Rs. 162; gram Rs. 30; masur Rs. 18 and other things Rs. 30; total Rs. 424 less expenses Rs. 394. Profit Rs. 30. He earns Rs. 50 on carting. His annual family expenses come to Rs. 415.

Mana, Kumhar—

There are 3 men, 1 woman, and 2 children in the house. He has 11 acres of mourasi land in the village the rent of which is Rs. 12, and 21 acres outside the village the rent of which is Rs. 15. He has got 2 ploughs and 3 pairs of bullocks. Three members of the family work in the field. He sows 16 rupees worth of seed which yield 32 maunds worth Rs. 128. Other income he earns as Kumhar Rs. 100. He has got Rs. 16 worth of grains and Rs. 4 worth of utensils. He has borrowed from Government Rs. 56 for embankments, bullocks, seed, etc., Rs. 40 rent unpaid which the court has decreed with 12 per cent interest, Rs. 80 from mahajan, he bought Rs. 9 worth of cloth 10 or 12 years ago. This has now been converted into a cash debt of Rs. 80 at 12 per cent interest. He gets receipt when the payment is made. He sells his produce in the village market for cash without the help of any middleman. He complains that when weighed in the market the produce weighs less than when weighed at home. After the sale of his produce he keeps any surplus there may be at home for future requirements; he does not lend it to anybody for he is afraid he may not get it back when he

wants it. In case of non-payment of rent, sawai is charged by malguzar on default. For seed devodhi is charged. In ordinary years after paying for cultivation expenses he gets a surplus of Rs. 50 and he makes another Rs. 100 as a Kumbar. His annual family expenses come to about Rs. 415.

Devi Rajval—

There are 3 men, 2 women and 1 child in the house. He has 13 acres of mourasi land and the rent of which is Rs. 30. He has 2 ploughs, 4 bullocks and 8 other animals. Four members of the family work in the field. He sows Rs. 48 worth of seed which yield 32 maunds worth Rs. 128. He makes another 100 rupees in wages and Rs. 50 by carting. He has got Rs. 40 worth of grain, Rs. 15 worth of utensils, Rs. 70 worth of gold and silver in the house. He has taken 17 acres of land on half batai, 5 for rabi and 12 for kharif. The weeding expenses for 12 acres of kharif amount to Rs. 60. The rate for weeding is 45×30 cubits for 7 annas. He has borrowed from Government Rs. 68—Rs. 20 for one bullock, Rs. 15 for weeding and 3 bags of wheat for sowing. From co-operative society Rs. 100 and 2 bags of wheat last year at 12 per cent. From mahajan Rs. 700 for cloth, marriages, cultivation, etc., at 25 to $37\frac{1}{2}$ per cent. There were several marriages in the last 15 years for which he had to spend Rs. 700. There is no Jaoni system in the village. He gets cash for sale in the village market. The annual family expenditure is Rs. 270.

Kunji, Kumhar—

He is a member of the co-operative society. There are 1 man, and 1 woman in the house. He has 12 acres of moursi land the rent of which is Rs. 19-4-0. He has 1 plough and 2 bullocks. He alone works in the field. He sows Rs. 48 worth of seed which yield 40 maunds worth Rs. 160. He makes another Rs. 40 as a Kumhar. He has got Rs. 10 worth of utensils in the house. He has borrowed from Government Rs. 40 for embankment and three bags of Pissi—Rs. 48 for seed. From co-operative society 100 rupees for bullocks and household expenses three or four years ago and 2 bags of wheat worth Rs. 32 for seed last year, from mahajan Rs. 240. He had bought on credit 100 to 150 rupees worth of cloth at the time of his son's marriage four years ago at 24 per cent. He has already paid Rs. 120. Interest 12 per cent. He complains he does not get any receipt for the payments. He sells his produce direct in the village market to the highest bidder and gets cash. Out of this, he makes payment to the mahajan. He uses the usual sort of implements and his holding is just what was before. He engages one servant at 4 khandis of grain produced in the field, *i.e.*, wheat, juar, birra, kodon, etc. In two-thirds of an acre he has sown hemp 3 kuros seed—Rs. 4. No weeding is required. For taking off fibre 3 pice a seer; yield 2 maunds Rs. 16, less expenses Rs. 6—Rs. 10. Expenses of bullocks feeding, etc., have not been calculated. $1\frac{1}{4}$ acre jangi seed 5 annas, yield $3\frac{1}{4}$ khandis—Rs. 12. 4 to $4\frac{1}{2}$ acres birra, 4 acres wheat sowing expense Rs. 2-12-0. Seed $1\frac{1}{2}$ khandi birra, two-third wheat and one-third gram—Rs. 27, $1\frac{1}{2}$ khandi wheat—Rs. 27. The yield of wheat and birra is four times. The annual expense come to Rs. 156.

Mangla, Tali—

There are 2 men, 3 women and 3 children in the house. He has 10 acres of mourasi land, the rent of which is Rs. 13. He has one plough, 5 bullocks and 13 other animals. Only one man works in the field. He has no debts. Apart from cultivation he makes Rs. 300 a year by carting. Out of this, about Rs. 195 must be deducted on account of bullocks and feeding. From milk Rs. 80 and from oil Rs. 100. Their annual expenditure comes to about Rs. 415. He has got Rs. 150 worth of grain, Rs. 25 worth of utensils, Rs. 300 worth of gold and silver. He engages one annual servant for Rs. 90 and one grazier for Rs. 30.

Bina, Sunar—

There are 3 men, 3 women and 1 child in the house. He has one acre of malik-makbuza land, 21 acres of mourasi land for which he has to pay Rs. 2 and Rs. 33 as rent, respectively. Outside the village he has 30 acres of land for which he has to pay Rs. 36 as rent. He has got 2 ploughs, 4 bullocks and 4 other animals. His seed costs him about Rs. 80 which yields about 160 maunds worth Rs. 640. He also makes another Rs. 50 as a Sunar. The annual family expenses come to Rs. 505. Only one member of the family works in the field. He has got Rs. 50 worth of grain, Rs. 25 worth of utensils, Rs. 400 worth of gold and silver in the house. He borrowed from mahajan Rs. 270, Rs. 100 for son's marriage at 12 per cent two or three years ago, Rs. 60 for cloth for son's marriage at 12 per cent Rs. 60 for another son's marriage five or six years ago at 12 per cent and Rs. 50 cloth for son's marriage at 12 per cent. He does not get any receipt for the payment. When possible he pays every year something. He uses the usual kind of implements. He sells his produce in the village market for cash to the highest bidder.

Semi, Ahir—

There are 2 men, 3 women and 3 children in the house. He has 7 acres of mourasi land the rent of which is Rs. 16. He has one plough, 2 bullocks and 9 other animals. Four persons of the family work in the field. He sows about Rs. 4 worth of seed which yield 40 maunds worth Rs. 160. By carting he makes Rs. 70. By selling milk Rs. 50. His annual family expenses amount to Rs. 333. He has got Rs. 10 worth of grain, Rs. 30 worth of utensils and Rs. 100 worth of gold and silver in the house. He was a cartman and used to sell milk. Two years ago he took from the malguzar on payment of Rs. 125 as premium 7 acres of land the rent of which is Rs. 16. He had Rs. 125 in his own house. He had no debt then. He now owes Rs. 532 at 24 per cent for seed, Rs. 205 for 2 she-buffaloes, last year for son's marriage he borrowed Rs. 200. He also borrowed from Government Rs. 25. The land he took from the malguzar only paid Rs. 9 to Rs. 10 rent at settlement. Unfortunately the years following his acquisition of land have been bad years.

Bihari, Kori—

There are 1 man, 1 woman and 1 child in the house. He has 4 acres of malik-makbuza land and 8 acres of mourasi land

for which he has to pay Rs. 3-8-0 and Rs. 7-8-0 as rent. He has 2 ploughs, 4 bullocks and 7 other animals. Only one member of the family works in the field. He sows Rs. 72 worth of seed which yield 74 maunds worth Rs. 256. His annual family expenses amount to Rs. 370. He has got Rs. 20 worth of utensils and Rs. 100 worth of gold and silver. Previously he used to work as a tailor but for the last 19-20 years he does not work as a tailor as he is weak and his eye-sight is bad. He has borrowed from Government Rs. 160 for seed and embankment, from mahajan Rs. 100 for cloth, no interest, Rs. 75 for cultivation at 18 per cent, Rs. 40 for bullocks at 12 per cent (originally he borrowed Rs. 300 at 18 per cent out of this only Rs. 40 remain and the rate of interest has been reduced). Rs. 25 for household expenses, no interest. He gets from him things he wants for his house and he has not to pay any interest as he repays within the month. He engages 2 servants at 5 khandis each.

Mulla, Dhimar—

There are 2 men, 2 women and 1 child in the house. He is a member of the co-operative society and has 14 acres of mourasi land the rent of which is Rs. 20. He has 1 plough, 4 bullocks and 2 other animals. Three members of the family work at the field. 2 servants are engaged. He sows Rs. 54 worth of seed which yield 48 maunds worth Rs. 324. He makes in addition Rs. 100 by carting and Rs. 35 by fishing. He has got Rs. 51 worth of grain and Rs. 10 worth of utensils in the house. The total family expenses come to Rs. 294. He has borrowed from Government Rs. 116 for bullocks and seed, from co-operative society Rs. 128 to repay mahajan what he had borrowed from him for paying the nazrana; mahajan Rs. 330 at 24 per cent for household expenses, Rs. 50 for expense of marriage and Rs. 150 for cloth at *sawai*. He took the land four years back and paid Rs. 250 as premium to the malguzar. He had 100 rupees of his own and borrowed Rs. 150 from mahajan.

General.—In the last 10 years 6 cultivators have given up land for arrears of rent, debt, etc., and 6 new cultivators have come in.

Mithan Lal, Baniya—

He has 22 acres of malik-makbuza land. His grandfather had taken it in return for a loan. He sublets it on cash for Rs. 100, the rent being Rs. 43.

Weaving.—At one time there were many weavers in the village. Now there are very few. A weaver with two assistants can finish a *sarai* in two days, but this would fetch him only about 8 annas. This is due to competition of mill-made *saris*. The weaver generally buys yarn on credit and has to pay 18 to 25 per cent on the price to the shopkeeper, but cash price and credit price are the same.

Selling of cloth on credit.—Cloth sold on credit earns an interest of 18 to 25 per cent according to the credit of the buyer. Cash price and credit price are just the same. Interest begins if the price is not paid within a month.

**APPENDIX E-LV.
PLATEAU ZONE.**

PHULSAGAR, TAHSIL AND DISTRICT MANDLA.

A village of 897 acres on the bank of the Nerbudda river, 9 miles from Mandla, adjoining the Jubbulpore-Mandla main road, owned by an absentee Bania malguzar, who has an evil reputation as a landlord. The total area actually occupied for cultivation is 370 acres only. The cropping at present is as follows:—

	Acres.
Dhan	141
Total kharif area	168
Wheat	148
Total rabi area	244
Total gross cropped area	412

But 131 acres, or nearly the whole of the dhan area, is double-cropped, the net cropped area being 281 acres.

The soils are mainly rich clay and clay loam, most of which is embanked, with a little rough and porous soil on the outskirts of the cultivated area.

The average selling value of land here is said to be Rs. 50 per acre: but it undoubtedly must be far more, having regard to the character of the cultivation.

Most of the area out of occupation is included in the river or in the hill and jungle and there is actually little room for further extension.

The tenants are mainly Thakurs and other Hindus and do not belong to the best cultivating castes, and according to their statements they carry on their cultivation through hired labour and seem to be on the whole a lazy lot of people. The total rental demand at present is Rs. 276 only.

There are 32 cultivators. Total grain and cash debt is Rs. 3,644 or Rs. 114 per cultivator. Six are free from debt. The burden of debt per indebted cultivator is Rs. 140. All the debt is unsecured and is taken from the following sources:—

	Rs.
Government	813
Co-operative	411
Landlord	781
Mahajan	1,639
Total	3,644

The purposes for which the debts were taken are as follows:—

	Rs.
Repayment of earlier debt	660
Marriage and other ceremonials	1,057
Payment of arrears of rent	239
Seed and manure	434
Improved implements	135
Sinking of wells and improvements	665
Purchase of land	79
Litigation	375
Total	3,644

About half the debt, *i.e.*, Rs. 1,729, is due from six members of the co-operative society. They owe Rs. 411 to the society and Rs. 1,318 to the mahajan. Incidence of debt per member comes to Rs. 288. Deducting the debt from the members of the society, the village indebtedness is insignificant. It comes to Rs. 73 per head only.

The cost and profit of cultivation per acre according to the cultivator's own statements are as follows :—

Cost.	Kharif.	Rabi.	Double cropped.
1	2	3	4
	Rs. a. p.	Rs. a. p.	Rs. a. p.
Seed (8—10 kuros)	2 8 0	6 0 0	8 0 0
Bullocks, one pair valued Rs. 65 for 8 years or Rs. 8 per year.	1 0 0	1 0 0	1 0 0
Labour-ploughing	0 12 0	1 4 0	1 0 0
Sowing	1 4 0	1 8 0	2 0 0
Weeding	1 8 0	...	1 0 0
Harvesting	3 0 0	2 0 0	5 0 0
<i>Miscellaneous.</i>			
Carpenter 5 kuros siari and 2½ kuros unhari.	0 5 0	0 5 0	0 5 0
Lohar 5 kuros siari and 2½ kuros unhari.	0 5 0	0 5 0	0 5 0
Kotwars 5 kuros siari and 2½ kuros unhari.	0 5 0	0 5 0	0 5 0
Ahirs	0 5 0	0 5 0	0 5 0
Rent	2 0 0	2 8 0	3 0 0
Total	13 4 0	15 8 0	24 0 0

Gross produce.

	Rs.
Kharif 4½ khandis valued at	27
Rabi 2½ khandis valued at	27
Total	54

These figures are for cultivation by hired labour when the cultivator does no work himself. The expenses of those who work in their fields would be Rs. 4 to Rs. 5 per acre less. Many also breed their own cattle.

According to the statement of Karan Singh Rewa Singh which was endorsed by all the cultivators present, the average net income all round including single and double cropped land come to Rs. 20 per acre. Thus the net agricultural income in the village would be Rs. 8,240 a year, *i.e.*, more than double the total debt.

The average cost of cultivation by hired labour for all holdings comes to Rs. 15 per acre. The amount required for cultivation expenses every year would be Rs. 7,416. Experience shows that they generally borrow nearly half this sum, and repay it after the crops are sold. People have no difficulty in obtaining finance. They desire the right of transfer so that they may be able to get money at cheaper rate of interest. Serious complaints were made to us against the malguzar who does not allow nistar and charges 8 annas a cow and Re. 1 a buffalo for grazing. It was also represented to us that the malguzar refused to accept rent and filed suits of ejection. But for these troubles, the tenants said they were quite happy and needed no help.

Although this village is not very far from Mandla, most of the transactions are carried on in grain, and the financial system does not seem to have developed very much beyond the stage of barter. It was pointed out to us that the agricultural labourers insisted on being paid in grain rather than in cash. Only so much of the crop outturn is sold as is required for meeting actual expenses in cash, such as the payment of rent and purchase of those articles and services which cannot be obtained in return for grain. The cultivators state that the difference between the local prices obtainable in the village for small quantities of grain when sold and the prices obtainable in the Mandla market was only from half to one seer per rupee. They appear to be on the whole happy and contented. Their village lies quite near the banks of the Nerbudda river and nature has provided them with ample water supply and facilities for obtaining fuel, grazing, etc., although the absentee Bania malguzar appears to be endeavouring to do his best to create difficulties where no natural difficulties exist. The cultivators and agricultural labourers of the village also earn a substantial income from the extraction of forest produce from the reserved Government forest and from carting, etc. No special financial arrangements here appear to be required.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 3,096.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
Phulsagar	20	4	2	2	1	1	1	1	32

Statements.

Ramcharan, son of Ramratan—

I own 29.29 acres at Rs. 63. I own a pair of bullocks. I had purchased the pair five or six years ago for Rs. 65; the bullocks

will work for a year and a half. The working life of a pair of bullocks is eight years.

Cost of cultivation.

	Rs.
4 khandi rice ...	24
3 servants at Rs. 50 each ...	150
10 khandi rice for weeding ...	60
10 khandi for haryesting ...	60
Rs. 25. Grazier ...	25
Rs. 10 Kotwar ...	10
Carpenter ...	5
Lohar ...	5
12 khandi wheat and gram ...	144
7 khandi harvesting ...	84
Total	567
Land Revenue	+63
Grand Total	630

Outturn.

	Rs.
Syari 60 khandis dhan ...	350
Uahari 60 khandis dhan ...	720
	1,080
	-630
	450

My rent has just been enhanced by Rs. 18-8-0.

Karan Singh Rewa Singh

I own 15.57 acres. I used to pay Rs. 12. Now it has been enhanced to Rs. 17. I own a pair of bullocks. I purchased only one bullock for Rs. 50 about six years ago. It will give work for another two years. The other bullock was bred by me. I cultivate about 12 acres.

Syari.

	Rs. a. p.
Seed 1½ khandi ...	9 0 0
Ploughing and sowing ...	7 0 0
Weeding 5 kuroes ...	1 8 0
Harvesting ...	1 8 0
Kotwar ...	1 8 0
Carpenter ...	...
Lohar ...	1 8 0
Total	22 0 0

		<i>Unhari.</i>	Rs.
3 seed	...	...	36
1 khandi	...	...	12
		Total	48
			8 for a servant.
			17 rent.
			5 bullock.
		Total cost	100
		<i>Outturn.</i>	
Syari	... 20 khandis dhan	...	120
Unhari	... 16 khandis	...	192
		Total	312

I sow kodon and kutki also. I get 20 khandis for 12 kuros in a normal year. Kodon is sold at Rs. 5 a khandi. This means Rs. 100.

Rs.

312

100

412 gross income.

100 cost.

312=21 per acre net.

Marketing.—We pay wages in kind. Labourers prefer to be paid in kind. We keep sufficient for seed and consumption and then sell the rest in the village. Some take their surplus to Mandla. The difference in price here and in Mandla is from half to one seer per rupee.

We borrow every year and pay it off every year.

Rambharos, Agent of the Malguzar—

There is no income from nazrana in this village. The malguzar keeps the surrendered land to himself and does not give it out.

Cultivators want full right of transfer in their lands. Tenants of mauza Saugor also demand that full rights of transfer should be given to them too. They can thus get cheap money.

All villagers say : We use cowdung as manure. We have sufficient fuel. The Malguzar is very troublesome. He does not allow nistar and troubles us for no reason. He charges grazing fees at 8 annas a cow and Re. 1 a buffalo. So, many tenants have left the village. If we get full rights we can save our land. Malguzar refuses to accept rent and then files suits. We are very much troubled by him.

Reva Singh Thakur and Pyarelal are big cultivators, advancing small loans to others.

APPENDIX E-LVI.

PLATEAU ZONE.

GHANAGHAT, TAHSIL DINDORI, DISTRICT MANDLA.

Mr. Umesh Datta Pathak, M.L.C., rural Mandla, kindly accompanied us and assisted us in our enquiries in this village.

A village of 1,123 acres with a population of 220 persons, 2½ miles to the north-east of Dindori near the Nerbudda and Kutrar rivers. The malguzars are Rathor Telis, seven in number. About one-fifth of the tenants also belong to this caste. These Telis are immigrants from the Rewa State.

They are useful, but grasping cultivators and they account for one-fourth of the tenantry in the Rampur settlement group in which this village is situated. This village may be said to be typical of the Dindori tahsil as a whole. It is over 60 miles from Mandla by a very bad road and it is also at a long distance from the Bilaspur-Katni railway line to the east. As a result, transport is by pack bullocks, the road not being fit for loaded carts. Bad communications have reacted upon the prices of agricultural produce, particularly wheat, for which the price in this tract is only Rs. 10 per khandi. A separate enquiry was made by us in Dindori khas with regard to marketing and finance, and we have written a separate brief note on the subject.

The total cultivated area is 890 acres, of which 102 acres are double-cropped with rice followed by a catch crop, sometimes by wheat. The soil is of a mixed quality. There is the usual rich wheat land which admittedly yields a very heavy outturn in excess of the outturn in the best wheat haveli elsewhere. The cultivators admit that the normal outturn of wheat here is 8 to 10 times the seed, or 700 or 800 lbs. per acre. There is some lighter soil in which kodon-kutki, etc., is sown and there is also some area under rice. The statement of the villagers indicate that in a mixed holding, including some wheat land, the cost of cultivation is about Rs. 6 per acre and the net income is sometimes as high as Rs. 20 per acre; while the average net income from holdings is between Rs. 12 and Rs. 20 per acre. The principal need of this tract is better communications. The tract is high-lying, being over 2,000 feet above sea level and, if good communications through the ghats by pucca road to rail head were provided or if a railway were constructed, there would be a great increase in land values and in the value of agricultural products.

The debts in this Dindori tract as a whole are insignificant. Owing to the proximity of this village to Dindori, the tahsil headquarters, the cultivators have better facilities for finance and are economically slightly more advanced than the further distant tracts. The rabi crops, throughout this tract, have been seriously injured by frost and rust during the last two years; but the general condition of the village is satisfactory. The malguzars hold 161 acres of home-farm, and they have also considerable malguzari shares elsewhere. Three of them are indebted, owing Rs. 700 in taccavi to Government which they have borrowed

for field embankments and Rs. 246 which they have borrowed from mahajans at 25 per cent interest. One of the shareholders, Ganguwa, has Rs. 1,000 worth of money-lending at 25 per cent interest. There are 28 tenants in all, of whom 20 are indebted. They owe in all Rs. 3,350. The ordinary rate of interest is 25 per cent. Cultivators are illiterate, do not understand the calculation of interest and necessarily must rely up on the honesty of the sowkars. The average selling value of land in this village is about Rs. 30 per acre. The tenants press for the grant of rights of transfer in their land and are willing to pay two years' rent as the price of that right. They say that the ordinary charges for nazrana are Rs. 30 per acre in the village.

The total area of land held by the cultivators in this village and elsewhere is 1,514 acres, on a total rent of Rs. 261. The rents here appear to be ridiculously low. The statement of Deolal attached is an example. He holds 16 acres of land on a total rent of 11 annas and makes an average net profit of Rs. 376 or Rs. 23-8-0 per acre.

Assuming Rs. 15 as the average net profit from agriculture, the annual agricultural income of the cultivators in this village and elsewhere comes to Rs. 22,710 or more than 5½ times their total debt.

The total secured and unsecured debt is Rs. 4,396. This was taken from the following sources:—

Government	...	Rs. 700
Co-operative	...	400
Malguzar	...	50
Mahajans	...	3,446
Total	...	4,596

The following are the purposes for which it was taken:—

Purchase of bullocks	...	Rs. 2,350
Purchase of land	...	300
Land improvement	...	500
Seed, etc.	...	120
Marriage and ceremonials	...	926
Tank	...	200
Total	...	4,396

Of the total debt, 16 per cent is secured and 84 per cent unsecured, 80 per cent for productive and 20 per cent for unproductive purposes. Indebtedness is Rs. 142 per head or Rs. 191 per indebted cultivator. The indebtedness of the tenants is less than Rs. 3 per acre, but 17 times the rent.

There is a co-operative credit society in Koka, an adjoining village, and six persons of this vilage are members of it. They owe Rs. 401 to the bank and Rs. 340 to money-lenders in addition. None of the cultivators in this village are indebted beyond their means, but the high rate of interest must most undoubtedly be a severe burden upon them. It is difficult to suggest any scheme for bringing down the high rates of interest in a tract so far removed from civilization. If, however, it is decided to extend

Government taccavi operations, it would be quite easy to finance these persons with taccavi. Owing to the poor communications, profiteers have no temptation at present to exploit the quite fertile soil in this area. But as soon as communications are improved, there is likely to be the usual influx of money-lenders and others with the usual attempts at land-grabbing and, if and when it is decided to make any substantial improvement in communications, it would be most necessary to make some arrangement to forestall exploitation if these backward people are to escape the experiences which the people of the Manjrod tract of the Burhanpur tahsil of the Nimar district have suffered when faced with a sudden rise in land values and an organized scheme for exploiting the unsophisticated cultivator.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 3,105.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Ghanaghat	1	2	3	2	3	2	4	11	28

Statements.

Deolal, son of Budhi—

I own 16 acres of land at 11 annas. I own a pair of bullocks. I purchased them last year for Rs. 100. They will work for another two years. I borrowed this amount from Goje, mahajan, at 25 per cent. I repaid this loan after borrowing the amount from the bank.

Cost of cultivation.

	Rs.	a.	p.
Syars seed 1 khandi dhan	...	5	0 0
10 kudos kodon	...	2	8 0
8 kuros kutki	...	2	0 0
5 kuroo ramtilli	...	1	12 0
I work and employ labour. Weeding 2 khandis	...	10	0 0
Cutting 1½ khandi	...	7	8 0
Kotwar	...	0	5 0
Bedhai	...	1	0 0
Loher	...	0	12 0
Unhari seed 2½ khandis wheat	...	25	0 0
Cutting 10 kuros	...	5	0 0
		60	13 0
		2	5 0
		63	2 0
Plus capital depreciation on bullocks	...	20	15 0
Grand Total		84	1 0

Outturn.		Rs.
Dhan 6 khandi ...	...	30
Kodon 15 khandis ...	...	75
Kutki 15 khandis ...	...	75
Ramtili 5 khandis ...	...	40
Wheat 20 khandis ...	...	200
		<hr/> 420
		84
		<hr/> 336 = 20 8 0 net profit per acre.

Ringoo, Rathar—

I own 35 acres of land at Rs. 6-8-0. I have a pair of bullocks. I paid Rs. 120 for them last year. I borrowed Rs. 60 from Ramlal of Midiaras and Rs. 60 from Nohra at 25 per cent interest. The pair will work for another year. I cultivate only 10 acres of land.

Cost of cultivation:

	Rs.	a.	p.
Syari seed 1 khandi dhan	5	0 0
10 kudos kodon	0	8 0
5 kudos kutki	1	4 0
5 kudos ramtili	2	0 0
Weeding 2 khandis	10	0 0
Cutting 1 khandi	5	0 0
Lohar	1	0 0
Badhai	1	0 0
Kotwar	2	8 0
Unhari 2 khandis	20	0 0
Cutting to kuros	5	0 0
		<hr/> 53	4 0
Rent	6	8 0
		<hr/> 59	12 0

Outturn.

	Rs.	a.	p.
Dhan 6 khandis	30	0 0
Kodon 6 khandis	30	0 0
Kutki 3 khandis	15	0 0
Ramtili 3 khandis	24	0 0
Pissi 16 khandi	160	0 0
		<hr/> 259	0 0
		<hr/> -59	12 0
		<hr/> 199	4 0 20 per acre.

I have five persons to support. I require 8 annas a day for food. This means Rs. 180 plus Rs. 20 cloth.

A pair of bullocks costs Rs. 120. They work for six years. There is no subsidiary occupation here. We want taccavi, but we do not get it in time nor the full amount we want. They say we can only get 5 times the rent which is very little.

We want transférable rights in the land. Malguzar gets nazrana at Rs. 15 per 4 acres of land. We approve of the idea that absolute-occupancy rights may be purchased on payment of 2 years rental to the malguzar. We get no timber for ploughs. Kotwar's dues should be fixed in cash. Forest people trouble us a lot—

Population	...	...	...	220
			Acres.	
Area	...	...	...	1,123
Total kharif	...	...	...	457
Total cropped	...	...	...	588
Total rabi	...	...	...	233
Double cropped	...	...	...	102

APPENDIX E-LVII.

PLATEAU ZONE.

MANIKPUR, TAHSIL NIWAS, DISTRICT MANDLA.

A fairly big village on the Public Works Department road to Niwas, seven miles from Niwas, with a fair block of black soil, which covers 50 per cent of the whole area, owned by a large Brahman family in moderate circumstances, who also hold one other village, Gilheti, and have a good home-farm here which consists of about one-third of the good soil. This village cannot be said to be typical of the Niwas tahsil in all respects, because its communications, standard of living and degree of development though still bad, are considerably better than the average for this land-locked and undeveloped tahsil.

As elsewhere this village has expanded and improved very greatly during the last twenty years. The area under rabi and better soils has increased from 20 to 300 acres and there is room for further extension. The total area of the village is 1,225 acres, the total cropped area is 891 acres, of which 100 acres is double cropped. The rent rate works out at seven annas per acre only. The total rental demand is Rs. 332 and the total land revenue Rs. 190.

Of the four Brahman malguzars, one does some money-lending, one has borrowed Rs. 125 taccavi from Government for land improvement; while a third has borrowed Rs. 20 in taccavi from Government and Rs. 500 at 25 per cent from the malguzar of Amgaon who is the principal financier of the village. This indebted shareholder holds shares in three other villages and is in a perfectly sound financial condition, although the rate of interest is high.

Tenants.—There are three absolute-occupancy and 23 occupancy tenants in the village. The absolute-occupancy tenants owe Rs. 250 between them and hold 66.55 acres of land in absolute-occupancy right and also 75 acres of occupancy land. The occupancy tenants owe Rs. 1,503 in all; but seven are free from debt. The financial position of the 26 tenants is as follows :—

Entirely free from debt	...	...	8
Having petty debts not exceeding Rs. 50	...	...	9
Having debts not exceeding Rs. 100	...	...	4
Having debts not exceeding Rs. 100	...	...	5

The principal debt owed by any tenant is Rs. 200 owed by Fago, son of Bisar, who has 35 acres of land and who has borrowed Rs. 85 for the purchase of bullocks and 115 at 25 per cent for the purchase of land. The incidence of debt works out at Rs. 65 per tenant or 5½ times the rental demand.

An idea of the costs and profits of cultivation can be had from the statements of Samnu Titru, Gond, and Fago, Bisad. As they and most of the cultivators work in the field themselves, the cost of cultivation is low. Kharif seed costs little. Average cost of cultivation is Rs. 5 per acre and the average net income Rs. 12 per acre. According to the statements recorded in Form A, the all round cost of cultivation average Rs. 5-8-0 per acre. The total debt is a little less than one-fourth the normal net

profits of agriculture or Rs. 3-8-0 per acre. The average selling value of wheat and rice land here is Rs. 50 an acre.

Sources.		Rs.
Government	...	340
Land lord	...	1,433
Mahajan	...	590
Total		2,363
Purposes.		
Repayment of old debt	...	40
Marriage and ceremonials	...	1,400
Payment of rent	...	80
Purchase of land	...	290
Purchase of seed and bullocks	...	428
Land improvement	...	125
Total		2,363

60 per cent is for unproductive and 40 per cent for productive purposes.

People borrow mostly from one of the local shareholders and from the malguzar of Amgaon at 24 per cent. Seed loans are taken on deodhya system. Cultivators do not sell kodonkutki which they keep for use. Wheat, gram, oil seeds and rice are sold. Things are very cheap here and a pair of bullocks cost on an average Rs. 40 and works from eight to ten years. The standard of living, though low, is higher than that in Chhattisgarh villages. Only five persons are literate.

If and when this tract is opened up, special arrangements to provide financial facilities will be necessary to prevent land-grabbing profiteers from exploiting these simple people, as there will be a great rise in land values.

Population 207. Total area 1,225 acres. Land revenue Rs. 190.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 2,159.

The following statement will show the distribution of the village holdings:—

Village	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Manikpur	4	2	4	2	3	1	5	5	26

Statements.

Sumnu Titru, Gond.—

I own 7 acres of land at Rs. 6. I own a pair of bullocks. I purchased them for Rs. 30 last year. Ordinarily a pair works for five years.

Cost of cultivation.

	Rs.	a.	p.
Unhari—Birra 1 khandi	10	0	0
Alsi 2 kuros	1	0	0
Syari—Dhan 1 khandi	5	0	0
Kodon 3 kuros	0	8	0
Kutki 1 kuro	0	3	0
Ramtil 1 Barhanja	0	2	0
Rent	6	0	0
Bullocks	6	0	0
Lohar	1	4	0
Badi	1	4	0
Kotwar			2 8 0
Total	33	13	0

Outturn.

	Rs.	a.	p.
Birra 5 khandis	50	0	0
Alsi 1 khandi	10	0	0
Dhan 5 khandis	25	0	0
Kodon 4 khandis	20	0	0
Kutki 1 khandi	10	0	0
Ramtil 6 kuros	3	0	0
	118	0	0
	33	13	0
Net profit	84	3	0 or
			Rs. 12 per acre

Statements.

Phagu, Bisad.—

I own 23 acres and pay Rs. 13 rent. I have a pair of bullocks. I bred them and did not purchase them. I cultivate 15 acres of land and allow the rest to be fallow.

Expenses.

	Rs.	a.	p.
Syari—Dhan 1 khandi	5	0	0
Kodon 4 kuros	1	4	0
Kutki 4 kuros	1	4	0
Ramtil 1 kuro	0	8	0
Unhari—Birra 2 khandis	20	0	0
Masur 1 kuro	1	0	0
	28	12	0
Rent	13	0	0
Total	41	12	0
Lohar 5 kuros	1	4	0
Badhai	1	4	0
Kotwar	2	8	0
Grand Total	46	12	0

325

Outturn.

5 khandis dhan	...	...	...	Rs.	25
10 khandis kodon	...	...	...	50	
6 khandis kutki	...	...	...	25	
1 khandi ramtil	...	...	...	10	
10 khandis birra	...	...	...	100	
8 kudos masur	...	...	...	10	
				<u>220</u>	gross
					outturn.
Rs.	s.	p.			
220	0	0			
46	12	0			
<u>173</u>	<u>4</u>	<u>0</u>	net profit 11-8-0 per acre.		

APPENDIX E-LVIII.

WHEAT ZONE, NERBUDDA DIVISION.

JASALPUR, TAHSIL AND DISTRICT HOSHANGABAD.

A big village on the Sohagpur road, 5 miles from the Sadar. The total area of the village is 2,432 acres with a revenue demand of Rs. 1,880. The total occupied area is 2,012 acres of which 1,281 acres is the tenancy land, the rental demand being Rs. 2,191. The areas under principal crops are as under—

	Acres.
Wheat	762
Gram	246
Kharif	579
Double crop	161

The predominant soil is a rich clay loam of high capillarity and the village is typical of the superior wheat land of this portion of the Nerbudda valley. Fields are not embanked but in years of good rainfall the outturn is very heavy.

Finance.—The malguzar advances both cash and grain to the tenants of the village. Hoshangabad and Raipur sowkars also finance the cultivators of this village. The malguzar advances grain on sawai to his regular clients, but on deodhi to new borrowers. Grain loans are generally repaid at the harvest except in scarcity years. But if they accumulate for any reason, a bond is written for deodhya and the total is recovered by yearly instalments. It is not converted into a cash loan. On hand loans and “teeps”, rate of interest charged is 2 per cent per month. On mortgages the interest charged is Re. 1 to Re. 1-4-0 per cent per month, on the security of ornaments 1 pice per rupee per month. People do not take taccavi as they say that it is not distributed when wanted nor in the amount required by them.

There is a co-operative society with 36 members in this village. They get loans at 10 per cent. Members of the society seem not pleased with the co-operative movement. They had some complaint against the office-bearers. It is up to the members to assert themselves and have office-bearers of their choice.

Cost and profit of cultivation.—All the villagers are agreed that the average outturn of wheat is $5\frac{1}{2}$ times the seed. They sow 120 lbs. in an acre. The usual outturn therefore is 660 lbs. per acre. As regards gram, 8 kuros are required for an acre if sown by *bakhar* and 16 kuros if sown otherwise. Six manis or 144 kuros is said to be the average outturn. But crop outturns are liable to vary from year to year. Cost of cultivation depends on several factors, e.g., personal industry, method of cultivation, etc. But an all round average will be Rs. 10 per acre.

We attach the detailed statements of the malguzar and Umrao Singh. According to the malguzar, who gave the cost and profits of cultivation of an average mixed holding, the net income comes to Rs. 23 per acre and according to Umrao Singh's

account of his own holding the net income comes to 36 per acre. The cultivators' individual estimates of this average net income from agriculture is coloured by the crop failures of the last few years. They give a total of Rs. 26,130 or an average of Rs. 13 net profit per acre.

Carting and sale of *ghee*, besides manual labour, are the principal subsidiary occupations that the villagers follow. Their total income from these sources is, Rs. 11,235 according to their own showing. The average net total income estimated by tenants therefore comes to Rs. 37,365 or Rs. 370 per tenant, and is probably in normal years much more.

Debts.—There are three co-sharers and 100 tenants in the village. The co-sharers and 67 tenants are entirely free from debt. The total secured and unsecured debt comes to Rs. 14,827 or Rs. 148 per tenant or Rs. 411 per indebted tenant or Rs. 11 per acre or 6 times the rent.

Of the 36 indebted tenants, 28 are members of the co-operative society. They hold 1,075 acres at Rs. 1,857. They owe Rs. 2,367 to the society and Rs. 10,760 to others. Their total debt, therefore, is Rs. 13,127, or Rs. 468 per head or Rs. 12 per acre or 7 times the rent. The 8 non-members hold 113 acres at Rs. 224 and owe Rs. 1,700 which works out at Rs. 212 per head, or Rs. 14 per acre or 7 times the rent. It will appear that the average holding of a member of the co-operative society is more than 2½ times as big as that of a non-member.

Sources of debt.

	Rs.
1. Co-operative	2,367
2. Malguzar	2,485
3. Mahajan	9,975

Purposes of debt.

1. Payment of old debt	800
2. Purchase of land	2,785
3. Distress	9,350
4. Marriage and ceremonies	580
5. Pilgrimage	305
6. Purchase of bullocks, seed, manure	1,007

Total ... 14,827

27 per cent is for productive and 73 per cent for unproductive purposes.

People demand right of transfer so that they may have some credit to enable them to get money at cheaper rate of interest which in a bad year helps to swell their debts beyond their paying capacity. They do not think they will lose their lands.

Having regard to the fact that crops have been poor for the last two or three years, the amount of indebtedness is not more than might be expected. The financial position of the village is quite strong.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 14,690.

The following statement will show the distribution of the Village holdings :—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	4	5	6	7	8	8	9	10
Jasalpur	21	34	16	7	6	4	4	4	96

STATEMENTS.

Subletting value Rs. 6-8-0 to Rs. 8-8-0 per acre.

(1) Baliram let out $3\frac{1}{2}$ acres for Rs. 24 last year to Bhura Madari (rental Rs. 14 for 9 acres). Of this he let out 2 acres for Rs. 34 and 5.30 for Rs. 26.

(2) Baliram took 6 acres for Rs. 50 from Ramkisan.

(3) Tula, Ahir, took 4 acres for Rs. 30 from Najarilal.

Finance.—Malguzar advances grain on sawai. People generally return the grain with sawai after harvest except in scarcity years. If the grain debt remains in arrears for some years a "teep" for deodhya amount is executed and instalments made without interest, e.g., if 4 mani grain is to be realized a teep for 6 mani is executed and realized in six years. It is not converted into cash.

Malguzar also advances cash in small sums. People generally borrow from the Hoshangabad and Raipur sowkars. On security of ornaments 3 pies a rupee is charged. On other loans 2 per cent is charged. On mortgages Re. 1 to Re. 1-4-0 is charged.

Rs. 100 is the average price of a pair of bullocks. Working life is six to eight years.

1½th seer	...	...	...	1 pai.
9 pai	...	...	...	1 Kudo.
24 kudos	...	...	...	1 mani, = 243 seers.
3 kudos	...	...	...	1 maund.
8 maunds	...	...	...	1 mani.
1 mani land	...	...	...	4 acres.

A pair of bullocks can cultivate 14 acres.

Acres.	Rs.	e.	p.
3 juar 3 pai	...	0	12 0
2 til and tur 1½ pai	...	0	6 0
1 dhan 6 kudos	...	6	0 0
½ tiwara 3 kudos	...	3	0 0
2 gram 12 kudos	...	15	0 0
3 Birra 6 maunds	...	22	8 0
2½ wheat 15 kudo	...	20	0 0
		<u>67</u>	<u>6 0</u>

		Rs.	a.	p.	
Weeding	...	10	0	0	
Lohar	...	3	0	0	
Carpenter	...	3	0	0	
Chamar	...	3	0	0	
Implements	...	4	0	0	
Bullocks	...	16	0	0	
Total	...	39	0	0	
		67	6	0	seed.
Total	... 14	106	6	0	About Rs. 8 per acre.

Outturn.

Juar 2 manis	...	38	0	0	
Tur 3 maunds	...	75	0	0	
Mung 5 kudo	...	6	8	0	
Tilli 1 mani	...	35	0	0	
Dhan 2 manis	...	24	0	0	
Tiwra 4 maunds	...	11	0	0	
Gram 1½ mani	...	45	0	0	
Birra 3½ manis	...	105	0	0	
Wheat 3 manis	...	90	0	0	
Total	...	429	8	0	
		-106	0	0	
Total	... 14 acres	323	0	0	Rs. 23 net per acre inclusive of rent.

Umrao Singh.—I own 13.37 acres at Rs. 25. I was once a member of the co-operative society. I was paying my instalments regularly. Two years back the Secretary and other members insisted that I should pay off the entire amount of Rs. 250. I had therefore to borrow Rs. 300 from Chandan Singh Rajput of Raipur at Re. 1-10-0 per cent per month. I have given my field to him in satisfaction of interest. I have taken back that field on sub-lease for Rs. 60 a year from him and paying him this amount regularly. I pay the rent. Thus I pay Rs. 85 regularly. I require.—

Rs.
275 for food and clothing.
60 sub-lease money.
25 rent.
460
10 yearly instalment of a Seth.
470

This he gets from his 13 acres as he has no other sources of income and has no other debt (Rs. 36 per acre).

Mukandi.—I cultivate 90 acres of land at Rs. 142. I allow about 25 acres of land to lie fallow for grass.

I owe Rs. 150 to the co-operative bank and Rs. 4,500 to other sowkars. My father left Rs. 1,200 debt. For Rs. 2,000 I have mortgaged my 12 mani field. The arrangement is to pay Rs. 400 a year for eight years. For Rs. 1,000 I have mortgaged 3 mani field. I am to pay Rs. 200 a year for eight years. Rs. 800 I have borrowed from Nanhe Lal on personal security at 12 per cent per annum. Rs. 300 I have borrowed from Chandan Singh and have given him a $1\frac{1}{2}$ mani field for realization of interest.

I think my land is worth Rs. 10,000 or Rs. 12,000. I had sublet it for Rs. 1,000.

APPENDIX E-LIX.

WHEAT ZONE.

CHATARKHERA, TAHSIL SEONI-MALWA, DISTRICT HOSHANGABAD.

This is a large village of 2,207 acres, quite close to Banapura railway station of the Seoni-Malwa tahsil headquarters. At Seoni-Malwa there is a large wholesale grain market and the usual money-lenders and sowkars, who provide all the ordinary financial facilities.

Out of the total area, 2,055 acres are in occupation, the home-farm covering 180 acres and tenancy land 1,875 acres. The total rental demand is Rs. 3,859 or a little over Rs. 2 per acre. Out of 2,055 acres occupied, 1,553 acres are at present under crop. There is a considerable area of undulating loam of lighter quality in the eastern portion of the village towards the Kandeli river, and this land is chiefly reserved for bid and for grazing by tenants. There were 1,600 cattle owned by tenants at last settlement, and many of them do cattle-breeding and have a good trade in milk and *ghee*. In the last settlement of Saugor Sir Geoffry Corbett calculated that the net profit from maintaining grass land for bid and grazing for the purposes of cattle-breeding and milk dairy, etc., worked out (in 1916), at about Rs. 8 per acre. It appears that the tenants here find it more profitable to reserve these lighter soil lands for this purpose. About 55 per cent of the occupied area consists of the rich Maryar or clay loam soil, which is well known as being the most fertile soil of the Hoshangabad portion of the Nerbudda valley. The general position here in this area is fairly level. The total rabi area at present is 1,231 acres, the principal crops being wheat, gram and mixture with a considerable amount of oilseed, linseed and tilli. The total kharif area at present is 322 acres only, of which 200 acres are under cotton. The tenants here state that they use approximately 100 lbs. of wheat seed per acre and estimate the normal wheat outturn at 5 times the seed sown. Their crops, however, are not weighed and measured until the harvesting, threshing and cleaning operations are concluded, and as these operations are paid in grain for most part, their outturn measured or weighed on the threshing floor is the outturn after these agricultural operations have been paid for.

In estimating the cost and profit of agriculture the tenants, as usual, have stated in detail the expenditure on various items of agriculture when performed through hired labour. They have also included the payments made to the carpenter, to the Chamar, Lohar and other servants and the payments for watching the crops in their expenses, although these items have actually been deducted by them from their estimate of the gross outturn.

The statement of Dhanya Raghbansi, who holds 15.39 acres of land on Rs. 31-4-0 rent, is as follows:—

		Rs.	a.	p.
He spent 1½ mani wheat seed	...	82	8	0
Yield 7½ manis	...	412	8	0

Labour.

	Rs.	a.	p.
Sowing	4	0	0
Guarding	15	0	0
Lohar	5	0	0
Carpenter	7	8	0
Chamar	2	8	0
Total	34	0	0

Capital.

Bullocks 125 (7 years)	18	0	0
Bullocks feed	8	0	0
Implements	2	0	0
Total	28	0	0
Yield	412	8	0
Less expenses	144	8	0
	268	0	0
Less rent	31	0	0
Total net profit	297	0	0 or Rs. 16 per acre.

Including the cost of depreciation of capital expenditure on bullocks, the expenses of cultivation in this case come to about Rs. 9-8-0 per acre. The payment to the lohar, carpenter and the chamar, etc., are, however, made in kind out of the crop outturn, and if all these items and cost of labour excepting the item of sowing be deducted the actual expenditure, including seed, comes to about Rs. 7-8-0 per acre. Further in this village, as in many others, most of the tenants breed their own cattle, some of which have been used for agricultural operations and others have been sold. In our estimate of expenditure we have included the depreciation on the price of bullocks, but have not included on the income side a corresponding item for the bullocks bred by these people. If the item for the bullocks be excluded, the cost of cultivation is further reduced to Rs. 6-8-0 per acre. On the income side, however, the so-called gross outturn is relatively small, for the reason that the items for labour, etc., excluded from the expenditure side are as a matter of fact defrayed from the crop outturn in the fields before the so-called gross outturn is measured and calculated. The result then in this case is that the average net income from wheat cultivation according to the tenants' statement is really Rs. 20 per acre, excluding the rent but including the depreciation on the capital cost of the cattle. Tenants, however, are all agreed that in this unembanked tract the variations in outturn from year of year are very great; it varies easily between 25 to 30 per cent below and above the average outturn from year to year. That is to say that the net outturn per acre may easily vary between Rs. 12 and Rs. 25 according to the character of the season excluding the years of very serious crop failure.

Indebtedness.—The statements of the indebtedness of all cultivators residing in the village, whether they are holding land in the village or not, have been recorded. The total disclosed is Rs. 19,677 divided among 95 tenants, among whom 13 are free from debt. The all round debt per tenant comes to Rs. 207 and per indebted tenant Rs. 240. The average holding is about 18 acres and the debt averages about Rs. 12-8-0 per acre or about 6 times the rent.

According to the estimated value of land in this village, the price of wheat land averages about Rs. 90 per acre and cotton land about Rs. 80 per acre. We may take Rs. 80 per acre as a safe average for the village as a whole. Tenants' debts, therefore, represent about 16 per cent of the value of the land which they hold. The total malguzari debt comes to Rs. 8,230, which is probably not more than 15 per cent of the value of the malguzari rights which they hold, the total land revenue being Rs. 2,160 and the selling value of villages of this kind being not likely to be much less than from 35 to 40 times the land revenue.

Sources of debt.—The malguzar's debt has been wholly borrowed from mahajans. The tenants' debt is borrowed from—

	Rs.	a.	p.
Government	60	0	0
Malguzar	3,088	12	0
Mahajan	16,529	0	0
Total	19,677	12	0

Purposes of debt incurred by tenants can be seen from the following table:—

	Rs.
1. Old debt	2,136
2. Seed cultivation, etc.	11,138
3. Litigation	100
4. Bullocks	1,135
5. Purchase of land	1,200
6. Marriage, etc.	1,435
7. Famine, etc.	2,220
8. Payment of rent	313
Total	19,677

If we deduct old debts the purposes of which cannot now be determined, we have a total of Rs. 17,541. Of this, items Nos. 2, 4, 5 and 8 may be classed as productive, *i.e.*, Rs. 13,786 or 78 per cent of the debt may be classed as productive.

The most heavily indebted tenant in the village appears to be Sitaram (No. 32 in Form B) who holds 7.27 acres of land on a rent of Rs. 17-12-0 in absolute-occupancy right. His land is estimated at a value of about Rs. 700. He owes Rs. 720 at 12 per cent interest on an insecure debt. In addition, however,

he takes 23 acres on sub-lease. He has in his family 3 males, 3 female adults and 6 children. He is a Kachhi by caste, and estimates the gross value of his produce from his own holding at Rs. 900. His debt has been incurred for agricultural improvements. It is extremely difficult to value the assets of a man of this kind, much of whose land is garden land irrigated, and the outturn therefrom is necessarily very valuable. It may be presumed that the value of his land is considerably greater than that admitted, otherwise it is difficult to understand how he could arrange a large sum on insecure debt of 12 per cent interest. For purposes of our enquiry it is safer to class him with the very heavily indebted.

Other tenants with large debts are (Nos. of Form B)—
2, Parladsingh, holding 69 acres of land in absolute-occupancy right on Rs. 156 rent, owes a debt of Rs. 1,200 at 12 per cent interest.

Ramkishan holding 21 acres of land on Rs. 45 rent, owes Rs. 1,372.

Ramlal holding 18 acres on Rs. 37 rent, owes Rs. 1,017.

Hemraj, holding 35 acres on Rs. 76 rent, owes Rs. 1,275.

Tikaram, holding 44 acres on Rs. 97 rent, owes Rs. 2,625.

All these persons owe Rs. 9,714 between them or nearly half of the tenants' total debt. If these debts be excluded, the indebtedness of the remaining tenants becomes relatively unimportant.

We attach below the explanation of Nos. 2, 48 and 49 as to causes of their indebtedness:—

2 Parladsingh ... I bought 10 acres of land for Rs. 500 five years ago and 10 acres for Rs. 400 four years ago I borrowed these sums at Rs. 12 per cent. I pay the interest and what part of the capital I can every year and borrow again for cultivation expenses. I had to get four of my children married for which I had to borrow some money, which I have paid back.

48 Ramlal ... We had to borrow because of bad years.

49 Tikaram ... We do not work in the fields. There are 7 members in the family. We take a lot of land in sikmi and cultivate these and our own land with hired labour. Thus the expenses of cultivation are high. In bad years not only have we to pay the sikmi rent but lose on account of wages, etc. This is the principal cause of our indebtedness. Part of the debt is also due to expenses in connection with marriages in the family.

The other three persons were not present at our enquiry.

Subletting value.—Subletting value of land varies between Rs. 5 and Rs. 10 per acre. The average is somewhere about Rs. 6. Crops in this tract for the last two or three years have undoubtedly been very unsatisfactory. The principal item of debt is Rs. 11,138 for seed and other cultivating expenses. The cropped area at present is 1,553 acres. The total debt for seed

and cultivation, *i.e.*, Rs. 11,138, is a little over Rs. 7 per acre of the cropped area or a little less than the approximate average cost of cultivation per annum. As cultivators in this tract and elsewhere usually even in normal years take short-term loans in cash and grain for financing their agricultural operations repayable at harvest, it is not surprising that after a series of poor crops the debt incurred by them for agricultural operations is at present in the midst of the current year a little less than the normal expenditure annually required for producing the crop. The tenants complain that the crop this year is again poor, but they hope at the time of harvest to pay off a considerable portion of the outstanding debt as usual. Here, as elsewhere in the Nerbudda valley, the indigenous system of agricultural finance appears to be functioning better than in some other parts of the province. The rates of interest are at any rate lower than in places such as Burhanpur tahsil of the Nimar district and in the cotton tracts of Berar.

The cultivators express ignorance of the co-operative credit system. When its principles were explained to them they were not in favour of the system of joint unlimited liability. It is hardly necessary to say that there is no co-operative credit society in this village.

It appears to us that in this village, as elsewhere, in this tract, if a land mortgage bank were in existence to finance the long-term loans at a reasonable rate of interest, little further would be required for meeting the ordinary seasonal requirements of the cultivators.

Marketing.—In addition to the wheat market in Seoni-Malwa there are also two cotton gins, and cultivators have no difficulty in disposing of their produce there. They complain, however, of certain malpractices and state they are sometimes cheated in the weighing of their goods.

The total income disclosed from non-agricultural sources is Rs. 27,718. For instance, Saddeo, son of Gorelal Nai, with 2 males, 2 female adults and 3 children in his family and with a bari of .13 acre, for which he pays no rent, alleges that he and his family earn Rs. 410 from shaving and hair-cutting. He is a village barber, and appears to earn a better income than some of the tenants who depend upon the income of their agricultural holdings.

Total number of non-agricultural cattle is very large, there being 169 cows, 97 she-buffaloes and 281 young bullocks and buffaloes. The approximate value of these cattle alone at the very low price of Rs. 20 for a cow, Rs. 75 for a she-buffalo and Rs. 10 per young bullock, would be Rs. 13,465 as compared with the total tenants' debt of Rs. 19,677.

This village is typical of a large tract of that portion of the Nerbudda valley, which was described nearly 100 years ago by Sir William Sleeman, euphoniously enough as the "Garden of Hindustan."

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 12,300.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Chaterkhera	22	17	18	12	14	4	2	6	95

APPENDIX E-LX.

MASANGAON, TAHSIL HARDA, DISTRICT HOSHANGABAD.

A large village of 2,466 acres situated on the old Bombay road, 7 miles west of Harda, in the Handia Revenue Inspector's circle of the Harda tahsil of the Hoshangabad district. The village is held in ubari right, the total kamil-jama being Rs. 2,300 of which one-fourth only is payable, the ubari being Rs. 575 per annum. The total population is 921, the principal castes being Gujars, of whom there are 550. The total tenancy area is 2,312 acres and the rental demand Rs. 4,531. The cropping is as follows :—

	Acres.
Cotton and mixtures	591
Wheat and mixtures	947
Gram and chura	128
Total kharif area	732
Total rabi area	1,256

The cultivators state that they sow 12 maunds of wheat in 10 acres of land and that the ordinary outturn should be five times the seed. They estimate the cost of cultivation as follows :—

For 15 acres of land.

	Rs. a. p.
Seed, 18 maunds	90 0 0
Cost of one pair bullocks Rs. 160 whose working life is nearly eight years, costing per year.	20 0 0
Grass for fodder	8 0 0
Labour charges for sowing	7 0 0
Cutting expenses, paid in kind, worth...	30 0 0
Payment to the carpenter	7 8 0
Payment to the lohar	3 12 0
Payment to the charar	2 0 0
Payment to the pig-killer	2 8 0
Payment to the barber	5 0 0

The outturn is 90 maunds, worth Rs. 450. The net profit is Rs. 274 or Rs. 18 per acre. The average rent is about Re. 1-15-0 per acre and they pay, in addition, 1 anna as kotwar's dues, total Rs. 2 per acre, so that the net profit, after deducting rent, will be Rs. 16 per acre. Crop experiments and other tests indicate that the estimate of the outturn of wheat is too low. The standard outturn, for the district, of wheat is 620 lbs. per acre, and this village is typical of the fertile portion of the Harda tahsil, so that it can safely be assumed that the outturn per acre is at least 600 lbs. or 7½ maunds per acre. The villagers, however, admit that the gross outturn is measured when harvesting and threshing, etc., is complete and after the payment of harvesting and to village servants have been made in grain out of the crop. They

have, however, separately shown these payments in their expenses as well.

<i>Cotton for 15 acres.</i>		Rs. a. p.
Seed 90 seers	...	2 4 0
Cost of sowing	...	8 0 0
Charges for weeding twice, according to the heaviness of the monsoon.	...	25 0 0
	to	60 0 0
Hoing—A small cultivator will do this himself. A man with a larger holding will employ a servant for six months on payment of Rs. 90, who will also do other work in ploughing the wheat fields, etc., so that half of the expenditure can be debited to cotton.	...	45 0 0
Picking of cotton	...	1 4 0 per maund
Between Rs. 85 and Rs. 120	Total say	100 0 0

They say that the outturn of cotton here is between 2 and 4 maunds per acre, *i.e.*, between Rs. 20 and Rs. 40 per acre at current prices. For 15 acres this will be between Rs. 300 and Rs. 600, say, on an average Rs. 450. Net profit between Rs. 215 and Rs. 480, average Rs. 350 for 15 acres. Prices have now fallen and net profit at present for 15 acres would be not more than Rs. 250 for 15 acres, *i.e.*, less than the profit from wheat.

Most of the cultivators in this village take short-term loans required for financing their agricultural operations during the rains, repaying as much as they can at harvest time. The cultivators say that those people who are regular and prompt in their repayments can get money at 12 per cent per annum interest, while those who are irregular in their payments have to pay 18 per cent or 24 per cent. A large number of tenants get these loans from one Govind. The villagers have no particular complaints against the local money-lenders. The principal debtor in this village is the kotwar, who owes Rs. 1,914. He borrowed Rs. 1,600 in 1925 for buying 30 acres of land on Rs. 51 rent in an adjoining village, while Rs. 300 was borrowed for the purchase of bullocks. He says he also borrowed Rs. 40 for a wedding. Anant, who owes Rs. 1,700 with 25 acres of land on Rs. 48 rent, appears to be more or less hopelessly indebted. There are in all three tenants who appear to be more or less hopelessly involved in debt. The total area of land held and rent paid by them are 309 acres at Rs. 556, their debts amounting to Rs. 9,600. The total debt of all classes of tenantry amount to Rs. 35,362, which is equivalent to an average debt of Rs. 15 per acre or about 7½ times the rent. If the debt of these 3 hopelessly indebted tenants is deducted, the balance of debt outstanding is Rs. 25,762, which is equivalent to Rs. 11 per acre and Rs. 6 per rupee of rent. It will be seen from Form C that the principal purpose for which the debts have been incurred is the purchase of land, which is responsible for Rs. 11,415 of the indebtedness. Purchase of bullocks accounts for Rs. 5,475. Old debts amount to Rs. 9,515. The tenants estimate the average selling value of land in this village at Rs. 100 per acre and the subletting value at Rs. 10 per acre. If

this is correct, the total value of the land held in tenancy right will be Rs. 2,31,200 and the annual subletting value Rs. 23,120. In addition there are 176 plough bullocks and 109 cows and other cattle excluding calves. There are in addition 51 she-buffaloes and 50 buffalo calves. The tenants estimate the minimum value of plough bullocks at Rs. 80 each and the average value of a she-buffalo is Rs. 100 and the average value of cows at Rs. 20. The total value of the agricultural cattle held by tenants amount to Rs. 21,660. Having regard to these assets alone, the total debts of the village appear to be small.

The tenants say that they know nothing about the Co-operative Credit Bank; but they say that the rate of interest is 12 per cent per annum, which is the rate at which they can obtain loans at present without joint security.

As regards taccavi, they say that they object to it because they get inadequate amounts. If they apply for Rs. 500, they will probably not be given more than Rs. 50.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 13,640.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Masangaon	30	7	11	15	9	6	7	22	107

STATEMENTS.

Manoo Harlal Gujar of Masangaon.

He has 22 acres of land on Rs. 44 rent. He and his wife work in the fields. He also supports his old father and two children. They consume two manis of wheat per year for food costing Rs. 120 and 24 kuros of tur dal worth Rs. 36. Six rupees worth of salt and Rs. 4 of chillies are also consumed. They also consume 3 maunds of tilli tel worth Rs. 15. They also use Rs. 40 worth of ghee, kerosene oil Rs. 3, supari Rs. 2-4-0, tobacco Rs. 6 per year. They spend Rs. 60 per year in clothing. They sow half wheat and half cotton in their land. They borrowed Rs. 300 and purchased a buffalo for Rs. 100, a bullock for Rs. 60, which died. The rate of interest on their debt is Re. 1 per cent per month. He is an occupancy tenant.

APPENDIX E-LXI.

WHEAT ZONE.

KARANPUR, TAHSIL SOHAGPUR, DISTRICT HOSHANGABAD.

A large village on the Sohagpur-Piparaya road, 3 miles east of Sohagpur in the Sohagpur tahsil, with a population of 438, total area 1,851 acres and land revenue Rs. 1,405. The malguzarin is a widow and the village is managed by an agent. Home-farm is 177 acres :—

Tenancy area	...	...	...	Acres.
Total cropped area	...	...	...	1,502
Rabi area	...	...	...	1,550
Kharif area	...	...	...	1,308
Juar and tur	...	...	...	242
Tilli	...	...	...	213
Wheat and mixture	...	...	...	139
				697

Total rental demand Rs. 2,429 on 1,502 acres, average rental about Re. 1-10-0 per acre.

The villagers stated as follows :—

Wheat cultivation.—The labourers who cut the wheat take actually about one-eighth of the standing crop in payment. After this deduction we consider fourfold a good average of normal years. We sow 120 lbs. worth Rs. 7-8-0. Other expenses of sowing, ploughing, etc., (as for linseed) Rs. 4. Total Rs. 11-8-0 plus rent. Outturn 480 lbs. after cutting = Rs. 30. Net profit Rs. 18-8-0 minus rent, say, Rs. 16-8-0 per acre. We pay the nai, lohar, barber, etc., out of the crop as it is cut and after that expect to get net fourfold.

Cost and profit of cultivating Rahar til crop: Rahar tilli in 4 acres.

3 pais of tilli seed: outturn $1\frac{1}{2}$ manis	...	...	Rs.
5 pais of rahar seed: outturn about $\frac{1}{2}$ mani	...	...	45
			15
		Total	60
Weeding per mani	...	...	2
Cutting per mani	...	...	2
Sowing by hand	...	...	Nil.
Bakharing cost, if bullocks are hired	...	...	2
Cost of seed	...	...	1
		Total cost for 4 acres	7
		Total outturn	60
		Balance	53
			or per acre about Rs. 13.

Cost and profit from juar-tur:—
Juar and tur in 4 acres.

				Seed.			Rs.	a.	p.
5 pais juar	...	...	...				1	0	0
5 pais tur	...	...	...				0	8	0
10 pais kodon	...	...	...				0	12	0
1 pai mung-urad	...	...	...				0	4	0
				Total seed	...		2	8	0

Outturn.			Rs.
Juar 1½ manis.	...	...	33
Tur 1½ manis	...	...	30
Kodon 4 maunds	...	...	10
Mung-urad 3 kuros	...	...	3
Total			76

Weeding	...	} 1-3rd of the crop.	
Watching	...		
Cutting and all expenses			
Sowing with own bullocks or say Rs. 3 if bullocks are hired.			
Cost Rs. 3+¼ (25). Total Rs. 28 or Rs. 7 per acre.			
Crop Rs. 76 or Rs. 19 per acre.			
Balance for 4 acres Rs. 48 or Rs. 12 per acre.			
Cost and profit from linseed—			
Linseed in 4 acres.			Rs.
Sows 5 kuros	...	...	6
Cost of sowing at Re. 1 per day hired bullocks	...	...	4
Cutting (paid in kind out of the crops)	...	...	about ¼ th.
Cleaning, etc., done by own labour	...	...	Nil
Ploughing in rains 3 times	...	...	12
Total cost			22

Outturn—2—2½ manis, Rs. 60 to Rs. 75.

This is the net outturn after paying the cutting in kind.

Cost Rs. 22. Outturn, say, Rs. 70.

Net Rs. 48 in 4 acres: Rs. 12 per acre.

Cost of pair of bullocks Rs. 100 per pair; will give work for eight years; can plough and sow 12 acres of land; we feed them on stalks of wheat, etc., etc., and also use 1 cart-load of grass costing Rs. 4 for 8 or 10 animals: say, Re. 1 per pair per year. Cost of bullocks $\frac{100}{8} =$ Rs. 12-8-0 per year, or Rs. 13-8-0 in all, for 12 acres or about Re. 1 per acre.

One mani of wheat is sown in 4 acres. 1 mani = 24 kuros = 240 seers.

Average price Rs. 30 per mani. The statements of Jugraj and Mohansingh and Hazari attached are examples of the causes of debt. Onkar's statement, also attached, explains the net profit from a typical mixed holding in the village. We can safely take the average net income here per acre at Rs. 12.

The total cropped area is 1,550 acres, which at Rs. 12 per acre should yield Rs. 18,000 net income in an average year.

The total of the cultivators' individual estimates of gross outturn as shown in Form A, comes to Rs. 31,140 which is certainly not an overestimate. In a typical holding of 16 acres of mixed cropping the gross outturn is Rs. 327 or Rs. 20-8-0 per acre and the net profit Rs. 12 per acre, i.e., the net profit is three-fifths of the gross outturn. If this calculation can be relied on the net profits would be about $\frac{31,140}{5} =$ Rs. 18,200 roughly, which practically coincides with the estimate of Rs. 18,000 at Rs. 12 per acre.

The total cultivating population consists of 89 male, 83 female adults and 116 children, total 308 persons. The net

income from agriculture is, therefore, about Rs. 60 per head or Rs. 300 per average family of five persons. In addition the admitted income from non-agricultural sources is Rs. 11,450, of which Rs. 1,950 is in interest earned by the local money-lenders, Rs. 5,150 from shop-keeping, and Rs. 4,350 from other sources such as carting, employment on the railway, etc., etc.

As regards carting, the tenants gave the following information:—

Carting.—Mansa, Imrat and Unkar have no carts at present. All the other tenants have carts.

They get Rs. 9 per 100 cubic feet for carting gitti from Rengha hill to the Public Works Department road. It takes one cart 16 days to do this carting.

They say they earn Rs. 15 a month with one pair and Rs. 30 a month with 2 pairs of bullocks. They work for about 2½ months in the year and each tenant can therefore earn about Rs. 40 in the year with one cart and one pair of bullocks in his spare time. One man goes with the cart and one child or woman cuts some grass for the cattle, etc.

Debts.—There are some big malguzars and tenants living in other villages who hold land here. Excluding them, 75 tenants owe Rs. 9,462 in all. Of these, only 4 can be said to be really heavily indebted.

Dabia, with 9½ acres at Rs. 9 rent, owes Rs. 308, of which he borrowed Rs. 166 at 25 per cent interest to purchase 4 acres of land from the malguzar. He is never likely to be able to repay the principal and interest. This is an instance of a small cultivator ruining himself by borrowing money at high interest to purchase more land.

Ganpat, with 24 acres at Rs. 44 rent, owes Rs. 600, of which he borrowed Rs. 360 at 24 per cent interest to acquire 10 acres of land. His fate will be the same as Dabia above.

These men might be saved by a long-term loan from a mortgage bank at low interest if such an institution existed. But there is no hope for them at present.

Mohansingh is the principal debtor. He has 72 acres at Rs. 108 rent. He values his land at Rs. 3,500, but owes Rs. 4,265 at 16 per cent. His 53 acres of absolute-occupancy land are mortgaged for Rs. 3,665. He is bound to lose his land, though debt conciliation through a land mortgage bank might have saved him. He says Rs. 3,400 is an old ancestral debt.

Jugraj with 30 acres occupancy land at Rs. 46 rent valued at Rs. 1,500 owes Rs. 887, of which Rs. 525 is old debt. He says his debt is due to cattle mortality.

If the debt of these 4 men holding 135½ acres on Rs. 207 rent be excluded, the balance of debt on the remaining resident 72 tenants is Rs. 3,402 only.

These 72 tenants hold 941.76 acres on Rs. 1,494-14-0 rent. Fourteen are free from debt. The average debt per head is under Rs. 50. Only 19 have debts over Rs. 100 and many of the debts are ordinary short-term seasonal loans. The crops here have been poor for the last few years, and the general indebtedness under these circumstances cannot be said to be excessive.

There is a co-operative credit society with 17 resident members. They hold 263.47 acres on Rs. 399-7-0, rent and owe Rs. 1,687 to the bank and Rs. 6,378 to others; average Rs. 474 per head, Rs. 30 per acre and 22 times the rent. As usual, these co-operative credit society members are much more heavily indebted than the other tenants. This village contains an admixture of good and poor soil and is fairly typical of the Sohagpur tahsil.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 36,914.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Karanpur	5	3	4	2	3	2	3	12	34

STATEMENTS.

Jugraj (No. 8-B)—

From Rajaram Raghunand I borrowed Rs. 400 ten years ago. I did not pay him anything. With interest it became Rs. 650. I gave him all my land for eight years in repayment of my debt. This is now the sixth year.

I borrowed Rs. 150 from the same creditor on mortgage of the garden of about $\frac{1}{2}$ acre, Rs. 100 for son's marriage, Rs. 50 for paying interest to the co-operative bank.

Now we depend on service. My elder son works on the railway on Rs. 14 a month. The younger son works as a labourer in the village on an average wage of Rs. 9 or Rs. 10 a month for 12 months. In Ashar he works for a cultivator for six months for 2 manis, *i.e.*, $\frac{1}{2}$ wheat, $\frac{1}{2}$ gram. The price of wheat at present is Rs. 60. He gets in instalments of 4 kuros after 15 days' work. I am old and do not work for wages. I do what I can for the house, *e.g.*, graze the buffaloes. He says his land is worth Rs. 1,500.

Mohansingh (No. 19,B)—

I got from my father a debt of Rs. 600 to Rs. 700 and 8 manis grain debt, and from the bank Rs. 400. My father died nine or ten years ago. Since his death there has been no marriage in the family. For his *sradh* we had not to borrow anything. We had grain in the house, we managed with that. My brother died before my father. All the debt is due to cultivation expenses and interest. In the last ten years there were about five bad years. Hence this position. For Rs. 600 there has been a decree and I have to pay Rs. 100 a year for six years and then interest at 12 per cent. For the old debt of Rs. 3,400 I have mortgaged 36

acres of land which the mortgagee cultivates at his own expense, the profits covering only the interest. The sowkar pays for the rent of the land. He has sublet it to another for Rs. 250.

The rest of the land has been sublet for Rs. 170 with which I pay the other creditors. I manage my household expenses by service as a peon in the civil court on Rs. 12 a month. My brother earns Rs. 15 on the railway. I am out of employment now. At first I was in the railway, but I gave up that job to be in the village, and served as a peon in the civil court at Sohagpur as a temporary hand.

Hazari (No. 26-B)—

I lent Bhagwandas Rs. 800 on mortgage of 16 acres of land on "sudmunafa", i.e., I cultivate the land at my own expense and get the profit as interest on my money. I pay the rent for this land. The arrangement was that after six years he would repay and take back the land. Three years have passed. If he does not repay in six years I shall have to go to the court, unless he agrees to let me have the land in exchange. My debt is recent due to bad years and the necessity of paying sub-rent for land which I have taken on sub-lease.

Onkar Parabia (No. 2-B)—

I have 16.64 acres on Rs. 19 rent. All my average cultivating expenses and profits are as follows:—

<i>Seed.</i>		Rs. a. p.
Juar 3 seers ...	...	0 6 0
Tur 3 seers ...	...	0 6 0
Kodon 6 seers ...	...	0 6 0
Mung $\frac{1}{2}$ seer ...	...	0 2 0
Urad $\frac{1}{2}$ seer ...	...	0 2 0
Wheat-gram 4 maunds ...	...	14 0 0
Wheat $1\frac{1}{2}$ mani ...	...	37 8 0
Gram 4 maunds ...	...	12 0 0
Alsi 2 kuroa ...	...	3 0 0
Teora 2 kuroa ...	...	1 8 0
Total ...		69 6 0

<i>Outturn.</i>		Rs. a. p.
6 maunds juar ...	...	18 0 0
8 maunds tur ...	...	18 0 0
4 maunds kodon ...	...	6 0 0
2 maunds mung ...	...	3 0 0
2 maunds urad ...	...	3 0 0
Wheat-gram 16 maunds ...	...	56 0 0
Wheat 6 manis ...	...	150 0 0
Gram 16 manis ...	...	48 0 0
Alsi 4 manis ...	...	13 0 0
Teora 5 manis ...	...	10 0 0
Total ...		325 0 0 gross outturn.

Labour.

	Rs. a. p.
1 servant 15 days	7 8 0
Weeding	3 0 0
Watching	6 0 0
Juar cutting	1 8 0
Lohar $\frac{1}{2}$ maund	2 8 0
Carpenter $\frac{1}{2}$ maund	2 8 0
	Makes new implements.
Total	23 0 0

Capital.

Bullocks 80	13 0 0
Bullocks' feeding	6 0 0
Implements	3 0 0
Total	22 0 0

Expenses—Grand Total	114 6 0	or Rs. 7 per acre.
Rent	19 0 0	
Kotwar	0 8 0	
Gross income from 16 acres	325 0 0	
Cultivating expenses including bullocks.	115 0 0	
Net profit for 16 acres	210 0 0	
<i>i. e.</i> , per acre	13 4 0	
Rent per acre	1 3 0	
Net profit per acre	12 0 0	

APPENDIX E-LXII.

COTTON ZONE.

AMALPURA, TAHSIL KHANDWA, DISTRICT NIMAR.

A village in the Khandwa tahsil of the Nimar district, 10 miles north-east of Khandwa, on the first class Khandwa-Harsod road. The total area is 993 acres. There are 147 houses with a total population of 648 persons. Nearly half the population consists of Kunbis. The land revenue of the village is Rs. 650, including the malik-makbuza payment. The malguzars are shown as owing Rs. 15,400 debt. The total occupied area is 1,568 acres, of which 246 is in the *sir* and *khudkasht*. Malik-makbuzas hold 558 acres on Rs. 349 jama; tenants hold 719 acres on Rs. 342 rent.

The total kharif area is 1,320 acres of which juar occupied 662 acres and cotton 502. The total rabi area is only $3\frac{1}{2}$ acres and is unimportant. The whole of this $3\frac{1}{2}$ acres is double-cropped. The average rent per acre for tenants is about $7\frac{1}{2}$ annas and for malik-makbuzas about 11 annas per acre. One Mangilal, Bania, sublet 121 acres in this and neighbouring villages for Rs. 700. Others have sublet small areas of poor land at rates averaging from Rs. 3 to Rs. 6 per acre, but subletting is rare. Kesheo, kotwar, purchased 15 acres of land some seven or eight years ago for Rs. 250 on Rs. 9 jama. This land has a pucca well. The villagers say that the best quality land will sell at Rs. 200 per acre while the bad soil will sell at Rs. 60 per acre, the average price being about Rs. 100 per acre.

Agricultural finance.—With one or two exceptions, all the villagers say that they annually take short-term loans for financing their agricultural operations. The principal sowkars who advance money here are residents of Bhamgarh, a large village adjoining. They say that the ordinary rate of interest for short-term loans is 24 per cent and in some cases the rule is to repay 3 maunds of cotton in lieu of interest on Rs. 100 advanced in cash. The date for payment is ordinarily in Karthik. If there is any failure in payment of this cotton, the debtor is required to write a bond for cash Rs. 100 plus the equivalent at the current price of the 3 maunds of cotton at 25 per cent interest. Those who are malik-makbuzas and have rights of transfer can get money at 12 per cent interest if they mortgage their land. Cultivators say that practically all these short-term loans are readily repaid at harvest unless the year has been a peculiarly bad one. The tenants say that the principal causes of the burden of debt increasing on a particular tenant is either bad harvests and fall in prices or some kind of domestic misfortune or special social expenditure such as marriages, etc. The tenants say that the price of the kind of bullocks which they use for their cultivation is about Rs. 100 per pair and that their working life is eight years.

Cotton.—The cultivators say that the outturn in the village and in the surrounding tract on ten acres of land varies between $2\frac{1}{2}$ and 5 manis of 12 maunds according to the character of the season and they themselves say that 4 manis for 10 acres may be

taken as the safe average normal crop; that is to say, the ordinary crop on ten acres is 48 maunds or 1,920 seers, or they estimate the average outturn of cotton here at 384 lbs. per acre. They say the average price nowadays of their mani which consists of 480 seers is Rs. 120 and the value of a normal crop of cotton per acre in this village at present prices will, therefore, be Rs. 48. Since our enquiry in the village the price fell by 40 per cent and has again risen a little; value now is about Rs. 38.

Juar.—They say that the outturn varies between 2 and 4 manis for 10 acres and that the price of a mani of juar is Rs. 96 so that the value of juar per acre varies between Rs. 20 and Rs. 40. They also get one mani of urad with the juar which they say sells at the same price as juar. The total value of the juar and urad crops varies between Rs. 30 and Rs. 50 per acre.

Here, as elsewhere, in the Nimar district malik-makbuzas are important. The rainfall is light as in Berar. The typical soil is a loam soil, well suited to the production of cotton. Having regard to the similarity with the soils of Berar and to the fact that malik-makbuzas have full rights of transfer in their land, the general conditions of the whole of the Khandwa tahsil and this tract in particular bear close resemblance with those prevailing in Berar.

Debts.—There are 5 co-sharers and 49 tenants in the village. Of them, 1 shareholder and 13 tenants are entirely free from debt. The total debts in the village amount to Rs. 72,061 of which the malguzars owe Rs. 15,400. They hold 221 acres of *sir* and khudkash land and some malik-makbuza land in addition. There are 5 shareholders in all. Chunnilal Parbho holds 6 annas share and 67 acres of malik-makbuza land in addition. He is free from debt. Umrao Patel with 65 acres of home-farm owes Rs. 4,000 of which Rs. 2,000 was expended on the purchase of land and Rs. 2,000 is shown as an old debt.

Lalchand Patel, with 96 acres of home-farm, owes Rs. 3,000 at 12 per cent interest borrowed for the purchase of 15 acres of malik-makbuza land. He also holds some occupancy land in another village of Kapuria. His land is valued at Rs. 150 per acre.

Nathu Patel, with 31 acres of home-farm, owes Rs. 3,000 at 12 per cent interest borrowed for marriage. His land is valued at Rs. 150 per acre. He has also a house worth Rs. 200. It is probable that he may have difficulty in repaying this debt.

Narayan, another shareholder, holds 60 acres of land and owes Rs. 5,400 of which 5,000 was incurred for the purchase of land and Rs. 400 for marriage. He also keeps a grocery shop and does trade in ghee. The 5,000 was borrowed at 12 per cent interest, and is on the mortgage of his land.

Shankarlal, Brahman, with 24 acres of land, owes Rs. 1,200 at Rs. 18 per cent interest, borrowed for marriage.

Kesho, with 56 acres of land, owes Rs. 2,500, Rs. 2,150 of which was borrowed for the purchase of some of his land, and the balance for marriage.

Chhitkar Kesheo, with 42 acres of land, owes Rs. 3,000, Rs. 2,000 of which is an old debt on mortgage at 12 per cent interest, and Rs. 1,000 of which was borrowed for marriage.

Seth Bhikasao, with 36 acres of land, alleges a debt of Rs. 10,000 at 12 per cent interest for repayment of old debt. This gentleman admittedly has a large money-lending business, from which he gets an annual income of Rs. 5,000 a year. His debt should not have been included here.

Makunda Patel owes Rs. 1,700, Rs. 1,500 of which was borrowed for the purchase of land and Rs. 200 spent on litigation.

Ramchand owes Rs. 1,600. He has 30 acres of land and Rs. 1,000 was borrowed for the purchase of land and crop for weeding.

Hira, Kunbi, owes Rs. 2,200 on an old debt. He has 44 acres of land.

Harainsao, Bania, with 38 acres of land, alleges a debt of Rs. 3,000 borrowed for marriage at 14 per cent interest. This man has also 55 acres of land in another village of Kalankhari and a substantial money-lending business and a grocery shop. This is one of those suspicious money-lender's debts which can safely be disregarded.

Phirtoo, Kunbi, with 38 acres of land, owes Rs. 5,000 at 12 per cent interest, Rs. 4,600 of which was borrowed for the purchase of land.

Makundsao Seth alleges a debt of Rs. 5,300. We received his statement as it provides an interesting example of the real condition of these Bania tenants. The villagers stated that he had a considerable money-lending business. It will be seen from his statement that he admits before us that he had not previously disclosed. This man does not appear to be really indebted at all.

Another Bania Moujisao Seth alleges a debt of Rs. 2,000 for payment of old debt. He has 8 acres of land in this village on Rs. 2-8-0 rent. He holds 13 acres in another village and is also a trader in cotton.

The debts of these Banias, who are not mainly agriculturists in this village, exceed Rs. 20,000, and if these are deducted, it will be seen that most of the other indebtedness of tenants in this village was incurred for the purchase of land.

The purposes for which the total debts in this village are alleged to have been incurred are as follows:—

	Rs.
1. For payment of old debt	28,250
2. For marriage and other ceremonies (about half the total under these items is owed by these Banias):	17,925
3. For the purchase of land	22,237
4. For litigation	386

If we exclude the Banias' debt, the remaining debts from tenants amount to about Rs. 35,000. They hold in this village 1,277 acres and considerable areas elsewhere. The debt works out

at about Rs. 25 per acre on the land which they hold and more than half of these debts has been incurred for the purchase of land.

That is to say, the economic position prevailing here is in many respects similar to that in Berar. Prices of land rose during the cotton boom with the result that there has been a certain amount of gambling in land purchase. Out of 55 tenants in all, not more than 2 can be said to be hopelessly indebted, but it will be difficult for the several others to repay their debts at present prices, although these debts might be redeemed if a land mortgage bank was functioning to advance long-term loans at a low rate of interest.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 17,537.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Amalpur	1	4	8	8	10	4	4	10	49

STATEMENTS.

Mukunda Seth, Bania—

The old debt of Rs. 230 is due to losses in cotton trade. We purchased cotton here in the hope of a rise and had to sell it at a loss in Khandwa. This is about six years ago. Rs. 2,800 were spent in the marriage of my sister and my younger brother. We purchase 50 or 60 manis of cotton every year. The local mani is of 480 seers. The present price is Rs. 120 per mani. The price rose two or three years ago to Rs. 300 per mani. We purchase three or four manis of cotton here and sell it in Khandwa and recoupe ourselves. We also have a grain shop in the village. We make wholesale purchases of 4 or 6 bags at a time and sell them at each bazar. We are keeping two servants for our cultivation. We only sow cotton in our land. We sow 4 maunds of cotton seed worth Rs. 16. The crop outturn varies between 2½ and 5 manis of cotton according to the character of the season. The cost of weeding is Rs. 40 to Rs. 50. We pay Rs. 12 per mani for picking. In a good year the picking expenses would be Rs. 60 and in a bad year Rs. 30. We pay Rs. 25 a month to the two servants. These figures refer to 26.50 acres of land in this village of which 6 acres are fallow. We pay Re. 1 to the Lohar and Barai each year. Our cultivation is simply a subsidiary industry, from which we get practically no profit. We have also nine acres

of land in Kaparia village, where the outturn is the same. We have also Rs. 1,000 worth of money-lending which I have not previously disclosed. We charge 25 per cent interest. We are Jessoris Banias. The debts which have been incurred are for the purposes of carrying on our business and also for lending.

Statement of Bika, Kunbi—

He has 25 acres of land and he says that he sows cotton in one half and juar in the other half. His expense are as follows :—

Cotton.—He sows cotton seed 3 maunds worth Rs. 10. He says that he and his children do some of the sowing and weeding, but that in addition they have to spend Rs. 25 on hired labour, i.e., Rs. 12-8-0 on the cotton and Rs. 12-8-0 on the juar. He says that much of the weeding is done by him and his family members and that he pays Rs. 10 in addition to the labourers for weeding the 25 acres. He says that they have only to weed the cotton and that Rs. 10 is expended on weeding cotton only. He says that he has also to engage Rs. 6 worth of labour to help him in hoeing, about Rs. 3 to cotton and Rs. 3 to juar. He says that he pays Rs. 12 per mani to the labourers for picking the cotton. He said that he ploughs and harrows the land in the hot weather, but this is done by himself and his children.

Juar.—He sows 12 seers of juar in the 12 acres. The cost of seed is Re. 1-8-0. He spends Rs. 4 or Rs. 5 in cutting the juar. He has one pair of bullocks worth Rs. 100. He expends cotton seed per year on their food worth Rs. 25. The amount of kadbi is sufficient for his requirements and he does not sell any nor buy any. In some years he gets about 1,000 pullis which, if sold, would bring about Rs. 50. This tenant holds 24.17 acres of which 1.70 is fallow. In the present year he sowed cotton in 9.25 acres and juar in 10.60. He also sowed tur in 0.80 and 1.24 acres of mungpalli. He sowed 16 seers of mungpalli and got this year 2 maunds. The value of the seed was Rs. 2 and of the crop Rs. 10. He says that the kudki dried up and he got nothing, but he sowed eight annas worth of seed. He sowed Re. 1 worth of tur, but that it was all washed away in the floods. He has only got one mani of cotton this year, but that in some years he gets 3 manis. The outturn was low, because there was no rain in September. He only got 2 maunds of juar, but in ordinary years he expects to get 2 manis. This year he will have to borrow money from the sowkar to carry him on until the next harvest. He owes Rs. 600 already at 12 per cent interest. He borrowed Rs. 400 for the marriage of his two sons and one of his daughters. Hence he is indebted. He has no buffaloes, but has one cow.

APPENDIX E-LXIII.

SAROLA, TAHSIL BURHANPUR, DISTRICT NIMAR.

A village of 197 acres and 210 houses in Burhanpur tahsil of Nimar district, situated 10 miles to the north-east of Burhanpur, 3 miles from the Burhanpur-Ellichpur road. The total population consists of 1,054 persons, the predominating caste being Kunbis. The total land revenue is Rs. 2,640, which includes a large amount of malik-makbuza payments. The total tenancy area is 353 acres only on a rent of Rs. 721, all of which is held in occupancy right. The malik-makbuza area is 953 acres and the gross malik-makbuza jama payable to the malguzars is Rs. 2,353. The malguzars hold 270 acres of *sir* and *khudkasht* and also a considerable area of malik-makbuza land. There are in all 23 shareholders in the village, who are shown from the statements, to have in all Rs. 45,325 debts. The total occupied area is 1,610 acres, of which 1,538 acres are under crop. The cropping is as follows:—

	Acres.
Cotton and mixtures	989
Juar and mixtures	422
Total kharif area	1,495
Total rabi area	43

The average rent per acre for occupancy tenants works out at a little above Rs. 2 per acre while the rate for malik-makbuzas approximates to Rs. 2-8-0 per acre. The cultivators say that the value of the worst land in the village is Rs. 75 per acre and the value varies according to the quality of the soil, from Rs. 75 to Rs. 500 per acre. They say that most of the soil belongs to the better quality, three-fourths of the land being of the superior variety and the remainder of the Rs. 75. The average value of land in this village would, therefore, then approximate to Rs. 350 per acre. But with the fluctuations in the prices of cotton, land values must also fluctuate greatly.

The predominant soil is a very fertile clay loam typical of the Tapti valley.

Villagers say that the average subletting value of land here is Rs. 16 to Rs. 20 per acre. Cultivators also say that one holding of 11 acres has sublet, however, for Rs. 660 or Rs. 60 per acre; the ordinary outturn of cotton here is about 2 pallas of 480 lbs. per acre, worth at present prices about Rs. 56. They also say that they sow tur mixed with cotton in lines and that the ordinary outturn of tur with cotton would be one maund worth about Rs. 6. Since this was written the price of cotton has fallen by 40 per cent and again risen to about 20 per cent below the price prevailing at the time of our enquiry.

Juar.—They say that the average outturn of juar in an acre varies according to the season, from six to ten maunds worth Rs. 4 per maund, *i.e.*, from Rs. 24 to Rs. 40. They say that

they also sow mung or urad with juar and that the average out-turn is 15 seers worth about Rs. 2 or Rs. 3.

The villagers say that two-thirds of the malik-makbuza land has now passed into the hands of sowkars. The actual figures in statement B show that, out of total area of 953 acres of malik-makbuza land 163 acres are now held by Banias. This is a typical instance of the habit of exaggeration by villagers. Still there is no doubt that the money-lenders have got a firm hold in the village and the surrounding tract. The villagers say that, with one or two exceptions, all of them take money on short-term loans from money-lenders for financing their agricultural operations, such as sowing, weeding, food expenses, cotton picking, harvesting, etc. These loans are repaid at harvest if the crop is satisfactory; but if the crop is poor, some of these loans remain unpaid. Upon these outstandings, compound interest is charged, with the result that the debts swell to a large sum if a succession of bad years follow one another. These loans are usually taken in July and August, repayable in November and December. They say that substantial agriculturists who are regular in their payments get money at 18 per cent per annum interest, while the others have to pay 25 per cent. These loans are taken upon promissory notes or bonds and there is usually a stipulation that, if repayment is not made by the due date, interest will be charged at Rs. 3-2-0 or 37½ per cent per annum. There are one or two small money-lenders in the village, but most of the financing of the village is done by money-lenders from Burhanpur. Until 5 to 6 months ago, the courts were in the habit of passing decrees for the penal interest of Rs. 3-2-0, but the villagers say that in the last 5 to 6 months, the courts are only decreeing 24 per cent in cases where there is a stipulation for 37½ per cent. The villagers say that the ordinary rate of interest on mortgage nowadays is 14 annas or Re. 1 per month, i.e., from 10 to 12 per cent per annum. The tenants say that the reason why they take unsecured loans when they might obtain money at lower interest on a mortgage, is because the amounts which they usually require are small, while the money-lender, if land is mortgaged, insists on the whole of their land which is often of a very much greater value, being mortgaged, and does not agree to a small portion only being mortgaged. The villagers are all of the opinion that the occupancy tenant should be given the right to transfer his land. There is no co-operative credit society in this village and there are few in this tahsil and most of these are now under liquidation. The local authorities state that the reasons why these societies are going into liquidation are that there was no supervision at the time of their formation and that no proper enquiries were made into the real assets of the members who, in many cases, were over-financed. The people of this village say that they have never heard of taccavi and no one has ever taken any taccavi.

The ordinary price of a pair of bullocks is, they say, about Rs. 150 and the life of a pair of bullocks is eight years.

Total indebtedness of this village amounts to Rs. 80,745 all of

which has been borrowed from sowkars for the following purposes :—

	Rs.
Old debt	21,000
Marriage and ceremonials	37,780
Seed and agricultural expenses	7,275
Implements	590
Purchase of land...	410
Land improvement	640
Litigation	360

Among the malguzars, Deoram, Kunbi, owes, Rs. 15,600. An idea of the real value of land in this village can be obtained from the fact that 32 acres of his *sir* land are mortgaged for Rs. 12,000. He holds in all 70 acres of home-farm with a small share in the village. His debts have been incurred for the following purposes :—

	Rs.
Old debts	1,600
Marriage and ceremonials	6,400
Buildings of well and purchase of pump and oil engine	4,700
Seed, etc.	1,000
Litigation	1,500

The fall in the price of cotton has produced, as elsewhere, a corresponding fall in land values, but the home-farm of this individual is at present valued at Rs. 400 per acre. This man has in his holding a valuable garden from which he admits an income of Rs. 800. He has 20 cows and 3 she-buffaloes and his land and cattle are valued at Rs. 29,000. The rate of interest on this debt works out at 15 per cent per annum. It is possible that this man might be saved with the help of a long-term loan at a low rate of interest from a land mortgage bank, but at the present low price of cotton and in the absence of any such bank it appears to us doubtful whether this debt will ever be redeemed. The item of Rs. 6,400 debt for marriages and ceremonials shows that this man has been living beyond his means as a result of the cotton boom.

Jai Ram, another shareholder, with 67 acres of home-farm, owes Rs. 3,300 at 12 per cent interest, of which Rs. 3,000 was borrowed for marriages.

Shankar and Nama, other shareholders, owe Rs. 7,200 at the same rate of interest. 11 acres of their land is mortgaged for Rs. 6,000, another index of land values here. Of this debt Rs. 3,000 is shown as an old debt, Rs. 3,000 was incurred for marriages and Rs. 1,000 for litigation.

Shiyamrao, another shareholder, with 90 acres of home-farm, owes Rs. 3,300, of which Rs. 2,000 was borrowed for marriages.

None of these persons are over anxious with regard to their debts and state that they will be repaid in the ordinary course. Having regard to the present price of cotton, we feel less sanguine.

Rajaram, however, appears to be hopelessly indebted. He has only 10½ acres of *sir* land and a microscopic share in the village. He owes Rs. 2,500 and his share in the village is mortgaged for

Rs. 1,200 at 12 per cent interest. He states, however, that he has taken 15 acres of land in addition on sub-rent for Rs. 350 at Rs. 23 per acre.

Tenants.—The total debts of the shareholders in this village come to Rs. 45,320. Among the tenants and malik-makbuzas the total debt comes to Rs. 35,420. There are in all 59 holders of malik-makbuza land and 35 occupancy tenants, of these 57 are free from debt. The 37 indebted tenants hold 491 acres of land in this village. Their total debts, therefore, work out at nearly Rs. 1,000 per indebted tenant or a little over Rs. 400 per tenant or about Rs. 72 per acre of the area held by indebted tenants or Rs. 31 per acre of the total area held in tenancy and malik-makbuza right. As the value of land in this village approximates to Rs. 350 per acre, these debts, therefore, represent about one-tenth of the value of the land.

The case of Chhuttial, Lohar, is of some interest. He held 7 acres of malik-mukbuza land at Rs. 21 rent. This land previously belonged to a Brahman, and it was purchased by Chhuttial five years ago for Rs. 3,000 of which he borrowed Rs. 2,000 at 12 per cent interest. He has been sued for recovery of this debt and a decree passed for Rs. 3,500 and this land since our enquiry commenced has actually been sold by auction for Rs. 2,100, leaving the debtor landless, as he was before, but in place of a balance of Rs. 1,000 capital with a debt of Rs. 1,400. This is an interesting example of the evil resulting from gambling in land at the time of the cotton boom. It is interesting to note however, that this land is still fetching Rs. 300 per acre in an auction sale.

Another big tenant Goto, Kunbi, with 40 acres of land and a money-lending business of Rs. 3,000 alleges a debt of Rs. 2,400 of which Rs. 1,600 was incurred for purchasing 2.26 acres of malik-makbuza land in this village.

Another tenant Ramcharan, Kunbi, with 22 acres of land, owed Rs. 2,000 at 15 per cent interest, Rs. 1,400 of which was borrowed for marriage.

Jai Ram, Kunbi, with 3 acres of malik-makbuza land, owes Rs. 3,000 borrowed for marriage at 15 per cent interest. His 3 acres of malik-makbuza land are mortgaged for Rs. 2,200, another index of local land values.

Raghunath, Brahman, with 37 acres of land, owes Rs. 3,800 at 15 per cent interest 5 acres of his malik-makbuza land are mortgaged for Rs. 1,800 borrowed for marriage. In addition there are Rs. 2,000 of old debt.

Baloo, Kunbi, with 7½ acres of malik-makbuza land on Rs. 27 rent, owes Rs. 1,150 of which Rs. 900 was borrowed for marriage.

Moti Ram, Kunbi, with 7½ acres of land on Rs. 17 rent, owes Rs. 2,000 at 15 per cent interest, Rs. 1,400 of which was an old debt and Rs. 600 was borrowed for marriage. He is at present being sued by his creditors for recovery of this debt.

Ganpat, Kunbi, with 2.13 acres of malik-nakbuzas muafi malguzari land, owes Rs. 650 borrowed for marriage at 37½ per cent interest. As he holds this land rent-free from the malguzar, it cannot be sold for satisfaction of his debt. He and his son ply their carts for hire and do agricultural labour and earn their living in this way.

Gulab, Musalman, with 5½ acres of land in this village on Rs. 3 rent and 6½ acres of land in Jainabad, owes Rs. 6,450 of which Rs. 5,250 is an old debt and Rs. 1,200 was borrowed for marriage at 37½ per cent interest. This tenant is unable to explain the origin of the old debt, which he says was borrowed by his brother who is now dead. They previously had 10 acres malik-makbuza land, which was sold eight or ten years ago in satisfaction of a debt. This man is hopelessly indebted, but as his land is held in occupancy right, it cannot be sold.

Another big tenant Ganpat, Kunbi, with 78 acres of land, owes Rs. 1,200 at 15 per cent interest Rs. 950 of which was borrowed for marriage. He has also admittedly a money-lending business and his disclosed debt is nominal only.

Kishan, Ganpat, etc., Kunbi, with 7 acres of malik-makbuza land, owe Rs. 1,050 of which Rs. 700 was borrowed at 37½ per cent interest and Rs. 300 at 12 per cent interest for marriage. They are occupancy tenants in a malik-mukbuza holding. They appear to be in a hopeless condition.

Deochand, Kunbi, with 9½ acres of land as occupancy tenant of a malik-makbuza, owes Rs. 800 at 37½ per cent interest of which Rs. 600 was borrowed for marriage.

These are the principal debts. There are many persons with quite small debts. This village and this tract which adjoins the Khandesh district of Bombay and Berar to the south, present the usual characteristics of the cotton tracts of Berar. It seems clear that most of the debt is due to the failure of the cultivators to reduce their standard of living and expenditure with the fall in the price of cotton. The land in this tract is undoubtedly very fertile and is extremely valuable and the crop outturn is as large if not larger than that of the best parts of Berar. The financial position has undoubtedly been confused and complicated by the feverish rise and subsequent fall in the price of cotton.

In this village and in this tract a land mortgage bank could perform very valuable services to the community. There are many ryotwari villages in this tract and Sarola is not far off from the Manjrod Illaka, which has been excised from Government forest during the last 30 years. The whole of this Tapti valley was one of the most fertile parts of Central India in the 18th century. It was the scene of continued depredation and warfare between Holkar's, the Peshwa's and Sindhiya's armies and eventually went entirely out of cultivation. The tract to the east of this village right up to the Melghat of Berar was for many years famous as a hunting ground for tigers, bison, etc., etc. Practically the whole of the tract has now once more been brought

under cultivation. The soil is extremely fertile. Captain O'Grady, who appeared before us as a witness, is the patel of villages only a few miles to the east of Sarola. In his deposition he pointed out the main defects of agricultural finance in this tahsil, and it is not necessary to repeat here his explanation of the mismanagement of the co-operative credit societies and the inadequacy of the arrangement made by Government for financing their ryots, who first brought this land under cultivation. In the ryotwari villages a wide extension of taccavi distribution is probably necessary to finance the seasonal short-term requirements of the cultivators, but we feel a greater part of the financial problem would be solved if a land mortgage bank were functioning to finance the long-term loans at a low rate of interest.

The cultivators in this village at any rate hold here and elsewhere over 2,000 acres of land. Even after the recent fall in land values this property is still worth, as is explained above, at least 6 lakhs of rupees.

The total debt of Rs. 80,745 even now represents only about 15 per cent of the value of the land held. With proper financial facilities there is still a very bright future before this very fertile tract.

Sources of finance.—There is a large population of money-lenders big and small, in the town of Burhanpur. Villagers complained of malpractices and of actual dishonesty in some cases. They said that receipts on payment were not as a rule given and that in some cases the sowkars stated that they would not accept repayments if the debtor insisted on being given a receipt. Our enquiries in Burhanpur show that there is a possibility that the capital available is not sufficient to finance both the movements of the cotton crop in Burhanpur market and also the requirements of agriculturists in the villages. One or two of the big money-lenders whom we consulted stated that owing to the sudden fall in prices and unfavourable seasons only a very small portion of their outstanding loans as being recovered and that most of their available capital was already locked up in loans to agriculturists. In addition to the usual money-lenders of the Bania caste a number of shop-keepers, Telis, Kalars, Gujrathis, etc., also do petty money-lending; and it is from these persons principally that the small loans at 37½ per cent and other high rates are obtained. Our considered opinion was that there was wide scope for improvement in the arrangements for agricultural finance throughout the Burhanpur tahsil.

Marketing.—There is a large cotton market in Burhanpur, and cultivators have no difficulty in disposing of their crops. Some of them complained of malpractices and faulty weighments, but that the fault does not lie entirely on one side only, was explained to us by Mr. McClenaghan, a former Deputy Commissioner of this district. He stated that he himself had come across a case of a cultivator, who complained to him in Burhanpur that he was being cheated over the weighment of his cotton and who was found on investigation to have himself dipped his carts of cotton in the Tapti river before bringing them to the

market in order to increase their weight. Villagers, however, stated that the adjoining cotton markets in Khandesh give better prices than the Burhanpur market; and our enquiries show that a good deal of cotton from this tract went to more distant markets across the border. The cotton market at Burhanpur is under the management of the municipal committee and the more effective cotton market rules of Berar are not applied here.

It may be added in conclusion that the close proximity of this village to Burhanpur to the west and to the jungle to the east give good scope for earning a subsidiary income from carting and the export of various forest produce. As a matter of fact, many of the smaller tenants earn considerable sums from agricultural labour. According to the tenants' statement the cost of cultivating a substantial holding with hired labour varies between 10 and 15 rupees per acre, to which has to be added the rent. One of the principal items here is as usual the weeding and picking of cotton and as picking of cotton is paid for on contract system according to the amount of the cotton picked the charges for cotton picking in this very fertile village are of necessity greater than those in a village where the cotton outturn per acre is less.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 10,603.

APPENDIX E-LXIV.

BRAHMOGRAM, TAHSIL HARSUD, DISTRICT NIMAR.

Brahmogram is a village about 7 miles from Harsud in the Harsud tahsil of Nimar district. The whole of this tract has been cleared from forest and brought under cultivation during the last 40 years or so, and this village is typical of the tract. It was founded by Pandit Nabin Chandra Roy who was for many years Registrar of the Punjab University and on his retirement from there became the Dewan of Rutlam State. He belonged to the Brahma Samaj of Bengal and wanted to make this village a settlement for the poorer members of his community. Hence the name of Brahmogram, a village of Brahmos. Some families came over from Bengal, but found the climate unsuitable and returned home. He then got people from the United Provinces and the Punjab to settle in his village, got them married at his own expense, gave them seed and bullocks and maintained them until they began to obtain an income from agriculture. It is said that this process cost him about Rs. 50,000. The price of the village today would be about Rs. 40,000. In view of his expenses and trouble, he was given malguzari rights in the village and it was decided that he should pay no revenue for one settlement. The village has been fully occupied since the last fifteen years. The total area of the village is 1,509 acres.

The soil is a good loam and clay loam well suited to cotton and to rabi cultivation. Cotton at present predominates, but at present prices it will probably be found more remunerative to turn over to wheat and juar.

The area under kharif crops is 839 acres of which—

- 479 acres are under cotton.
- 100 acres are under gram.
- 90 acres are under til.
- 75 acres are under urad and mung.
- 30 acres are under hemp.
- 28 acres are under juar.
- 26 acres are under dhan.

The area under rabi crops is 271 acres of which—

- 159 acres are under wheat.
- 106 acres are under gram.

There is no irrigation in the village and only 14 acres are double-cropped. The total population at the last census was 383, *i.e.*, the cropped area comes to about 3 acres per head. The average rent per acre comes to about 13 annas and the average subletting value to a little over Rs. 3 an acre.

There are three tenants who live outside the village and habitually sublet their holdings about whom no information was available. They hold between them 90.61 acres of land. The rest 53 in number, including the malguzar hold between them

1,377 acres, the rental value of which is Rs. 1,233. The total debt after deducting the debts of two tenants who have more owing to them than they owe to others and reducing the debts of two others by the amounts owing to them comes to Rs. 21,930, or Rs. 414 per cultivator, or Rs. 535 per indebted tenant or Rs. 16 per acre and 18 times the rental assessment.

The value of land is between Rs. 30 to Rs. 100 per acre according to quality. Thus the debt varies between Rs. 16 and 50 per cent of the value of land.

The most common rate of interest in this village is 24 per cent per year. The cultivators usually borrow money from sowkars principally from Misrilal, Devidas and Bhikamchand of Harsud. The malguzar, who is an L.A.G., says the comparatively heavy debt of some of the cultivators is due to the following reasons:

(1) The land gave a very heavy outturn when it first came under cultivation and the cultivators became accustomed to getting a high return for little labour. The cultivators are doing nothing to manure the land and as the outturn is now falling to the limit of exhaustion, they are getting less outturn than they were accustomed to get. But they have not reduced their expenditure. This is said to be one of the main causes of the comparatively heavy debt.

(2) The cultivators have not been able to adapt their expenditure to the low price of cotton that is prevailing.

(3) On account of the early cessation of rain in 1929 and the absence of winter rain, the crops of the village have suffered and the cultivators have not been able to make their usual repayments after the harvest.

Members of the co-operative society.—Of the cultivators of village, 14 are members of the co-operative society. They hold between them 337.95 acres of land. Their debt to the society amounts to Rs. 1,950 and to others Rs. 7,920, i.e., the proportion is 1:4; for every one rupee borrowed from the society the members have borrowed Rs. 4 from other sowkars. The debt per head of indebted society members comes to Rs. 705 as against Rs. 535 for the whole village. The debt per acre held by these members comes to Rs. 29 as against Rs. 16 for the whole village or Rs. 21 per acre of land held by the 41 indebted cultivators of the village. Here, as elsewhere, the members of the co-operative credit society are more heavily indebted than the others.

Sources and purposes of debt.—These can be seen from the following tables:—

Sources.		Rs.
Government	...	770
Co-operative Bank	...	1,950
Sowkar	...	19,210
Total	...	21,930

<i>Purposes.</i>		<i>Rs.</i>
Bullocks feed	...	1,475
Improvements	...	5,060
Purchase of land	...	2,805
Marriage ...	...	8,340
Famine and other distress	...	300
Litigation ...	...	400
Old debt ...	...	3,550
Total	...	21,930

Deducting the old debts, the purposes of which cannot now be determined, we get a total debt of Rs. 18,380 of which Rs. 9,340 or 50 per cent is productive.

No. 31-B Murai 23.97 acres, rent Rs. 17, states.

6 acres are not cropped. 3 acres are kept under grass for cutting and 3 acres are used for grazing.

EXPENSES.

<i>Seed.</i>		<i>Rs. a. p.</i>
Wheat 3 maunds	...	16 8 0
Gram 1 maund	...	4 0 0
Cotton 1½ maund	...	7 8 0
Juar 2½ pais	...	0 5 0
Urad 1 kuro	...	1 0 0
Tilli 1 pai ...	...	0 3 0
Dhan 12 pais	...	1 8 0
Sawan 2 pais	...	0 4 0
Tur 4 pais	...	0 8 0
Total	...	31 12 0
<i>Labour.</i>		<i>Rs. a. p.</i>
Weeding ...	...	25 0 0
Cotton picking	...	18 0 0
Harvesting ...	...	6 0 0
Clearing the weed	...	2 0 0
Carpenter and Lahar	...	5 0 0
Total	...	66 0 0
<i>Capital.</i>		<i>Rs. a. p.</i>
Implements...	...	2 0 0
Bullocks ...	...	12 8 0
Bullocks feed	...	...
Total	...	14 8 0
Grand Total	...	112 4 0

Outturn.

			Rs. a. p.
Wheat 18 maunds	...	...	99 0 0
Gram 6 maunds	...	...	24 0 0
Cotton 18 maunds	..	...	180 0 0
Tur 11 maunds	...	...	44 0 0
Urad 3 maunds	...	...	12 0 0
Juar 3 maunds	...	...	15 0 0
Dhan 12 maunds	...	...	48 0 0
Sawan 6 maunds	...	...	12 0 0
Tar 6 maunds	...	...	27 0 0
Total			461 0 0
Less expenses			112 4 0
			349 12 0 for 18
			acres or Rs. 19 per acre.

Minus rent Re. 1 per acre.

Net profit Rs. 18 per acre.

The malguzar has a home-farm of 98.77 acres. He says that he makes a profit of Rs. 1,500 to Rs. 2,000 a year from agriculture. He says he thinks the tenants make a profit of Rs. 15 to Rs. 20 per acre. This tallies with the statement of the cultivator given above. The malguzar, who is an L.Ag. of Nagpur, has not introduced any improved implements, on account of the difficulty of repairing them. He has introduced in the home-farm improved rotation of crops, manuring, good seed and embankments.

Marketing.—The cultivators sell their cotton at Harsud (7 miles) and at times when the price at Harsud is low, they take their cotton to Bir (20 miles) and Khirkiya (15 miles) where the price is generally a little higher.

The wheat is sold in the village to traders who visit it.

The cultivators have no work in the field for about three months in the year, two months in summer and one month in winter after selling their cotton.

They do not want the right to transfer their land, but they want the right to sublet their holdings for a number of years in order to pay off their debts.

It seems clear that the fluctuations in the price of cotton is the main cause of indebtedness here as elsewhere, and if the price continues at its present low figure some tenants may be unable to repay their debts. A land mortgage bank could do much here.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 7,857.

The sizes of holdings, and the position of the cultivators can be seen from the following statement:—

Size of the holding.	Number of cultivators.	Total area.	Number indebted	Total debt.	Debts per head of indebted cultivators.	Debts per acre.
1	2	3	4	5	6	7
		Acrea.		Rs.	Rs. a. p.	Rs. a. p.
1 to 5 acres	2	8.17	1	175	175 0 0	22 0 0
5 to 10 acres	7	52.96	7	1,295	185 0 0	24 8 0
10 to 15 acres	15	192.59	10	2,425	242 8 0	12 8 0
15 to 25 acres	15	317.59	12	7,935	616 0 0	25 0 0
25 to 50 acres	10	339.14	8	5,000	625 0 0	15 0 0
50 to 100 acres	2	189.62	2	2,900	1,450 0 0	15 0 0
Above 100 acres	2	276.62	1	2,200	2,200 0 0	8 0 0
Total ...	53	1,377	41	21,930	...	...

**APPENDIX E-LXV.
WHEAT ZONE, NARSINGHPUR.**

MOHAD, TAHSIL AND DISTRICT NARSINGHPUR.

A large and prosperous village of 1,773 acres with a good abadi and a number of well built houses, situated adjoining the I class road from Kareli to Amgaon 3 miles from the wholesale grain market or railway station of Kareli.

Total population of the village at present is 1,054 persons. The total occupied area 1,553 acres, of which 1,476 acres are held in tenancy right on a rental of Rs. 3,907. In this village 1,143 acres are held in absolute-occupancy right and only 333 acres in ordinary tenancy right. Towards the west this village merges in the fertile Harrai haveli, and on this side contains some quite good soil although none of it is quite up to the standard of the best soil of the haveli proper. Towards Mansara Nala to the south-east soil begins to deteriorate, there being 250 acres of very inferior stony soil locally known at Patarua in this direction. The village as a whole is therefore typical of a large portion of the Narsinghpur district containing a considerable area of soil slightly below the average of the best haveli, merging into a considerable area of soil similar to the riverain tract and inferior villages.

As a result of the variety of the soil found in the village the cropping is also very wide. The principal crops are :

	Acres.
Wheat and mixture	375
Gram	199
• Kodon kutki	193
Juar and mixture	200

Total cropped area is 1,445 acres. 771 acres are double cropped, 935 being under rabi and 510 under kharif crops.

The malguzar of this village is the Raja of Gangai, one of the old hereditary Gond Rajas of this district, who holds this and some 40 other villages in the Narsinghpur district. He is free from debt.

Including holders of baris or small gardens attached to their houses there are in all 140 tenants in this village, but many of them are primarily agricultural labourers who hold quite small areas of land in tenancy right, the income from which they supplement by agricultural labour. The average area per tenant works out at 10½ acres. But as a number of these persons hold simply small baris and are primarily agricultural labourers, the normal holding held by a genuine tenant is considerably larger and may approximate to 20 acres.

Land values.—The tenants say that the best land sublets at between Rs. 15 to Rs. 20 per acre and the lighter soils at lower rates. The sale price of land ranges between Rs. 50 and Rs. 250, and Rs. 150 may be taken as the average value.

Finance.—The mahajan continues to be the chief source of finance. He charges from Rs. 2 to Rs. 3 per cent per mensem on simple loans and from Re. 1 to Re. 1-8-0 on mortgage loans. Grain loans are advanced on sawai to regular clients and on deodhi to casual borrowers. Big cultivators stock their seed. About 70 per cent borrow every year and repay the loan after the harvest in an ordinary year. In bad years full repayments are not made. On cash loans compound interest is charged on default. Grain loans if allowed to accumulate for two years are converted into cash loans, and "teeps" carrying interest from Rs. 2 to Rs. 3 per cent per mensem are executed. People complained of poor crops for the last two years and attributed the growth of their debt to that cause.

Debt.—The total secured and unsecured debt is Rs. 17,674. Secured debt is Rs. 7,369, i.e., Rs. 41 per cent, and unsecured is Rs. 59 per cent.

Of the 140 tenants, 25 are free from debt and 6, viz.

				Rs.
1.	Kandhari	36-94 acres at Rs. 116 owing	...	2,755
2.	Khetsingh	1 76 .. at .. 8 ..	...	555
3.	Ganesh	1-75 .. at .. 8 ..	...	555
4.	Jagatsingh	38-8 .. at .. 89 ..	...	1,075
5.	Gayaprasad	62-44 .. at .. 203 ..	...	3,892
6.	Hanaraj	22-38 .. at .. 45 ..	...	1,002
	Total	164-35 469		9,834

have large debts. Among them they owe Rs. 9,834 i.e., more than half the debt. Nos. 1, 2 and 3 appears to be indebted beyond reasonable hope of redemption. Excluding these 6, the average debt comes to Rs. 71 per indebted tenant. The total debts work out at Rs. 125 per tenant, Rs. 152 per indebted tenant, and 4 times the rent, Rs. 11 per acre or about 7½ per cent of the value of the land.

The sources and the purposes of debt are as under:—

Sources.				Rs.
1.	Government	...	...	1,156
2.	Malguzar	...	...	805
3.	Mahajan	...	...	15,713
	Total	...	...	17,674

Purposes.				Rs.
1.	Repayment of earlier debt	...	...	1,331
2.	Marriage and other ceremonial	...	...	1,837
3.	Famine and distress	...	...	1,536
4.	Arrears of rent	...	...	3,404
5.	Seed and manure	...	...	2,694
6.	Land improvement	...	...	2,340
7.	Purchase of land	...	...	4,432
	Total	...	...	17,674

For the least two years crops have been very seriously damaged by frost and trust.

The purposes for which the old debt was taken cannot be ascertained. Leaving it, therefore, out of account, Rs. 3,373 or 19 per cent is for unproductive and the balance of Rs. 12,970 or 81 per cent is for productive purposes. Considering the last two poor years the debt does not seem to be heavy.

Cost and profits of cultivation.—From the statement of Imratlal, Bhabut Singh and Parmanand it will appear that the cost of cultivation varies from Rs. 10 to Rs. 20 per acre according as individual cultivators work in their fields or employ paid labour. The net average income after deducting expenses varies between Rs. 12 and Rs. 30 per acre according to the quality of soil, kind of crop, etc., etc. It will not be unfair to take the net profits at an all round average of Rs. 20 per acre of all land, the average letting value being between Rs. 10 and Rs. 15 per acre.

Taking Rs. 12 as the average cost of cultivation, the total amount required to cultivate the land in the village would be about Rs. 19,000. As 33 per cent of the tenants do not borrow and as those who borrow do not borrow all that they require, it will not be wrong to put down the maximum short-term requirements for agriculture at Rs. 10,000 for a normal year for this village. This and more can easily be obtained in the village or from sowkars of Kareli.

Marketing.—Cultivators generally sell their grain in the Kareli grain market. Complaints about weightment in the grain market were made to us. As weights differ from village to village and as the cultivators are mostly ignorant, merchants find it easy to defraud them.

A land mortgage bank could help the men with larger debts here.

There is urgent need for thrift propaganda and improved savings bank facilities.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 10,757.

STATEMENTS.

Total area 1,773.10 acres. Land revenue Rs. 2,055. Rental demand Rs. 3,907.

Houses 220, population 1,054—

Rajput	...	...	...	221
Kachhi	...	...	...	306
Gond	...	...	...	113
Brahmin	...	...	...	73
Others	...	...	...	341

Occupied area 1,553 acres.

	Acres.		Acres.
Wheat and mixture	... 315	Total rabi	... 935
Gram	... 262	Total kharif	... 510
Kodon kutki	... 192	Double crop	... 71

Sir 61 } Area held by tenants 1,449.
Khudkast 26 }

Rs. 15 to Rs. 25 an acre is the sub-letting value. 4 acres for Rs. 500 is the selling value.

Armanand Mahadeo Prasad—

I hold 62.44 acres at Rs. 203-4-0. I got this land from my father who died two years ago. He left a debt of Rs. 1,700. The rest was incurred by me. I got into debt owing to bad years. I may have spent Rs. 1,500 in litigation. I sold 20.10 acres for Rs. 4,200 on the 6th December 1928 and I sublet 33 acres for Rs. 369 last year for one year. All this money has been spent in litigation. My father lost a good deal in grain and cotton speculation. He lost Rs. 35,000. His sowkari was extensive. He had invested about Rs. 40,000. Since the loss referred to above, the family is in great financial trouble.

Imratlal, Brahman—

I hold 28 acres of land at Rs. 85. I borrowed Rs. 250 five years back at 12 annas per cent per mensem (from Lalkhan Puthan Rs. 150 and Rs. 100 from Ramkheri my nephew at 12 annas) to purchase land (5 mani land at Rs. 45 rent). I have been regularly paying the interest. I purchased the land for Rs. 500. I had Rs. 250 of my own. This was my saving from agriculture and service. I get Rs. 300 a year as my pay. I am the agent of the mukaddam.

Bhabut Singh—

I purchased 5 acres for Rs. 700. Rental is Rs. 18. I purchased four years ago, after the settlement. I borrowed Rs. 350 at 8 annas per cent per mensem from Basorelal, I had Rs. 350 of my own. It had been saved out of my agricultural income.

Cost of cultivation of 25 acres of land of Mohad—

I sow pisi	...	...	2 mani.
Chana tiara	...	...	2½ mani 6 acres.
Juar	...	...	5 kudors in 14 acres. At times kodo or dhan, urad and mung are also sown with juar.
Rahar	...	...	5 kudors
Mung	...	...	2 pais 14 acres.
Dhan	...	...	5 kudors

Outturn.

		Rs.
Juar 25 manis	...	375
Rahar 7 ..	...	140
Mung 1½ mani	...	22
Dhan 2 manis	...	25
Total	...	565

		Rs.	
Pissi 10 manis	...	260	} This is after paying the Bisori for harvesting.
Chana 3 ..	...	51	
Tiara 8 ..	...	...
Total	...	866	

I take subleases of 12 acres of land for Rs. 150, Rs. 200 and Rs. 250 according to quality. 12 or 13 acres can be cultivated.

by one pair of bullocks. Rs. 75 is the average price of a pair.
Working life is five years.

	Rs.	s.	p.	
1 servant	100	0	0	
Other wages	60	0	0	
Bullocks depreciation...	15	0	0	
Feed of bullocks 1 mani	10	0	0	or Rs. 12 tiura.
Kotwar dues	1	3	0	
Lohar 6 kudos	3	12	0	
Badhai 6 kudos	3	12	0	
Rent	85	0	0	
Implements	2	0	0	
5½ seers kudos				
32 kudos mani				
Birra-	20	0	0	ā mani.
Pissi	22	0	0	„
Chans	17	0	0	„
Tiura	12	0	0	„
Dhan	14	0	0	„
Mung	15	0	0	„
Jowar	15	0	0	„
Rahar	20	0	0	„

I sell my produce in Kareli market. Sometimes I sell it in Mohad. Cultivators are defrauded in the grain market Kareli.

The land which I purchased for Rs. 700 will fetch Rs. 1,000 now. Average selling value is Rs. 150 an acre. The rental will be Rs. 2 or Rs. 2-8-0. Good lands are assessed at Rs. 3 or Rs. 3-8-0 and fetch Rs. 150 to Rs. 200 per acre.

I get Rs. 300 a year from service of Sujan Singh. I get sufficient from cultivation and I can purchase more land. Ordinarily, cultivators borrow at the sowing time and repay at harvest, if crops are good. In bad years, all these loans accumulate. If such loans accumulate, for two years, in the third year it is converted into cash loans and teeps are got written at Rs. 2 or Rs. 3 per cent. During the last three bad years debt has considerably grown.

APPENDIX E-LXVI.

WHEAT ZONE.

BITHLI, TAHSIL AND DISTRICT NARSINGHPUR.

This village is situated on the main road from Kareli to Saugor, $3\frac{1}{2}$ miles from the crossing of the Nerbudda at Burman and 12 miles from the Kareli Gunj market. It may be considered to be typical of the trans-Nerbudda haveli as a whole. The typical soil of this village and group is the rich black kabar fertile clay soil of the Sarasdol group. A part of the village area has, however, been slightly damaged by the drainage from a nala which flows through its centre from east to west and therefore, out of a total occupied area of 1,508 acres, 635 acres only have been classed as kabar I, while 298 acres are kabar II. The total area of the village is 1,684 acres, of which 129 are included in a stony hillock and in roads, buildings, etc. 1,508 acres are actually occupied for cultivation. The cropping in normal years covers some 1,450 acres, of which Birra (mixed wheat and gram) covers about 1,150 acres, the total rabi area approximating to 1,400 acres. In addition, about 150 acres are under kharif or rains crops, 100 acres of which is usually under double-cropped rice followed by gram, linseed or masur. The soils here are deep and fertile. The average subletting value of good embanked land is from Rs. 15 to Rs. 25 per acre and of other land from Rs. 10 to Rs. 12 per acre. The lighter soil sells at about Rs. 150 per acre. 419 acres are embanked, and the best embanked land fetches Rs. 300 to Rs. 400 per acre.

Malguzar.—The malguzar is Pandit Keshao Rao, a very intelligent English-knowing Maharashtra Brahman malguzar, who is also an Honorary Magistrate and Local Board member. He holds 297 acres in his home-farm.

Costs and profits of cultivation.—According to the statement of Pandit Balwant Rao, who pays Rs. 980 rent in this village and is also a big malguzar of other surrounding villages in the tract, the outturn of wheat and Birra is eight to ten times the seed in a normal year in embanked fields and five to six times the seed in other fields. He says he sows 60 seers in an acre. The normal outturn from embanked fields would be then 1,080 lbs. per acre and in other fields between 600 lbs. and 720 lbs. per acre or say 660 lbs. per acre. As regards gram, he says that he sows 30 seers an acre and hopes to get twelve times the seed, which means about 720 lbs. per acre. The Government standard outturn for the district as a whole, which is based upon numerous experiments over a period of years in soils of varying qualities, is 660 lbs. per acre for wheat and 600 lbs. per acre for gram. But this village is much above the average for the district as a whole, being typical of the most fertile portion of the haveli, and the outturn in the best embanked fields must, of necessity, be more than the average outturn of the district as a whole. Pandit Balwant Rao says that his outturn is measured after paying for reaping in kind which is done under the "Bisori" system *i.e.*, the reaper will be entitled to take one out of every 20 bundles cut in the field. As a matter of fact, however, they state that

the reapers always tie one very large bundle for themselves which represents, not one-twentieth, but usually one-eighth. Pandit Balwant Rao holds some very valuable land and is reputed to be a very good cultivator and it is possible that he gets more than the other cultivators. Pandit Keshao Rao, the malguzar, has given the following estimate of a typical holding and this may be taken as a good and reliable basis for calculating the costs of cultivation in this tract:—

Costs of one plough of land or nine acres, when all work is done through hired labour.

<i>Outturn.</i>		Rs. a. p.
Wheat, 6 times the seed	...	360 0 0
Masur, 7 times the seed	...	70 0 0
Gram, 12 times the seed	...	60 0 0
Teora, 13 times the seed	...	39 0 0
Total	...	529 0 0

<i>Costs.</i>		Rs. a. p.
Average price of a pair of bullocks	Rs. 125 working life 8 years.	15 0 0
Feed for bullocks...	...	25 0 0
Wheat seed	...	60 0 0
Masur	...	10 0 0
Gram	...	5 0 0
Teora	...	3 0 0
Sowing	...	4 8 0
Grass cutter	...	4 8 0
Badhaji	...	2 4 0
Lohar	...	2 4 0
Implements	...	4 0 0
Total	...	135 8 0
Profit from 9 acres	...	393 8 0
Profit from 1 acre	...	44 0 0
Deduct rent per acre	...	4 0 0
Net profit from 1 acre	...	40 0 0

A very ordinary cultivator, Dhannu, Kurmi, made a statement of his cost and profits of cultivation and from it, one can see that the least net profit is Rs. 25 per acre the cost being Rs. 12 per acre.

Debts.—There are 86 tenants in this village in all; most of them are absentees. During the last two years, the land revenue in this tract has been suspended and taccavi advances have been made owing to the very serious damage caused by frost and rust and last year some scarcity relief work was actually opened at Chawarpatha village for the agricultural labourers. This has to be borne in mind in considering the indebtedness of the tenantry. At the time of last settlement, two adjoining uninhabited villages of Ulatgaon and Kamaria were amalgamated with Bithli at the request of the malguzars.

This village lies on the border of the Gadarwara tahsil adjoining, and most of the tenants of these two villages resided in the Gadarwara tahsil and for these reasons it has not been found possible, at the time at our disposal, to secure the attendance of these persons in order to examine them. It is interesting to note that all the fourteen resident tenants are now indebted, although only one of them claimed to have any debt in the settlement of 1925-26. The malguzar's debts, as a matter of fact, can hardly be taken seriously at all. They were incurred recently for the marriage of his daughter; but he has a substantial money-lending business admittedly exceeding Rs. 5,000 and he has financed most of the tenants in his village. He owes Rs. 8,200, but he owns other property and the value of Bithli village, the land revenue of which is Rs. 2,825, cannot be less than Rs. 85,000 to Rs. 95,000, so that his debts represent at the most not 10 per cent of his assets. The total debts owed by the resident tenants at present comes to Rs. 3,854 or Rs. 296 per tenant. Only one tenant, Lalji Dasa, with 75 acres of land on Rs. 370 rent, has a large debt. This man's house is valued at Rs. 2,000 and his landed property is certainly worth not less than Rs. 15,000. He has borrowed Rs. 663 from Pandit Keshao Rao for purchasing jewellery, while the balance of his debts he owes to Pandit Balwant Rao, the big tenant here. Of this, Rs. 300 was borrowed for litigation. The other debts are mainly arrears of suspended rent and taccavi advances by Government during this period of temporary crop failure. Lala Gangadhar, with 38 acres of land on Rs. 150 rent, owes Rs. 300 arrears of rent and 30 manis of grain worth Rs. 600 to Pandit Keshao Rao, the malguzar. He also owes Rs. 200 taccavi to Government. An examination of these debts shows that the average debt per tenant, excluding Lalji Dasa, works out at Rs. 178 per head or about Rs. 12 per acre against a selling value of not less than Rs. 200 per acre. It is also clear that these debts are almost entirely the result of the last two years' crop failure.

The sources and purposes of these debts are as follows:—

<i>Sources.</i>		Rs.
Government	...	1,150
Malguzar	...	4,494
Muhajan	...	6,410
	Total	12,054

<i>Purposes.</i>		Rs.
Repayment of earlier debt	...	1,690
Marriage or ceremonials	...	2,350
Arrears of rent and land revenue	...	5,804
Seed	...	1,530
Land improvement	...	310
Litigation	...	300
Distress	...	80
	Total	12,054

Here the indigenous system of finance appears to be working fairly satisfactorily owing largely to the beneficence and public spirit of the malguzar. Interest is of course high. The principal need here is good savings bank facilities and a thrift propaganda to enable the cultivators of this rich and fertile tract to accumulate a balance at the bank instead of wasting their surplus in good years on extravagance.

From the voluntary statements of the 14 resident cultivators it appears that they have gold and silver worth Rs. 1,681.

APPENDIX E-LXVII.

WHEAT ZONE.

PIPARIYA (KARAKBEL), TAHSIL AND DISTRICT NARSINGHPUR.

A very good haveli village adjoining Karakbel railway station and market. The total area is 688 acres. 16 acres are covered by the village site, roads, etc., and 637 acres are actually occupied for cultivation. Of this area, 440 acres are embanked for double-cropping and birra cultivation, 324 are kabar I and 221 kabar II, kabar being the most fertile clay soil of the Nerbudda valley.

This village is typical of the haveli portion of the Narsinghpur tahsil.

Malguzar.—Rai Sahib Laxmi Narayan of Noni, a very enlightened Kashmiri Brahman, English-knowing malguzar and Honorary Magistrate, holds 8 annas and some rich malguzars of old family of Mekh nearby hold the other 8 annas. The village is almost entirely devoted to winter crops—wheat, gram, masur linseed, etc. But about 140 acres are also double-cropped with a monsoon crop of rice which precedes the main winter crop.

Land values.—Land here is valued at between Rs. 200 and Rs. 250 per acre. Mr. Laxmi Narayan and the tenants say the sub-letting value averages about Rs. 15 per acre, the embanked land subletting at Rs. 15 to Rs. 20 per acre and the unembanked at from Rs. 8 to Rs. 12 per acre. More than two-thirds is embanked.

Costs of cultivation and profits.—The statements of 15 resident cultivators give the expenses of cultivating 374 acres at Rs. 4,207 or about Rs. 11.4-0 per acre. But the harvesting is always paid for in kind out of the crop in the fields, the outturn being measured after this payment has been made. So that no item for harvesting is ever charged on the expenditure side in this district. Ghasite showed the heaviest estimate of expenses as follows:—

He has 37.89 acres of land for which he pays Rs. 180 rent.

He gives his average expenses and income as follows:—

Total output—

			Rs.	a.	p.
Dhan, 6 manis	...	...	128	0	0
Gram, 27 manis	...	...	540	0	0
Birra, 48 manis	...	...	960	0	0
Masur, 3½ manis	...	...	70	0	0
		Total	1,698	0	0

Cost of cultivation.

Seed—

			Rs.	a.	p.
Dhan, 1 mani	...	...	16	0	0
Gram, 4½ manis	...	...	70	0	0
Birra, 8 manis	...	...	160	0	0
Masur, ½ mani	...	...	10	0	0
		Total	256	0	0

Labour—		Rs.	a.	p.
2 servants	...	138	0	0
Lohar	...	9	0	0
Carpenter	...	9	0	0
Other labour	...	40	0	0
Total		196	0	0

Capital—		Rs.	a.	p.
Bullocks, depreciation, life 8 years	...	41	0	0
Bullock feed	...	6	0	0
Implements	...	10	0	0
Kotwar's dues	...	4	0	0
Total		61	0	0

	Rs.	a.	p.
Net profit on 38 acres	1,185	0	0
Net profit on 1 acre	31	0	0
Deduct rent per acre	4	12	0
Net profit per acre after deducting rent	26	6	0

Ghasite has a family of 5 persons—himself, 2 female adults and 5 children. But he employs 2 field servants for 38 acres of land. Hence his expenses come to Rs. 14 per acre against an average of Rs. 11-8-0 for others.

Surat Singh has 123 acres on Rs. 542 rent. His expenses of cultivation are estimated at Rs. 1,400 only in round figures or about Rs. 11-8-0 per acre. It appears that the ordinary costs of cultivation, if economically done, need not exceed Rs. 11-8-0 per acre. In addition there is, of course, the rent which averages Rs. 4-8-0 per acre here.

As regards the profits of agriculture, Rai Sahib Laxmi Narayan says that in normal years one ought to expect six times the seed and the tenants state that they utilize one mani of 168 seers in the sowing of $2\frac{1}{2}$ acres. The ordinary price of one mani of wheat is Rs. 20 and of gram about Rs. 16. Birra is a mixture of wheat and gram in this tract usually sown in the proportion of one part of gram and seven parts of wheat, so that in 20 acres of land 7 manis of wheat and 1 mani of gram will be sown costing Rs. 156 or about Rs. 7-12-0 per acre. Rai Sahib Laxmi Narayan said that for the last three or four years, after paying for the reaping in kind, not more than four or five times the seed of birra (wheat and gram sown) were obtained. He said that in one year some time ago he obtained eight times the seed, but six times may be considered to be the normal outturn in this haveli tract. If the normal outturn is six times the seed, it would amount at the above said price of seed of Rs. 7-12-0 per acre to Rs. 46-8-0. Under these circumstances, it appears that Ghasite's estimate of the value of the ordinary gross outturns is fairly correct, and we can safely assume that the net profits per acre, after deducting the rent in this village, are not less than between Rs. 27 to Rs. 30. This estimate is clearly corroborated by the fact that the average sub-letting value is Rs. 15 per acre. The ten-

ants say that the sub-rent usually represents half the net profit in the normal year, and that sub-tenants will not give more than this.

Costs of maintenance.—Fifteen resident tenants have 19 male and 28 female adults and 30 children in their families, totalling 77 persons. The tenants in this fertile village are of course on the whole rich and prosperous and some of them are very substantial, and one of them has an income of Rs. 259 a year from money-lending. We have, as usual, examined their estimates of expenditure upon food and clothing of their families. Their estimates as usual vary considerably according to their position in life. From their statements, however, it appears that they estimate Rs. 7,590 as the normal amount required for the food and clothing of these 77 persons which represents an average of Rs. 99 per head or Rs. 495 per tenant. Among these persons, however, Surat Singh, with 125 acres of land on Rs. 542 rent, with 11 people in his family, estimates his expenses on food alone at Rs. 1,095 per annum. These estimates are all extravagantly high and are an index of the prosperity of the tract. The actual cost of feeding and clothing an ordinary tenant family of five persons in this wheat-eating tract need not exceed Rs. 250 per annum or about half the estimate of these tenants.

Debts.—The malguzars hold 280 acres in their home-farm 70 acres are held in absolute-occupancy right and 276 acres in occupancy right, total 346 acres in tenancy right. There are in all 22 tenants, holding this land, the value of which, at current prices, is not less than Rs. 70,000. The total debts owed by these tenants amount to Rs. 6,400 which represents a debt of Rs. 266 per head or Rs. 426 per indebted tenant or Rs. 10 per acre or 5 per cent of the value of the land. The total rental demand is Rs. 1,706 so that the debt represents about 3½ times the rent. This debt includes 48 manis of grain debt worth Rs. 960, the usual rate of interest on grain loans being 25 per cent and on cash loans Rs. 1-6-0 per mensem or about 17 per cent per annum. The principal sources of finance in this village are the malguzar and the mahajan. The malguzars have advanced Rs. 2,920 in cash and Rs. 1,105 worth of grain; the mahajans have advanced Rs. 1,325-8-0 in cash; the co-operative society has advanced Rs. 400, while Rs. 650 is due in Government taccavi. The purposes for which these debts were incurred were as follows:—

	Rs.	a.	p.
Marriage	1,010	0	0
Famine and other distresses	923	0	0
Rent arrears	303	0	0
Seed, etc.	1,755	0	0
Land improvement	1,509	8	0
Total	6,400	8	0

55 per cent of the debts are for productive purposes.

In this village no cultivator is hopelessly indebted. During the last two years, the crops in this tract have been seriously injured by rust and frost, and taccavi advances were made last year to assist the tenants. Ordinarily, taccavi is not advanced in this

tract. Two big men in this village at present owe Rs. 1,000 each. Nathu, with 32 acres of land on Rs. 158 rent, owes Rs. 200 to the bank and Rs. 500 to Surat Singh, one of the other tenants, borrowed for his marriage. His total debts amount to Rs. 1,055 plus 6 manis of grain worth Rs. 120. His land is valued at Rs. 6,500. Daulatsingh, Kachhi, with 30 acres of land on Rs. 150 rent, owes Rs. 1,010, Rs. 500 of which he borrowed from the malguzar Pandit Laxmi Narain for his marriage at 24 per cent interest. These are the principal debts.

None of the cultivators in this village can be said to be indebted beyond his means; but owing to the prevailing scarcity of money, the rate of interest is undoubtedly high.

Taccavi.—The villagers complained a good deal with regard to the inadequacy of the taccavi which they received when they applied and this is obvious from an examination of the debt statement. Duran Singh, with 38 acres of land paying Rs. 174 in rent, must expend at least Rs. 300 to Rs. 400 per year in cultivating expenses. He received an advance of Rs. 40 taccavi. Ratan Singh, with 24 acres of land on Rs. 102 rent, has received Rs. 50 taccavi. Gathi Singh, with 38 acres of land received Rs. 90 taccavi. Another big tenant was given Rs. 40 taccavi. Surat Singh, Lodhi, who has 123 acres of land on Rs. 542 rent and who has an income of about Rs. 250 a year from money-lending, was also given Rs. 95 taccavi and in this way Rs. 550 has been blindly distributed in the village. We use the word blindly because there could obviously be no justification for giving Rs. 95 taccavi to a big tenant paying over Rs. 500 in rent with a money-lending business and who could not need taccavi and at the same time giving only Rs. 40 to Nathu who already owes Rs. 1,055 in debts and who must have really needed at least Rs. 300 to Rs. 350 for his cultivation. Three of these tenants borrowed Rs. 400 in all. They owe in addition to this amount of Rs. 400, Rs. 1,825 to mahajans and to the malguzar.

The tenants say that they, for their own convenience, habitually borrow cash and grain for their cultivating expenses when the crop has been poor, but that most of these debts would have been repaid by now, if the harvest had not been much below normal for the last two or three years. They stated that it had been very bad indeed during the past two years and that therefore their debts have accumulated under the high rates of interest. They were anxious to be given the rights of transfer in their lands. They stated that if occupancy tenants had the rights of transfer, this of itself would reduce the rate of interest. At present absolute-occupancy tenants can borrow money at from 6 to 9 per cent. They also stated that if any particular tenant was heavily indebted, he might repay his debt by selling off a part of his holding. They said that nowadays an occupancy tenant, if heavily indebted, loses his land none the less, but does not get the full value for it, as he has to surrender his land to the malguzar. As an example of the manner in which these persons live, the case of Ratan Singh is of interest. He is a young Lodhi of 20 years of age. He had already been married three times as his first two wives died. He states that he has spent Rs. 2,500 in marriages

during the last nine years. He owes, however, only Rs. 268 altogether at present in debt. His last marriage took place two years ago and on this he spent Rs. 800. He holds 24 acres of land on Rs. 102 rent.

Sirdar Bahadur Thakur Vishwanath Singh one of the malguzars in this very fertile tract, was present at our enquiry and he himself loudly complained with regard to the shortage of money owing to crop failure here and elsewhere during the last year or two. He states that Government had refused to give him a taccavi advance on the ground that he was a very rich man, but that, as a matter of fact, when he required money for his agricultural expenses, the mahajans would nowadays only advance it at a very high rate of interest. From our enquiries in the surrounding tract we found that money was undoubtedly dear nowadays.

A land mortgage bank in a district and a tract like this could serve a very valuable purpose in financing these very solvent and substantial tenants with long-term loans when required at a reasonable rate of interest. We feel that in this tract very little financial arrangements will be required, provided a land mortgage bank could be made to function fully here. The supply of long-term loans at a low rate of interest would of itself inevitably force down the rates of interest at present charged on short-term loans. Having regard to the two bad years through which this tract has passed, the general financial condition of the cultivators must be considered as satisfactory, having regard to the value of their land and its productive capacity. They stated that, ordinarily, they hardly ever had a serious crop failure and that the sudden attack of rust and frost had been a calamity which had not been known for the last 30 or 40 years.

There is great need of a thrift campaign throughout this tract. There appears to be a considerable margin for savings in a normal year provided there were easy savings bank facilities and the cultivators were made to understand the advantages of accumulating a bank balance in place of the useless expenditure of their surplus funds.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 1,415.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.	
1	2	3	4	5	6	7	8	9	10	
Pipariya	...	3	4	...	2	1	...	3	1	14

APPENDIX E-LXVIII.
WHEAT ZONE.

IMALIYA, TAHSIL GADARWARA, DISTRICT NARSINGHPUR.

A village of 1,092 acres with 117 houses and population of 314 persons, adjoining Gadarwara railway station. Gardarwara is the headquarters of the tahsil and is the most important grain market in the district. The village area stretches on both sides of the main Great Indian Peninsula Railway from Jubbulpore to Itarsi, Gadarwara railway station being actually within its limits. In the north-west corner where the village lands adjoin the Gadarwara haveli some first class kabar or rich black clay is found. This gradually deteriorates through kabar II and a sandy clay until a very inferior sandy gravel is found on the banks of the Sitarewa river, which forms the boundary of the village to the south-east. Owing to the wide range of soils this village is typical of a large tract containing some of the typical soil of the haveli and some of the lighter soil beyond.

Malguzars.—The superior proprietor is the Raja of Chichli, one of the Gond Rajas who holds many other villages in this district. The inferior proprietors are a family of Kanwars. Choudhary Doulat Singh, a pleader residing at Narsinghpur headquarters and who is at present the Member of the Legislative Council (Rural), holds 1 anna 6 pies share in the village. Choudhary Doulat Singh was unfortunately unable to be present at the time of our enquiry, but his brother Choudhary Dhiraj Singh and others rendered us valuable assistance in our investigation. Excluding some debt owed by Choudhary Doulat Singh, who is non-resident, the malguzars owe Rs. 2,700. Choudhary Parmanand owes Rs. 2,200 out of this sum, Rs. 1,500 of which was incurred for the purchase of land. Rs. 200 more has been spent over litigation. Choudhary Dhiraj Singh also owes Rs. 500 incurred on litigation. Choudhary Raghunath Singh alleges a debt of Rs. 300, including Rs. 200 for purchase of land. But he has money-lending business far exceeding this. Therefore his debt of Rs. 300 has been excluded.

The total land revenue of the village is Rs. 1,005. Malguzars hold 196 acres in home-farm and some malik-makbuza land in addition. Land here is valuable as is shown below, and the small debts of these malguzars do not require any further discussion.

Tenants.—There are 44 tenants, of whom 31 are resident and 13 are non-resident. The total area of tenancy land held by them is 602 acres and the total demand, including malik-makbuza's demand, is Rs. 1,382, average acreage rate being Rs. 2-4-0. Since settlement 28 acres have been given out on a rental of Rs. 112 for a premium of Rs. 5,500 which approximates to Rs. 200 per acre. This has increased the rental demand since settlement. The land, however, is unevenly divided among the tenants—

12 hold under 6 acres.

11 have holdings between 6 and 10 acres.

16 have between 10 and 20 acres.

Three big tenants hold over 180 acres between them with considerable land elsewhere and do some money-lending.

The total occupied area is 805 acres and the normal net-cropped area about 680 acres.

Of this, some 200 acres are under birra, a mixture of wheat and gram, about 70 under gram out of a total rabi or winter crop area of about 420 acres. There are normally some 280 acres under kharif, about 10 acres being double-cropped with rice and gram or masur, etc., and about 135 acres under the mixed crop of rice, juar, mung, urad, rahar, etc., which is so popular in this tract.

The local measures are—

1 kuro is equal to $5\frac{1}{2}$ seers.

1 mani is equal to 32 kuros.

One mani of wheat will, therefore, weigh 168 seers. The tenants say that they do not sow pure wheat, but sow wheat mixed with gram, which is known as birra, the proportion being two parts of wheat to one of gram. They say that they sow one mani of birra (*i.e.*, mixed wheat and gram) in $2\frac{1}{2}$ acres of land. They say that here the crop varies between 3 and 5 times; but the average ordinary crop would be 4 times; *i.e.*, in one acre $\frac{8}{5}$ manis. The average price of gram is Rs. 18 per mani and of wheat about Rs. 21 per mani, so that the value of the average outturn per acre would be about Rs. 32 per acre gross. The expenses of cutting the crop, etc., are paid for in kind out of the crop, and the tenants say that their estimate of an average outturn of four times is the net outturn received in their threshing floors after paying these items.

Cost of cultivation.—The costs of cultivation with hired labour come to about Rs. 12. Balance Rs. 20 per acre. This seems a very low estimate, having regard to the sub-letting rates here.

The costs and outturn of a mixed holding is stated to be as follows by Jagannath, No. 9, in Form A, and the other tenants agree:—

He has 13 acres of land in cultivation for which he pays Rs. 32 rent.

Seed.	(in 3 acres)		Yield	Rs. a. p.	
	Rs.	a. p.		Rs.	a. p.
Dhan 1 maund	...	1 8 0	2 manis	=	24 0 0
Urad $\frac{1}{2}$ pai	...	0 7 0	2 kuros	=	1 6 0
Mung $\frac{1}{2}$ pai	...		2 kuros	=	1 6 0
Tur 2 pai	...		1 $\frac{1}{2}$ manis	=	24 0 0
Jnar 1 pie	...	0 1 6	1 $\frac{1}{2}$ manis	=	23 0 0
		(in 10 acres)			
Teora, gram and masur 2 manis.	36 0 0		15 manis	=	270 0 0
Total output	38 0 6				343 12 0

	<i>Labour.</i>		<i>Rs. a. p.</i>
Sowing ...	...	...	2 8 0
Weeding ...	...	...	8 0 0
Lohar ...	...	...	3 0 0
Carpenter ...	...	...	3 0 0
			16 8 0
Capital depreciation on bullocks ...	...	...	14 0 0
Implements ...	...	...	2 8 0
	Total	...	71 0 0
	Total output	...	343 12 0
	Less	...	71 0 0
	Grand Total	...	272 12 0
Net profit per acre ...	...	...	21 0 0
Rent per acre ...	...	...	2 11 0
Kotwar's dues... About 18 per acre.	...	...	0 3 0

Value of land.—Since settlement, Choudhary Dhiraj Singh, malguzar, has given out 14 acres in occupancy right on Rs. 62 rent, for a premium of Rs. 2,500 and Prem Narain has given out 14 acres on Rs. 50, for Rs. 3,000. They say that the lands sold by the former were superior, but were sold earlier and the price of land rose by the time the latter sold his land. Before the settlement, Choudhary Doulat Singh sold 12 acres for Rs. 1,500 about ten years ago. The villagers say that the value of land is rising. They say that the market value of good land here is nowadays about Rs. 250 per acre; while the worse will sell at Rs. 50 to Rs. 100 an acre. They say that two-thirds of the land is of good quality and about one-third is of poor quality, so that the average value of all land here would be about Rs. 180 per acre. They say that the sub-letting value of the best land is between Rs. 12 and Rs. 16 per acre. The worst quality land sublets at Rs. 2. There is evidently a keen demand for land here adjoining Gadarwara town. The people of this village seem to be intelligent and industrious and on the whole good cultivators.

Sources of finance.—There are a large number of important money-lenders in Gadarwara town, who also do grain business. In addition some of the malguzars make advances to the tenants. Of the 44 tenants, 8 are free from debt. The total debt owed by tenants comes to Rs. 6,859 and Rs. 160 worth of grain. The following tenants appear to be indebted without reasonable hope of redemption. They hold 28 acres of land with Rs. 2,287 debt:—

	Number in B form.	Acres.	Rents paid.		Debts.
			<i>Rs. a. p.</i>	<i>Rs.</i>	
6	...	5.59	6 0 0	322	
8	...	4.89	3 0 0	378	
11	...	4.21	10 8 0	450	
15	...	4.85	9 8 0	317	
16	...	4.46	13 0 0	520	
19	...	4.22	10 0 0	300	
	Total	28 60	52 0 0	2,287	

Excluding this debt the balance of debt comes to Rs. 4,572 upon 574 acres and 38 tenants, an average of about Rs. 8 per acre against an average selling value of Rs. 175 per acre. Among the 6 seriously indebted tenants, No. 6 of B Form: Amar Singh out of his debt of Rs. 322 owes Rs. 250 on an old debt at 24 per cent interest. The total interest charges which he has to pay come roughly to Rs. 75 per annum or over 12 times his rent of Rs. 6. He is not apparently paying the interest. No. 8 of B Form owes Rs. 378. The cause of his indebtedness is as follows:—He took 15 acres of land from Baldeo Prasad, a big tenant and malguzar elsewhere, on a sub-lease of Rs. 300 at Rs. 20 per acre and because the crop was poor borrowed Rs. 375 to pay this sub-lease money with interest. It appears that this man has ruined himself by taking land at an exorbitant rate of sub-rent. No. 11 of Form B owes Rs. 500. He took 18½ acres on a sub-lease of Rs. 235 per annum for three years from Dhiraj Singh, malguzar, the brother of Choudhary Doulat Singh. Dhiraj Singh says that he pays sub-rent every year. The tenant Dimma, however, says that he borrowed Rs. 500 from Seth Mohanlal at 30 per cent interest three years ago for paying the sub-rent to the malguzar and for purchasing a pair of bullocks. This person Dimma may have possibly not been so seriously indebted as he alleges, because he admits that he has also lent out Rs. 50 at 24 per cent interest to somebody else. His land is very valuable and is valued at Rs. 1,000. But even under these circumstances he is not likely to be able to repay the debt with interest at 30 per cent per annum. He shows his family as earning a considerable sum from non-agricultural sources. He has a large number of cattle. There are 3 male and 3 female adults and 7 children in his family, total 13 persons; and he estimates his expenses of food per day at Re. 1-4-0 or Rs. 456 per annum and his expenses for clothing Rs. 160, total Rs. 610. The family are shown as earning Rs. 550 per year from non-agricultural sources such as labour, etc. This appears to be another case of a man who has overburdened himself with debt by taking land on a high sub-rent. No. 16 of Form B owes Rs. 500, most of which was borrowed for weddings. It will be seen that all these 6 persons have very small holdings and from their own statements it is clear that they and their families earn much more from non-agricultural sources than from the outturn of their small fields.

Sources from which and the purposes for which debts were incurred are as follows:—

		Sources.	Rs.
Government	145
Malguzar	1,183
Mahajan	8,276
			} 115
Total			9,719

Purposes		Rs.
Old debt	...	1,248
Marriage	...	910
Household needs	...	600
Seed, etc., cultivation	...	3,762
Purchase of land	...	1,600
Litigation	...	700
Payment of sub-rent	...	899
Total		9,719

This includes the debts of malguzars. A certain portion of this debt of course consists of the ordinary short-term loans, repayable at harvest.

Cost of maintenance.—We have, as usual, enquired into the individual budgets of individual cultivators. Their estimates of their normal expenditure upon food and clothing of their family vary considerably according to the number of members of the family and style of living.

The three resident malguzars have in their families 11 male and 14 female adults and 26 children. Their estimates of their total expenses in grain and cash for food and clothing together come to Rs. 3,575 or an average of Rs. 78 per head.

Twenty-eight tenants, who have made similar estimates, have 55 male adults, 54 female adults and 84 children in their families, and the total expenditure on food and clothing comes to Rs. 7,773. This includes 4 big men who hold land elsewhere and have large incomes from other sources. The average annual expenditure in this village would then appear to be about Rs. 40 per head or Rs. 200 of an average family of 5 persons.

One of the principal defects in the economic structure of this village would appear to be the number of small holdings. But on the other hand, in a village adjoining a large town and railway station where employment on good wages is readily available, it is inevitable that a certain number of the tenants should not be whole-time cultivators, but should prefer to hold small pieces of land and to supplement their income by the daily wages earned either by themselves or by the other members of their families.

According to cultivators' own statements, the total subsidiary income of cultivators, *i.e.*, labour, carting, sale of *ghee*, money-lending, etc., etc., comes to Rs. 13,617.

There is no co-operative credit society here and the villagers did not appear to be in favour of one. Choudhary Doulat Singh himself has for many years been prominently connected with the co-operative credit movement. There are, it is reported, several factions in the village and some of the tenants are reported to be quarrelling with the malguzars. It might, however, be worth while attempting a co-operative credit society here for financing short-term needs of agriculturists. There is no doubt,

however, that a land mortgage bank might be able to do much good here in granting advances for longer periods on easy instalments at low rate of interest.

The rates of interest here are high, averaging 24 per cent, and the total interest which the tenants are paying at present is as much, if not more, than the total rental demand of the village.

In conclusion, the tenants pressed very strongly for the grant of the rights of transfer in occupancy land. Nearly all the tenancy land is held here in occupancy right, and the tenants stated that they could never obtain money at a low rate of interest until they had the right of mortgaging their land as a security. Malguzar Dhiraj Singh and others agreed and stated that they would not stand in the way of tenants obtaining their rights. The view of Choudhary Dhiraj Singh and others was, that if it was in the interests of the agriculturist community as a whole to obtain the right of transfer, so as to make them more self reliant and in order to increase their credit no public spirited malguzars would oppose it. They stated that Choudhary Doulat Singh had been pressing for legislation on these lines for some time past. The tenants stated that they were not afraid that their land might pass out of their hands if they obtained the right of transfer, because they pointed out that even now they have to surrender land with the malguzar's permission sooner or later if they become heavily indebted and have to pay something to the malguzar in addition for this permission. They stated that they do not get the full price of their land at present, whereas even those who were heavily indebted might repay their debts by selling a part of their holding and thus save the rest, if they were given the right of transfer. They state that they were willing to pay for this right and they were of the opinion that the best method would be through a Land Purchase Bill, and said that if the right of transfer could be purchasable upon three or four years' rent, then any person who wished to obtain this right could do so.

The financial life and economic conditions of this village, so close to a big town, are of course not in all respects typical of the villages further away in the interior. We noted that many of the tenants had a large number of non-agricultural cattle, such as she-buffaloes; and we were informed that it was easy to obtain a substantial income from selling milk and *ghee* in Gadarwara town.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 8,446.

APPENDIX E-LXIX.

PLATEAU ZONE.

PADHAR BUZRUK, TAHSIL AND DISTRICT BETUL.

A large village with an important timber, harra and grain bazar on the Betul-Itarsi road, 11 miles south of Betul. This is the principal bazar in the neighbourhood and produce is brought here from long distances for sale. The total population is 779, of whom 215 persons are members of the families of cultivators. The total area is 1,475 acres and the revenue demand is Rs. 350. The occupied area is 1,223 acres, of which 1,094 acres are held in tenancy right and the remainder in the home-farm. Rental demand is Rs. 404. The soils on the whole are very light of the bardi type. The principal crops are kodon-kutki and juar, which cover 830 acres. Gram is also sown in 150 acres, but the villagers allege that the gram outturn is very poor, and the Settlement Officer noted that this gram is sown for purposes of rotation so as to fertilize the soil after a kharif crop. The agriculture on this very light soil is extremely uncertain and crops are liable to serious failure, if there is any defect in the late monsoon. The tenants, however, have large baris or gardens attached to their houses, in which the soil is very rich and excellent crops of juar are grown. If the tenants here were dependent solely upon agriculture, their existence would be very precarious. According to their own statements the cost of cultivation averages between Rs. 3 (kodon) and Rs. 8 per acre, while the net income varies between Rs. 5 and Rs. 12 per acre. But although in some years the outturn of kodon-kutki may be very heavy, yielding a profit of Rs. 15 to Rs. 20 per acre, in another year it may practically be *nil*. If we accept the villagers' statement and assume the average net income at Rs. 8 per acre the total average income of the village from agriculture comes to about Rs. 9,000. But as a matter of fact cultivators here like the agricultural labourers and non-agriculturists are for the most part dependent rather upon non-agricultural employment than on agriculture. Most of them are engaged in work connected with the market, either as weighman or dallals or as petty dealers or for the carting or sale of mahua, harra, timber, fuel, etc. Fuel and timber abound in the adjoining jungles. From the statement of the tenants it is quite clear that their incomes from these subsidiary employments are generally greater than their income from agriculture. The village is in fact more important as an old established bazar than as a crop producing area.

Finances.—There is a co-operative credit society, but it is in a bad condition and is in process of liquidation. The statement of Sukha, a so called mahajan, is attached. He and his family support themselves as much by labour as from agriculture. He was, however, appointed as secretary of the co-operative credit society. The statement of another tenant Tikaram, Kalar, whose main income is from the sale of salt, is also attached as an example of how the people live in this village. The main source of finance is as usual the malguzars or the mahajans.

Debts.—There is one malguzari, who is a rich absentee Teli widow, who has acquired the village by purchase, and there are 39 tenants. Of the tenants 15 are free from debt. 10 have petty debts not exceeding Rs. 50. Only 4 have debts exceeding Rs. 100, while only 1 owes over Rs. 200. This individual is Godiram, who holds 28 acres on Rs. 7-8-0 rent and who owes Rs. 1,564 of which Rs. 1,444 is an old debt. The debt bears 2 per cent interest. This man is hopelessly indebted and is unable to give any satisfactory explanation as to how the debt was incurred.

The total grain and cash debts, including this debt of Rs. 1,564 of Godiram, amount to Rs. 3,880, or excluding his debt to Rs. 2,326, which gives an average of Rs. 59 per tenant and Rs. 97 per indebted tenant or Rs. 2-8-0 per acre and 8 times the rent. These petty debts are typical of this light soil tract. The tenants are very anxious to obtain rights of transfer and state that they have already expressed their opinions when the question was previously referred to them. They state that their land will then have some value as security and they will be able to obtain money at lower rate of interest. Thirteen of the tenants are members of the co-operative credit society here. As usual, their average debt exceeds the village average as is explained below :—

Members of Co-operative Society.

Name.	Area.	Rent.	From Society.	From Mahajan.
1	2	3	4	5
	Acres.	Rs. a. p.	Rs.	Rs.
1. Mt. Kalo	15-92	5 0 0	100	...
2. Gangu	12-16	6 0 0	50	...
3. Gangu Pardhan	8-60	2 2 0	12	...
4. Chaitya	10-98	5 0 0	100	...
5. Jaggu	28-15	8 0 0	20	...
6. Tukdya	15-81	5 0 0	80	80
7. Dhana	5-42	1 8 0	60	18
8. Panchni	23-91	9 0 0	60	130
9. Mohanlal	13-68	6 0 0	3	...
10. Maya	5-90	1 8 0	70	...
11. Rangu	21-68	10 0 0	30	...
12. Suka	56-38	20 0 0	30	124
13. Mt. Sundar.	13-78	5 0 0	100	...
Total	242-87	84 8 0	745	352
Grand total	...	...	...	1,097

Per head Rs. 84. Per acre Rs. 4-4-0. Multiple of rent : 13 times the rent.

Sources.	Rs.
1. Co-operative Bank	745
2. Mahajan	3,144
Total	3,889

Purposes.

		Rs.
1. Payment of old debt	...	1,712
2. Marriage or other ceremonials	...	397
3. Arrears of rent	...	504
4. Improvement of land	...	1,264
5. Seed, etc.	...	40
	Total	3,889

All the debts are unsecured. 48 per cent of the total debt is old and inherited. Of the balance, 12 per cent is for unproductive purposes.

Taccavi could easily meet the small demands for short-term loans. No other special arrangements for credit seem necessary here.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 1,986.

The following statement will show the distribution of the village holdings:—

Village.	Below	From	From	From	From	From	From	Above	Total.	
	5	6-10	11-15	16-20	21-25	26-30	31-40	40		
	acres.	acres.	acres.	acres.	acres.	acres.	acres.	acres.		
1	2	3	4	5	6	7	8	9	10	
Padhar	...	3	5	8	6	8	3	3	4	40

STATEMENTS.

Nanu, Mehra—

I own 23 acres of land at Rs. 8 rental.

Seed	Yield.	Rs.
10 kuro kodo	... 16 khandis	... 54
15 kuro kutki	... 9 khandis	... 108
1 kuro juar	... 5 khandis	... 70
4 pai udid	... 10 kuros	... 10
1 kuro tur	... 15 kuros	... 15
	Total	... 257

I purchase a pair of bullocks for Rs. 80. They work for eight years; grass is required for the pair.

1 servant Rs. 60.

2 khandi agricultural labour, i.e., Rs. 18 at Rs. 9 per khandi.

4 kuro per plough to smith.
weeding Rs. 5-0-0.

Cost.

			Rs.
Seed	...	...	15
Bullocks	...	...	10
Grass	...	...	10
*Servant	...	...	60
Other labour	...	...	18
			5
			2
			8
			<hr/> 128
			<hr/> 257

Net profit for 23 acres... 129

or Rs. 5-8-0 per acre.

Expenses excluding servant Rs. 68 per acre.

I am a weighman and get Rs. 150 therefrom. I have no debt.

Sukha, mahajan—

I have 56 acres of land at Rs. 20. Rs. 144 I owe to mahajan and Rs. 30 to the co-operative society. To mahajan I pay Rs. 72 and Rs. 24 interest and to the bank Rs. 12 per cent.

My gross income is Rs. 283 and cost of cultivation—

	Rs.
Cost: ...	90
	<hr/> 193
Other income ...	+20
	<hr/> 213
Total net income ...	213

His yearly maintenance expenses are Rs. 200. Thus he saves only Rs. 13 from agriculture. Three persons work as labourers. They get 8 annas a day. Rs. 15 × 12 = Rs. 180 a year.

I have 10 mahua trees free, i.e., 2½ manis at Rs. 5 = Rs. 12.

There are 17 members of the society. I am the secretary of the society. It is not working well. I joined the society two years back. Since then I have got more indebted.

*N.B.—The servant would be unnecessary were Nanuh a whole-time agriculturist. But it pays him better to keep a servant on Rs. 60 and earn Rs. 150 as a weighman himself.

Tikaram, Kalar—

I pay Rs. 6-8-0 as rent. I sell salt. I sow from 6 to 7 acres.

Seed	Yield.	Rs.
4 kuro kodo ...	2 mani ...	20
8 kuro kutki ...	2½ mani ...	30
1 kuro juar ...	1½ mani ...	20
12 kuro chana ...	1½ manis ...	24
Total		94

Rs.	s.	p.	
19	12	0	seed
30	0	0	other expenses.
<hr/>			
49	12	0	
<hr/>			
94	0	0	
<hr/>			
49	12	0	
<hr/>			
44	4	0	About Rs. 7 per acre.

I get about Rs. 150 from the sale of salt.

44

194

I have no debts.

Sale of harra, mahua, grass and fuel is the subsidiary work which the labourers and petty cultivators follow. They make a fair income from this.

We want transferable rights. We can pay off our debts by selling a portion and can start afresh. We want it and we had expressed such an opinion before. We can improve our cultivation also. At present we cannot through fear of malguzar.

APPENDIX E-LXX.

PLATEAU ZONE.

SASUNDRA, TAHSIL MULTAI, DISTRICT BETUL.

A large village on the Multai road, 15 miles from headquarters. The village lands lie in a broad level valley of very fine rabi soil. The total area of the village is 1,736 acres with a land revenue of Rs. 890. The population of the village is 1,301. The occupied area is 1,887 acres and the cropped area 1,082 acres, which is distributed under kharif and rabi crops as under :—

	Acres.	
Kharif	...	500
Rabi	...	681

Of this, 560 acres are under wheat. There is also a large area under the valuable sugarcane crop. 137 acres are irrigated. 99 acres are double cropped.

The villagers want rights of transfer. They say that they have to pay higher rates of interest because they have no security to offer. Yeshwantrao, malguzar, has no objection to the rights of transfer being granted to the occupancy tenants provided the malguzar's interests are not sacrificed. The selling value of the land varies from Rs. 300 to Rs. 50 an acre and the subletting value is Rs. 15 to Rs. 3 an acre. The irrigated sugarcane land sells up to Rs. 450 per acre and sublets as high as Rs. 25 per acre.

The co-operative society is in liquidation. People have to depend for their financial requirements on the malguzar and the sowkars. Bhadu Umnuya, Kunbi, a big cultivator, Nanhu Bhoyan, Pandu, Kunbi, and a few others lend money to fellow cultivators at 24 per cent. Sawai is charged on seasonal loans repayable in five or six months. The rate of interest in such cases actually works out to over Rs. 50 per cent. On failure to pay on due date penal rate of interest is charged. As most of the tenants hold occupancy lands, loans are advanced on "purjas" or bonds. Borrowers who have current account get loans without having to execute bonds. 40 per cent of the cultivators borrow in rains and repay at harvest.

Cost and profits of cultivation.—The cultivators here also hold land in other villages. Statement A shows the total area held as 3,898 acres. Total expenses—

Seed	...	...	Rs.	10,860
Operation and feed of bullocks	...	...	...	5,610
Other expenses	...	...	...	14,979
		Total	...	31,449

Average cost of cultivating a mixed holding of rabi and kharif is about Rs. 8 per acre. Value of outturn Rs. 90,038, net profit Rs. 58,589 or about Rs. 15-2-0 per acre.

From the statement of cultivators examined it is made to appear that the cost of rabi cultivation per acre is about Rs. 10 and the net profit Rs. 20. The village is typical of the superior

wheat tracts of the district and as such the net outturn per acre must be at least 600 lbs. per acre. The villagers in their spare time bring timber and fuel from the forest and sell them. Besides they breed cattle, make gud and sell *ghee*. The total income from these sources is Rs. 30,176. The total alleged net agricultural and other income of the cultivators here and elsewhere is Rs. 58,589+Rs. 30,176, *i.e.*, Rs. 88,705 or nearly Rs. 440 per cultivator.

Debts.—There are 202 tenants and one malguzar. The malguzar is free from debt. Of the 202 tenants, 112 are entirely free from debt. Of the 90 indebted tenants, the following are heavily indebted :—

	Rs.
1. Dipchand (10 acres at Rs. 5-8-0) ...	905
2. Rama (10 acres at Rs. 10-4-0) ...	1,200
3. Kisan (98 acres at Rs. 82) ...	3,200
4. Mahagya (20 acres at Rs. 14) ...	1,050
5. Mt. Lanki (0.03 acres at annas 8) ...	350
6. Mt. Sita (1.92 acres at Rs. 2) ...	370
7. Sakhlal (63 acres at Rs. 49) ...	1,080
8. Hiraji (4 acres at Rs. 5) ...	900
(207 acres at Rs. 175-12-0)	9,055

The total debt is Rs. 25,350 and comes to Rs. 125 per tenant or Rs. 281 per indebted tenant and Rs. 15 per acre or 14 times the rent. But leaving out the heavily indebted tenants we find that the burden of debts comes to Rs. 80 per tenant or Rs. 200 per indebted tenant or Rs. 11 per acre or 10 times the rent. From these facts it will appear that the total debt is less than one-third the total yearly income of the village and that only 4 per cent of the tenants are heavily indebted.

The following statement will show the sources from which and the purposes for which the debt was taken :—

<i>Sources.</i>		Rs.
1. Co-operative ...	...	940
2. Malguzar ...	...	4,210
3. Mahajan ...	...	20,200
Total		25,350
<i>Purposes.</i>		Rs.
1. Repayment of earlier debt ...	...	17,750
2. Marriage and ceremonials ...	...	1,147
3. Purchase of land ...	...	1,720
4. Seed, wages, manure ...	...	3,183
5. Trade ...	...	1,145
6. Litigation ...	...	385
7. Repairs to a house ...	...	20
Total		25,350

It will be clear that in this village, as elsewhere, the real trouble is the inherited debt which is 67 per cent of the total debt. Leaving it out, 20 per cent is for unproductive and 80 per cent for productive purposes. Of the total debt, only Rs. 800 is secured. Practically the whole of the debt is unsecured and it is not at all surprising as 92 per cent of the tenants have no transferable rights in their land.

The co-operative society, as pointed out above, is under liquidation. The following statement shows the financial position of the members of the co-operative credit society. Of the 10, 5 are indebted :—

Name.	Area.	Rent.	Society's debt.	Outside debt.
1	2	3	4	5
	Acres.	Rs. a. p.	Rs.	Rs.
1. Kanba ...	03	0 8 0	50	130
2. Indal ...	98	32 0 0	600	2,600
3. Mahagya ...	20.13	14 0 0	100	950
4. Rama ...	04	0 8 0	150	450
5. Mt. Sita ...	1.92	2 0 0	40	330
Total ...	120.22	99 0 0	940	+4,460 Total 5,400

or Rs. 1,080 per head or Rs. 45 per acre or 54 times the rent. Here, as elsewhere, the burden of debt on the society members is far above the village average.

Taccavi for short term and a land mortgage bank for long-term loans may solve the local problems and reduce the heavy burden of interest. The average interest charge is Rs. 20 per annum per cent. The annual sum which the villagers are required to pay as interest charges comes to Rs. 5,070 or 6 times the total land revenue.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 22,227.

Subletting value—

Name.	Area.	Rent.	Subletting value.
1	2	3	4
	Acres.	Rs.	Rs. a. p.
Sheorao ...	2.03	8	53 12 0
Chitri ...	2.41	8	50 0 0
Mt. Sitas ...	8.86	10	50 0 0

STATEMENTS.

Indal Rampat—

I have 98 acres at Rs. 65. I owe Rs. 600 to the co-operative bank and Rs. 2,600 to others. All this is old debt. Even the bank debt is old. My father had taken it. I can only pay interest.

Masur land is worth Rs. 500 or Rs. 600 per khandi, i.e., 4 acres.

9 seers = a kuro.
20 kuros = a khandi.

I get only 5 times the seed wheat. The average is about 5 to 6 times outturn. My soil is poor. I intend paying off my debts. I want transferable rights.

Jhunyaji Patel of Sasundra—

I do money-lending in addition to cultivation. I own 273 acres at Rs. 260. My experience is that I do not get more than 5 times the seed for wheat. 3 to 4 times is common outturn for the village as the soil is poor. My cost of cultivation is Rs. 2,500 and income Rs. 5,200. I have not worked out cost of cultivation per khandi or acre.

Of the 273 acres, I must have purchased 150 acres. I paid the price from the profits of cultivation and money-lending. I have invested Rs. 20,000 in money-lending. My maximum rate of interest is 2 per cent per month and minimum 12 annas. On mortgages I take 12 annas. I do not advance money on pawn of ornaments. I must have lost about Rs. 3,000 as bad debts during 15 or 20 years. I am doing money-lending. I think if transferable rights are given to the cultivators rate of interest is bound to fall. I have no fear that the occupancy tenants will be ousted from the land. There are several absolute-occupancy tenants in the village who retain their holdings in tact. "Purja" is the most common form of security in money-lending. There is no trade and hundi transactions here. Co-operative bank is under liquidation here. I use my own capital. None has deposited money with me. Nor am I prepared to accept deposits. I do not understand banking and it is beyond me to take money from banks and do money-lending. My father was a very small money-lender. I expanded the business. I cannot expand the business very much.

Yeshwant Rao, malguzar, of Pohar—

I have not the slightest objection to the transferable rights being given to occupancy tenants. Only the malguzars should get something on the sales.

APPENDIX E-LXXI.
PLATEAU ZONE.

BHIKARMANDWA, TAHSIL BHENSDEHI, DISTRICT BETUL.

A good plateau village on the Ellichpur road, about 4 miles south of Jhallar. It has a fine narrow jhil of fair black soil stretching up to Banner border. Bardī, which predominates, is superior of its class and grows good juar. Cropping is mixed and superior kharif, *i.e.*, rice and jagni, is grown extensively. The area of the village is 1,403 acres and population is 478. The cropped area is distributed as:—

	Acres.
Kharif	866
Rabi	282

Land revenue is Rs. 275, while rental demand is Rs. 521-12-0.

The chief source of finance is the mahajan, who charges 2 per cent per mensem as the villagers have little credit, most of them being occupancy tenants. There was a co-operative society a few years back. It was liquidated and people are glad. They do not want it any more. Similarly, they say taccavi is very unsympathetically realized and distributed in very small sums and too late for being productively used. They would gladly take taccavi if some of the alleged defects are removed.

Cost and profit of cultivation.—Costs of cultivation are very low as the labour and kharif seed are cheap. Deducting the cost of cultivation, which does not exceed Rs. 8 per acre on all lands, the average net profit come to Rs. 15 per acre. The value of the bardi land is Rs. 15 per acre and of morand Rs. 100 per acre. People think that the land value will improve if they get transferable rights in their lands.

Debts.—There are 45 tenants and one malguzar in the village. The malguzar and 27 tenants are free from debt. Only 18 tenants are indebted. Eight have petty debts not exceeding Rs. 50. Pandurang, Kunbi, owes an old debt of Rs. 600 at 25 per cent interest. This is an old debt which has increased owing to the high rate of interest. His statement is attached. His land is valued at Rs. 1,500; and even if he can obtain money at a reasonable rate of interest to liquidate this debt, it is doubtful whether his land can be saved.

Dewaji, Kunbi, with 155 acres of land at Rs. 63 rent, owes Rs. 300. He, however, is a very rich tenant with over 50 cattle, a house valued at Rs. 1,000 and jewellery worth Rs. 500. His land is valued at Rs. 50 per acre or some Rs. 7,800. His debt is, therefore, not serious having regard to the assets, although here too interest charged is 25 per cent in spite of his good credit.

One Raghunath, Kurmi, with 5 acres of land at Rs. 3-8-0, owes Rs. 200, which he borrowed for litigation. This is never likely to be repaid. Although his wheat land is valuable with an estimated value of Rs. 490, the interest at 25 per cent is likely to ruin him before long.

Raji, Korku, borrowed Rs. 200 from the big money-lending malguzar of Jhallar at 25 per cent for the marriage of his son. He has only 16 acres of land at Rs. 8 rent. His land is valued at Rs. 400 only. He is an illiterate Korku. He is said to earn Rs. 250 a year from extraction of timber for sale in the Ellichpur market. His case is interesting and his statement is attached. He has practically sold his son into bondage to his sowkar. He has executed a bond binding his son to serve the sowkar until the debt is paid off. The sowkar pays him only 4 khandi worth Rs. 48 as his wages until then.

The statement of Sukha, Korku, and Sonu, Korku, are also attached as being of interest. These illiterate Korkus are at the mercy of any unscrupulous person. They complained at the time of our enquiry that in some cases the subordinates of the co-operative credit bank had recovered money from them and not passed receipts for the full amount with the result that debts had been paid two or three times over. They made the same accusation against the tahsil peons with regard to taccavi. With the few exceptions pointed out the villagers are not embarrassed by debt.

All the loans are unsecured and amount to Rs. 2,265 or Rs. 50 per tenant or Rs. 125 per indebted tenant or Re. 1.8-0 per acre or three times the rent.

Sources and purposes of debts.

<i>Sources.</i>				Rs.
1. Malguzar	...	...	...	890
2. Mahajan	...	...	...	1,375
Total				2,265

<i>Purposes.</i>				Rs.
1. Payment of old debt	...	...	...	670
2. Marriage and ceremonials	...	...	...	785
3. Seed, manure and bullocks	...	...	...	610
4. Litigation	...	...	...	200
Total				2,265

22 per cent of the total is old and inherited debt. Of the balance 70 per cent is for unproductive and 30 per cent for productive purposes.

In their spare time people cart fuel and grass and sell it in Paratwara (Ellichpur) and thus supplement their income. The total income of the village from non-agricultural sources is said by them to be Rs. 9,950, which is more than four times the debt.

This village is typical of a large portion, i.e., the upland portion of the Betul district. It is rather cut off from the outside world. Tenants are mostly unsophisticated and are all practically illiterate. They avoid money-lenders as much as they can, because

the rate of interest charged is very high and there can be no fair dealings between an ignorant Korku and an unscrupulous money-lender. Those of them who borrow money for any substantial amount are likely to be ruined before long. They do not know how to calculate interest either on co-operative credit loans or on loans from mahajans. It seems clear that in so backward a tract the time has not yet come when the villagers can be taught to understand the real meaning of the co-operative credit movement and the foundation of a society here was probably a mistake. This seems to be a tract to which Government should pay particular attention. There is a lot of quite fertile and productive soil producing wheat, cotton, til, etc., etc.; and a sympathetic Tahsildar who totered in the tract and carried out his business on the spot might be able to meet all the legitimate needs for short-term loans by the judicious distribution of taccavi. On the whole, however, as is pointed out above, the indebtedness here with one or two exceptions is insignificant.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 6,300.

The following statement will show the distribution of the Village holders:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Bhikarmandwa ...	4	4	5	6	4	4	3	15	45

STATEMENTS.

Raji, Korku holds 0.33 acre of land and pays 8 annas rent. He borrowed Rs. 200 from malguzar of Jhallar at 25 per cent for the marriage of his son last year. He has kept his son in service of the malguzar who gives him 4 khandis of juar a year as wages (Rs. 12 a khandi).

He has a cart and a pair of bullocks. He cuts timber and sells it and earns Rs. 7-8-0 net in 15 days. He sells timber in Paratwara market.

Suka, Korku—

I hold 14 acres of land and pay Rs. 8-8-0 rent. I had sown 4 pails of juar and I got 5 khandis. I had sown half maund of cotton. I get 5 maunds of cotton. I had sown one kuro of wheat and I got 14 kuros. After paying cost of cultivation I get Rs. 10 or Re. 11 per acre.

I earn about Rs. 150 by carting. I borrowed Rs. 200 for bullocks and marriage at Rs. 25 per cent from the malguzar four or five years back. I am paying interest every year regularly.

Pandurang, Kunbi—

I own 56 acres and pay Rs. 53-12-0 rent. I have cultivated all the land only this year. As I had no bullocks, I could not cultivate all the land, and thus I have not been able to pay off the debt. I think I shall be able to pay off provided crops are good.

Sonu, Korku—

I was a member of the co-operative society. The society has been liquidated and I am glad. I do not want it any more. It did me no good. I had to pay a good deal. I cannot say how much. But I had great trouble and I do not want the society any more.

Similarly, I was much troubled by Tahsildar for repayment of taccavi loans. Taccavi loans are good, but they are realized unsympathetically. Tahsil peons harass us a good deal.

APPENDIX E-LXXII.

PLATEAU ZONE.

LINGA, TAHSIL AND DISTRICT CHHINDWARA.

A very fine village in the Chhindwara tahsil of the Chhindwara district, situated on the Nagpur-Chhindwara road, some 6 miles from Chhindwara.

Area and cropping.—The total area of the village is 957 acres, and the total occupied area is 824 acres. The gross cropped area is 922 acres; but as 181 acres are double-cropped, the net area cropped comes to 741 acres. The cropping is as follows :—

		Acres.
Wheat	...	311 (of this 114 acres are irrigated from wells and a stream).
Gram	...	55
Juar	...	190
Cotton	...	140
Chillies	...	52

The soil is rich and fertile, being closely cultivated and surrounding a barren hill on which the abadi or village site is situated. In the old days, poppy was grown here for manufacturing opium, and the value of land has always been high.

Tenants.—The tenants are nearly all Kunbis, and many of them are extremely prosperous. Many of them include in their cultivation some area of irrigated chillies and irrigated wheat, a very remunerative form of intensive cultivation.

Land values.—Land values here are very high and some of the best land is said to be worth Rs. 1,000 per acre. The all round value of land here is probably at present prices, not less than Rs. 250 per acre.

Profits of agriculture.—The cultivators say that a man with one pair of bullocks can cultivate 10 acres of land, on an average, in this village. The expenses of cultivation and the outturn will be as follows, if he grows wheat, cotton and juar on equal areas of the holding :—

		Rs. a. p.
Wheat 4½ khandis	...	112 8 0
Cotton 1½ khandi	...	75 0 0
Juar 5 khandis	...	75 0 0
Total	...	262 8 0

Expenses.

	Rs. a. p.
Seed ...	20 0 0
Weeding ...	10 0 0
Harvesting ...	10 0 0
Lohar, carpenter ...	6 0 0
Other labour ...	20 0 0
Bullocks ...	20 0 0
Implements ...	5 0 0
Rent ...	15 0 0
Kotwar ...	1 3 0
Total ...	107 3 0

Net profit on 10 acres ... 155 0 0

or Rs. 15 per acre.

The cultivators, therefore, estimate the average all round net profits from agriculture at Rs. 15 per acre; but this does not take into consideration the profits from the irrigated wheat and chilli cultivation. Very many of the cultivators do some intensive cultivation in this way with the help of irrigation. This is a most welcome sign and substantially increases their income. It is difficult to estimate the net profits from this intensive cultivation; but they are very considerable.

Malguzar.—The malguzar of the village is Kumar Luxman Rao Janojee Rao Bhonsle of Nagpur.

Tenants.—There are 75 tenants, among whom seven are malguzars in other villages. Many of them are rich and very prosperous persons. Twenty-one of them have money-lending business, totalling Rs. 20,684. The total disclosed indebtedness come to Rs. 49,900 and the ordinary rate of interest is 15 per cent per annum. The purposes for which these debts were incurred are shown below :—

	Rs.
Purchase and improvement of lands...	20,850
Seed, bullocks, etc. ...	3,775
Illness, etc. ...	10,100
Marriage ...	5,250
Old debt ...	8,095
Litigation ...	600
Trade ...	700
House building ...	530
Total ...	49,900

All these debt have been borrowed from sowkars. The principal debtor is one Pundlik, son of Ramji, who owes in all Rs. 12,000, Rs. 9,500 of which was borrowed on mortgage at 9 per cent interest for purposes of treating a fistula from which he suffered, and Rs. 3,500 unsecured debt which is alleged to have been borrowed for agricultural purposes at 12 per cent interest. This man, however, admits that he has Rs. 1,000 worth of money-lending. He holds 177 acres of land in this and other villages and has also got malguzari shares in two other villages. He is the only male member of his family and he has no children. We have checked his statement with regard to his expenses for medical treatment and it seems to be correct, although the money was not wisely spent. One Appa, Kunbi, owes Rs. 2,500, of which Rs. 2,000 is an old debt and Rs. 500 was borrowed for constructing a well for irrigation. He holds $11\frac{1}{2}$ acres of land only in this and other villages, which is valued at Rs. 500 per acre, *i.e.*, at Rs. 5,750. It is extremely doubtful whether this man will ever be able to liquidate this debt and we consider him to be more or less beyond redemption. Another big debtor is Goundal, son of Puncham, Kunbi, who has borrowed Rs. 2,500 for the purchase of land. He holds a small malguzari share in another village and admits a money-lending business of Rs. 3,000. He cannot, therefore, be considered to be involved, if he has elected to incur a debt of Rs. 2,500 for increasing his agricultural property. One Jago, Kunbi, owes Rs. 1,300 and holds 20 acres of land. Piaji, Kunbi, owes Rs. 8,500, of which Rs. 8,000 is secured on mortgage at 12 per cent interest. He holds 159 acres of land in this and other villages and has also a malguzari share in Kundari and has Rs. 500 worth of money-lending. Bevaji, Kunbi, alleges debts of Rs. 2,000, of which it is alleged that Rs. 1,000 was borrowed to pay off an old debt, Rs. 500 for agricultural expenses and Rs. 500 for the purchase of land. Mahadeo, a big cultivator, with 97 acres of land on a rent of Rs. 123 in this and three other villages, owes Rs. 1,000, of which Rs. 500 was incurred for litigation; but he also admittedly has Rs. 2,000 worth of money-lending. One Narain, with 9 acres of land on Rs. 30 rent, owes Rs. 1,000 at 15 per cent interest. His land is valued at Rs. 3,500. Even then it is extremely doubtful whether he will be able to repay his debt with interest. Sitaram, Nai, with 19 acres of land on rent of Rs. 32, owes Rs. 1,750, of which Rs. 1,100 is an old debt, Rs. 450 was borrowed for the construction of a well. He also appears to be indebted beyond his means, although the land in this village is undoubtedly very valuable. According to the villagers' own estimate of land values, the juar land was valued at Rs. 350 per acre and the other land at Rs. 450 per acre; but an all round figure of Rs. 250 is a safe estimate. Sitaram, Nai, who owes Rs. 1,750 as explained above, has mortgaged his crop and has also sublet his land for Rs. 150. This is not sufficient to meet the interest charges. He supports himself by his earnings as a barber.

If we take out those cultivators who have more owing to them than they owe to others and reduce the debts of others by

the sum they have lent out, the position may be exhibited in the following statement:—

Size of holding.	Number of persons		Total debt.	Debt per head of indebted tenants.
	Total.	Indebted.		
1	2	3	4	5
			Rs.	Rs.
1 to 5 acres	19	10	3,140	314
5 to 10 "	22	15	4,460	297
10 to 15 "	10	8	5,400	675
15 to 25 "	12	7	4,100	586
25 to 50 "	5	5	3,100	520
50 to 100 "	5	2	775	387
Over 100 "	2	2	20,000	10,000
Total	...	...	...	...

The total area of land held by the tenants in this village and elsewhere is 1,507 acres. The debt per acre, therefore, comes to Rs. 27 per acre, which is only about 10 per cent of the value of the land at the very conservative valuation of Rs. 250 per acre.

The debt per tenant comes to Rs. 545 and that per indebted tenant comes to Rs. 836. The cultivators borrow money for cultivation in small sums as they need it and generally try to repay it after harvest. For small sums they give no deed; but merely sign the book of the money-lender. They get receipts for repayments. Those who can not read and write have to depend on the honesty of the sowkar for the correctness of his demand. Some times they take some body with them who understands accounts.

There is a curious practice here of money-lenders taking registered deeds of mortgage of future crops from mourusi cultivators. The deed purports to say that until the debt is repaid, the crops of the borrowers will remain mortgaged to the lender. A big cultivator, who is also a money-lender, admitted the doubtful legality of this procedure and said this was meant only to frighten the cultivators into paying. In case of law suits for recovery, he says a decree is given only for crops of 1 year. This practice accounts for the large amount of secured debt against mourusi cultivators, which amounts to Rs. 1,930. In fact this should not be regarded as secured at all, or only partly secured.

The practice of borrowing seed on sawai is not very common in this village; but it is by no means unknown. The practice in such cases is, that if the borrower fails to repay at harvest with 25 per cent interest, the debt is converted into a cash debt, *i.e.*, the price of the borrowed quantity *plus* 25 per cent becomes the principal sum of an apparently new transaction and interest is charged at 25 per cent.

In this village 431 acres of valuable land is held by absolute-occupancy tenants on a rent of Rs. 917 and very many of the tenants held both absolute-occupancy and occupancy lands. The value of their land and their close connection with headquarters has given them every facility for borrowing and, although at first sight the total amount of debt in the village appears to be large, it is not perhaps an unduly heavy burden on the whole, having regard to the character of the cultivation and the value of the land. The value of the land held by the cultivators in this and other villages does not fall far short of Rs. 4,00,000. At the same time, however, we feel some little anxiety with regard to these land values and it is for this reason that we preferred to adopt the all round valuation of Rs. 250 per acre, although the cultivators themselves place a much higher value upon the land. In many parts of the province we have noted that land values in recent years, owing to the high price of cotton and other reasons, have been unduly inflated, and, although the cotton area in this village is not very important, it is quite possible that the price of land here has also, to some extent, been artificially inflated during the cotton boom. In the last year or two, a very severe and continuing fall in the price of cotton land has occurred owing to the sudden drop in the value of cotton and it is, therefore, quite possible that land values in this village also are, to some extent, artificial. At any rate, we should have expected to find having regard to the cultivator's valuation of their land, larger net profits per acre from cultivation than they themselves are prepared to admit.

Eleven tenants have lost their lands in recent years and have now become agricultural labourers. The total area thus changing hands comes to 108 acres of absolute-occupancy land and 48 acres of occupancy land. This fact goes to show that even occupancy land changes hands when the tenants want money. All this land has gone into the hands of other cultivators. The *malguzar's* agent says that for the transfer of *mourusi* land, 25 per cent of the purchase money is taken as *nazrana* and for the transfer of absolute-occupancy land 10 per cent of the purchase money is taken for not exercising the right of pre-emption, as they say, otherwise they cannot get loans when they want them.

Co-operative credit.—They do not know anything about co-operation. When its principles were explained, they said that they did not like joint responsibility. They say that Government should advance *taccavi* loans even in ordinary times and realize the money by instalments.

The cultivators, on the whole, did not appear to be particularly anxious with regard to their indebtedness. The general opinion seemed to be that it was a good thing to have a current debt with the *sowkar*, because he would then be willing to make further advances when required. The ideas of thrift and of accumulating in the good years a balance on the credit side instead of borrowing in the bad years and repaying in the good years, seem to be entirely foreign to the customs of the people.

of this village. Much good might eventually be done no doubt by a concentrated thrift propaganda, provided easy facilities for savings were provided. At present, however, the tenants do not seem to have any particular desire to free themselves from debt.

Although this village is of peculiar interest for the purpose of intensive economic survey, we were glad to find that it is not typical of the Chhindwara tahsil as a whole.

The time has now come, most certainly, when steps could be taken, by education and propaganda, to check the borrowing habit. For the last few years, the crops in this area have not been bad. But if a series of bad years come, the situation may easily become serious.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 14,190.

APPENDIX E-LXXIII.
PLATEAU ZONE.

PANJRA, TAHSIL AMARWARA, DISTRICT CHHINDWARA.

A village of 735 acres and 273 persons, situated $7\frac{1}{2}$ miles south of Chaurai, with which it is connected by a third class unmotorable road. Chaurai is half way between Seoni and Chhindwara on the pucca road, and is one of the principal grain markets of the tract with a railway station of the Bengal-Nagpur Railway.

Cropping.—The Chaurai tract proper has the reputation of being the most fertile wheat tract on the Plateau. Panjra lies towards the southern edge of the Chaurai wheat belt and, while not typical of the Chaurai tract itself, is, in many respects, typical of the mixed cropping of the Chhindwara district as a whole. The general position is fairly level and the predominating soil is fairly good loam approximating to clay loam. The total area is 679 acres, of which the net-cropped area is 647 acres. The cropping is as follows:—

	Acres.
Wheat	261
Juar	148
Kodon-kutki	1
Jagni	41
Total kharif area	331
Total rabi area	347
Total cropped area	647
Total double cropped area	31

Plough cattle are ample, there being one pair for less than 10 acres.

Malguzars.—The malguzars are 17 in number, 15 of whom are Raghuvansis of old family, the other two being Brahmans who have acquired small shares in the village. They hold altogether 445 acres of home-farm, the areas held by some of them being relatively small. The average value of land in this village is about Rs. 100 per acre. The assets of these 17 shareholders is valued at Rs. 46,860. They owe Rs. 6,600 in all, most of which has been incurred for ceremonial purposes. The debt represents about 14 per cent of their assets: but the interest, which averages 15 per cent, comes to Rs. 990 per annum or more than three times the land revenue which they pay, *i.e.*, Rs. 320. Five of these share-holders are free from debt. Three of them do some petty money-lending, while one of them pays income tax on his money-lending transactions. Among them, Kunhan Singh, with property valued at Rs. 2,100 and debts totalling Rs. 800, seems to be unlikely to be able to free himself from his encumbrances, unless money is forthcoming at a low rate of interest and easy instalments, to enable him to do so. The other shareholders are not indebted beyond their means.

Tenants.—There are 14 tenants with 234 acres of tenancy land, paying Rs. 197 in rent at an average rent of 12 annas per acre, which appears to be extremely low, having regard to the

value of the land which they hold. The total debts owed by tenants come to Rs. 1,988. Umrao, Dhobi, with 6 acres of land at Rs. 4 rent, owes Rs. 500 at 25 per cent interest, Rs. 300 of which was borrowed for a marriage. There is little hope of him ever paying off this debt. None of the other tenants are indebted beyond their means. The rate of interest varies between 12 and 24 per cent; but the most common rate appears to be 18 per cent on unsecured debts and 12 per cent from substantial persons holding the right of transfer in their lands. The whole of these debts have been borrowed from sowkars. The purposes for which these debts were incurred is shown below:—

	Rs.
For purchase of bullocks, for seed and cultivating expenses	3,030
For purchase of land	700
For house building	1,750
For marriages and other cerimonials	4,900
For other purposes	250

Most of the debts incurred for seed and agricultural requirements consist of short-term loans which have been taken to finance this year's agricultural operations, much of which will be repaid at harvest.

Outturn and profits from agriculture.—The villagers alleged that the wheat outturn averaged four to five times the seed and that one khandi of wheat is sown on four acres. If this estimate were correct, the outturn would be ridiculously small, one khandi per acre or 320 lbs. The standard outturn in this tract in normal years has been found, from enquiries elsewhere and from numerous crop experiments made from time to time to be not less than 500 lbs. per acre. The cultivators, however, say that their estimate of four times the seed is the net outturn, after paying for the cost of cutting, etc., and that the crop has been poor for the last two years owing to rust. The attached statements of Pillu Raghubansi and of Ramlal, a Brahman cultivator, give some idea of the costs and profits from a mixed holding, including some sugarcane cultivation which is extremely remunerative.

In the case of Pillu Raghubansi who does all the field work through his own labour and that of his family, the cultivating expenses, including sugarcane, averaged Rs. 14 per acre, including the rent; while the net profit comes to Rs. 31 per acre. In the case of the Brahman, who admittedly does no work himself, the cultivating expenses come to Rs. 23 per acre and the net profit to Rs. 17 per acre only. The most important crops here are wheat and juar, while there is also a substantial area under sugarcane, and we can safely assume that the all round net outturn per acre in this village is not less than Rs. 15 on the average.

Taccavi.—The villagers say that some years ago some taccavi was advanced on joint responsibility and that some of the borrows absconded; whereupon the tahsildar recovered the amounts due from those who had not absconded, without attempting to trace the defaulters. This caused very heavy loss and, therefore, since then, the cultivators say, they have

not taken taccavi; but they would be very grateful to receive it if the transactions could be carried out in a more sympathetic way.

Co-operative credit.—The villagers have not yet heard of the co-operative credit movement, so they allege.

General.—This appears, on the whole, to be a rather backward, though fairly prosperous, tract, and the indigenous money-lenders do not appear to be taking unfair advantages and are not usually extortionate here. On the whole, the old-fashioned indigenous system of agricultural finance is working fairly well, though the high rates of interest are a heavy burden upon the cultivators.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 4,800.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Panjra	5	7	5	3	5	2	...	4	31

STATEMENTS.

Pillu Kamun, Raghubansi—

I own 12 acres of land on Rs. 10-8-0, 2 acres of these are fallow. I cultivate 10 acres:—

Seed.	Rs.	s.	p.
Dhan 2 kuroas ...	1	0	0
Juar 2 pailles ...	0	6	0
Urad 4 pailles ...	0	8	0
Tur 1 pail ...	0	2	0
Wheat, gram and peas 1½ khandis ...	30	0	0
2,000 sugarcanes ...	40	0	0
Total ...	72	0	0

I work in the field with my brother—

	Rs.	s.	p.
Weeding ...	4	0	0
Cutting ...	7	0	0
Lohar ...	3	0	0
Carpenter ...	3	0	0
Bullock feed ...	20	0	0
Depreciation on bullocks ...	20	0	0
Total ...	56	0	0

He prepares plough free of cost.

I have no other expenses—

	Rs.	a.	p.
Seed	72	0	0
Other charges	56	0	0
Rent	10	8	0
Kotwar	0	8	0
Implements	2	0	0
Total expenses	141	0	0

Cultivating expenses come to Rs. 14 per acre, including the rent. Excluding the sugarcane the expenses would be about Rs. 11 per acre but the profits would also be less.

Outturn.

	Rs.	a.	p.	
Dhan 1 khandi	9	0	0	
Juar 2 khandis	28	0	0	
Urad 2 khandis	40	0	0	
Tur 1 khandi	20	0	0	
Wheat and gram 8 khandis	160	0	0	
Sugarcane	200	0	0	
	452	0	0	Gross.
	141	0	0	
	311	0	0	Net profit or
	31	0	0	Per acre.

The gross outturn comes to Rs. 45 per acre and the net profits to Rs. 31.

Ramlal son of Jado (a Brahman cultivator, who gets every thing done by hired labour)—

I own 23.66 acres for which I have to pay Rs. 21-4-0 as rent.

I sow—

	Rs.	a.	p.
Wheat and gram 4 khandis	80	0	0
Juar and cotton 10 kuros	10	0	0
Sugarcane 2,000...	50	0	0
Total	140	0	0

I have to undertake expenditure on the following items:—

	Rs.	a.	p.	
1 grazier	30	0	0	
2 Servants	150	0	0	(3 khandis and Rs. 15 per man=Rs. 75.
Sowing	10	0	0	
Weeding	30	0	0	
Cutting	40	0	0	(2 khandis).
Lohar and carpenter	12	0	0	
Mot	20	0	0	
Bullocks	40	0	0	
Bullocks feed	40	0	0	
Rent	21	4	0	
Kotwar	1	0	0	
Implements	3	0	0	
Total	397	4	0	
Total expenses	537	0	0	or Rs. 23 per acre.

(Actually the grazier's wages should not be charged to cultivating expenses as Ramlal has 12 cows and 3 she-buffaloes for milk and the grazier is employed for looking after these cattle. Therefore deducting Rs. 30, total expenses are Rs. 507-4-0).

Outturn.		Rs. s. p.
Wheat and gram 20 khandis	....	400 0 0
Sugarcane	....	300 0 0
Cotton and juar	....	200 0 0
Gross outturn	....	900 0 0
Less expenses	....	507 0 0
		393 0 0

or nearly Rs. 40 per acre
or Rs. 17 per acre net profit.

In this case all agricultural operations are carried out by hired labour.

APPENDIX E-LXXIV.

PLATEAU ZONE.

SAOLI, TAHSIL SAUSAR, DISTRICT CHHINDWARA.

1. Seth Sheolal of Mohgaon, M.L.C.
2. Jaiwant Rao, Malguzar of Guzarkhedi.
3. Dhajiba Tanko Mohgaonkar of Mohgaon.
4. Seth Shrikishan of Karmakhedi.
5. Purshottam Rao of Saonga.
6. Govind Rao Bute of Sainkheda.
7. Sitaram Ramchandra Bansor of Lodhikhera.
8. Kirishna Rao Chitnavis of Berdi.
9. Thakur Khushalsingh of Pipla.
10. Seth Jagannath Chandak of Berdi.
11. Seth Balkirishna of Berdi.
12. Umaji Marhatta of Debi.
13. Krishna Rao Site of Lodhikhera.
14. Santosh Rao Bute of Sainkhera.
15. Nago Rao Chandbhang of Pipla.
16. Dumnā Patel of Jakhiwara.
17. Ganpat Rao Munshiwar of Sausar.
18. Govind Rao Chandharaj of Jakhiwara.
19. Anant Rao Patel of Bhidoni.
20. Tularam Mukhtiar of Waghora.
21. Balaji Patel of Borgaon.
22. Gulab Rao Malguzar of Tinkhera.

A large village on the Jam river, 38 miles south of Chhindwara on the Chhindwara-Nagpur road. Its total area is 1,516 acres and population 503 persons. Total occupied area of the village is 1,243 acres, with land revenue of Rs. 920. This is purely a kharif village and is typical of three-fourths of the tahsil. Principal crops are—

	Acres.
Cotton	317
Juar	599
Others	86

The total cropped area is 1,002 acres, of which only 1 acre is under rabi.

The land in the village is rich. 922 acres are assessed at between Rs. 2 and Rs. 5 per acre, and 400 acres below Rs. 2 per acre. The best land is sold at Rs. 400 to Rs. 500 per acre ordinary at Rs. 200 to Rs. 250 per acre. The revenue history of the village has been normal for the last five years. Normal outturn of cotton for the tahsil is 300 lbs. and for juar is 650 lbs. per acre. Mt. Bhagirathi Bai is 8 annas malguzarin of the village and owns shares in two other villages.

Finance.—There are 5 local sowkars, including the malguzars, in the village. Sowkars of Pipla Narayanwar, a village 5 miles from this place, and of Berdi, a village 3 miles off, also finance the cultivators. The most common rate of interest is 24 per cent. On mortgages the interest varies from 12 annas to Re. 1-4-0 per cent according to the character of the borrower. On the security

of ornaments 3 pies a rupee per month is charged. On "purjas" or bonds 24 per cent is charged. Most of the loans are for short-term, *i.e.*, they are taken at the sowing time and repaid at the harvest. For all such loans sawai is charged, *i.e.*, for Rs. 100 Rs. 125 have to be paid in five or six months. Occasionally, loans are taken on the security of crops also. Such and other short-term loans are regularly repaid when the crops are marketed. As these short-term loans form a large portion of the total debt, this rate of interest is charged on a large amount.

The malguzars were all opposed to the grant of transferable rights to the occupancy tenants on the ground that they will lose their lands. A section of the tenants sided with the malguzars, but one section of tenants was equally persistent in asking for transferable rights without which, they said, they could never prosper.

Cost of cultivation and profits.— This is always a difficult thing to estimate. We were, however, fortunate in that we had the assistance of Seth Sheolal Daga, M.L.C., and 22 other gentlemen of light and leading and the task of ascertaining facts was much facilitated. From the villagers own statements it appears that the average cost of cultivation of cotton comes to Rs. 14 or Rs. 15 per acre, including about Rs. 3 rent, and the net profit to Rs. 20 to Rs. 22 per acre. Calculating the total cost and total income on this basis we find that the tenants require Rs. 19,845 to cultivate their land every year. Tenants borrow about 50 per cent of the sums spent in agriculture. Thus the annual agricultural loan requirements of the village may be Rs. 10,000 a year, which can be easily supplied by the local sowkars. The only matter calling for consideration is the high rate of interest; the total interest charge amounts to $1\frac{1}{2}$ times the rent. Total admitted agricultural income of the tenants is Rs. 26,460 or Rs. 357 per head. The average annual expenses for food and clothing for a family of 5 come to about Rs. 250. Thus a clear margin of Rs. 100 is left for other expenditure. The admitted value of the land, however, creates a very strong impression in the mind that the profits from agriculture here are even greater than the cultivators' estimates. In the estimates of expenditure allowance for capital depreciation on cattle is included, whereas most cultivators breed their own cattle.

The tenants have other sources of income, *e.g.*, labour, carting, sale of calves, *ghec*, etc., etc. The total income from these sources is estimated at about Rs. 10,000. The tenants together have 149 bullocks, 310 cows and 72 she-buffaloes and 88 goats. If these along with other assets, *e.g.*, house property and ornaments are taken into account, the debts sink into insignificance.

Debts.— There are 74 cultivators in all. They hold 1,107 acres at Rs. 1,210 of this village and 216 acres at Rs. 416 of other villages. Thus the total area held by the tenants is 1,323 acres on Rs. 1,626. The total indebtedness for the village is Rs. 13,359. Of the tenants, 25 are free from debt. Thus the debt works out at Rs. 180 per tenant, Rs. 273 per indebted tenant, Rs. 10 per acre or 8 times the rent of half the admitted net annual profits

from agriculture. The following table will show the sources from which and the purposes for which the debts were incurred:—

Sources.		Rs.
1. Malguzar	...	3,215
2. Mahajan	...	10,174
Total		13,389
Purposes.		Rs.
1. Repayment of earlier debt	...	1,238
2. Purchase of land	...	2,000
3. Bullock and seed	...	1,150
4. Sinking of wells	...	200
5. Marriage and ceremonies	...	4,441
6. Subsistence	...	4,360
Total		13,389

Leaving out the old debts, the purposes of which cannot be ascertained, 33 per cent is for unproductive and 67 per cent for productive purposes. The secured debt is Rs. 1,600, *i.e.*, 12 per cent, and unsecured is 11,789, *i.e.*, 88 per cent, of the total debt and this is not surprising in a place where cultivators' assets are so valuable. At Rs. 300 per acre the land which they hold would be worth nearly 4 lakhs of rupees against Rs. 13,389 total debt, *i.e.*, debts represent only 3 per cent of the value of the land.

Among the principal debtors, Ramji owes Rs. 1,000 at 15 per cent interest, borrowed for the purchase of land. Including the land newly purchased by him, he holds in all 6 acres only. The interest amounts to Rs. 150 per year, so that, unless the profits from agriculture in this village are very much more than the cultivators would have us believe, it will be quite impossible for this man to pay even the interest which represents a sum of Rs. 25 per acre. Motiram also owes Rs. 500 at 18 per cent interest borrowed for the purchase of land. Two other tenants owe Rs. 1,000 and Rs. 600, respectively, borrowed for marriages. Kotia, Lohar, owes Rs. 750, Rs. 250 of which is an old debt and Rs. 500 borrowed for a marriage. Most of the other debts are for relatively small sums.

The malguzar has Rs. 15,000 of money-lending business and has financed many of the tenants who borrow money. Out of 74 tenants, two only appear to be indebted beyond hope of redemption.

STATEMENTS

Villagers give the following information—

Good land is sold at Rs. 400 to Rs. 500 an acre. Ordinary land Rs. 200 or Rs. 250 per acre. Poor land at Rs. 50.
(Weights:—16 seers a maund; 20 maunds a khandi; 320 seers 640 pounds.)

1. Good land, cotton yield is 15 maunds an acre	...	480
Good land, juar yield is 1½ khandis an acre	...	960
2. Ordinary land, cotton yield 7 maunds	...	224
Ordinary land, juar yield 1 khandi an acre	...	640

No crops are sown on the bad land. Rs. 75 is the price of an average pair of bullocks, working life five years.

The village is typical of the kharif tract of this tahsil. There have been no bad crops for the last four or five years.

Details of rent—

400 acres below Rs. 2 per acre.

918 acres up to Rs. 4 per acre.

4 acres Rs. 5 per acre.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 6,537.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
Saoni	18	13	16	15	5	1	3	3	74

STATEMENTS.

One section of the tenants is in favour of transferable rights and the other is against. Malguzars are all against the transferable rights.

They say—

We sell cotton in Saoner and Nagpur cotton markets, and also to petty traders in the village. Cotton is sold in the cotton markets through dalals who are mostly dishonest. They join hands with purchasers and thus cheat the seller. We are in favour of forming co-operative pools. We are against platform weighing. Ordinary balance should be employed.

Bhoja Vithu—

I own 19 acres of land at Rs. 28-8-0. I cultivate all the land. Half the land is under cotton and half under juar. I did not purchase bullocks. They are my own calves. I once leased out 17 acres of my land for Rs. 235, i.e., at Rs. 14 per acre.

	Rs.	a.	p.
2 maunds cotton seed	5	0	0
12 pailias (100 tolas a paili) juar	1	8	0
Sowing	6	0	0
Weeding	12	0	0
Daora	5	0	0
Cotton picking	5	0	0
Juar cutting	3	0	0
Carpenter 5 kuros	4	0	0
Lohar 2½ kuros	2	0	0
Varti	0	12	0
Pach	0	10	0
Rent	28	8	0
Bullock feed	11	0	0
Total	84	6	0

		Rs. a. p.
2 khandis cotton ...	...	140 0 0
5 khandis juar ...	...	70 0 0
Total ...		210 0 0
		-84 0 0
		126 0 0

I have six persons to support. I require for food 3 pailies a day (6½ khandis a year at the rate of Rs. 14 a khandi = Rs. 95).

		Rs. a. p.
Juari food grain ...	...	95 0 0
4 kuros wheat ...	...	5 0 0
2½ kuros rice ...	...	5 0 0
Miscellaneous ...	...	96 0 0
Cloth for all ...	...	50 0 0
Total ...		264 0 0

N. B.—Total expenses for food and clothing for six persons Rs. 264 or, say, Rs. 225 for five persons.

I am indebted to the extent of Rs. 1,000. All this, for five marriages and house building. All this carries an interest of Re. 14-0 per cent per mensem. Last year I paid Rs. 125 interest and this year Rs. 50. I have not borrowed anything for subsistence or agriculture.

N. B.—Unfortunately the above statement is an impossible one. He has of course understated his outturn. He would not be able to make the alleged expenditure unless his net income from agriculture was at least Rs. 350 or Rs. 20 per acre. An amusing instance of a stupid attempt to conceal the profits of agriculture.

Aba son of Manya—

I own 16 acres at 21. I have seven persons in the family.

		Rs.
4 pailies a day juar ...	...	126
1 paili dal a day ...	...	70
1 khandi wheat a year ...	...	25
4 kuros rice a year ...	...	6
Ghee ...	...	15
Oil ...	...	12
Kerosine oil ...	...	12
Salt ...	...	10
Chilies ...	...	10
Cloth for all ...	...	100
Total ...		388

I remarried one daughter three years ago and spent Rs. 300. I did not borrow. I built a house for Rs. 250 four years ago. I did not borrow.

After payments in kind I get—

	Rs.
3 khandis cotton	240
16 khandis juar	230
1½ khandi tur	30
6 kuros popat	10
2 kuros mung	10
Total	510 gross
	Rs. 32 per acre.

Cost of cultivation.

	Rs.
1 servant at 4 kuros a month	40
Hoeing	5
Weeding	30
Rent	21
Total	96
	Rs. 6 per acre.

Rs.

510

— 96 Other wages are paid in kind out of the gross outturn.

414

— Net outturn: Rs. 414 on 16 acres. = Rs. 26 per acre.

I have Rs. 100 with me today. I at times lend small sums at Re. 1. I have advanced Rs. 100 to Sherak.

N. B.—His statement of household expenditure is unnecessarily high and much above the average. He actually probably spends less otherwise his financial position could not have been so good. But he also does money-lending.

APPENDIX E-LXXV.

RICE ZONE.

BARODA, TAHSIL AND DISTRICT RAIPUR.

A big village of 1,729 acres, 6 miles north-east of Raipur on the Raipur-Baloda Bazar road. This village being near the headquarters town of Raipur is more advanced in many ways than villages further in the interior. Total occupied area is 1,270 acres of which 558 acres are irrigated and 225 acres under double crops. Four-fifths of the occupied area is dorsa and matasi and one-fifth kanhar. Rice covers 62 per cent of the occupied area. Other crops are kodon, rahar, lakh, teora and alsii. Sale and transfer figures show that absolute-occupancy land was sold at 41 times and occupancy land 51 times the rent. Seth Sheodas Daga, M.L.C., is the malguzar of the village. He is free from debt and is the chief financier of the village.

There are 52 tenants. Of them, 26 are entirely free from debt. The indebted tenants hold 443 acres at Rs. 357. They owe Rs. 3,997. More than 40 per cent of the debt is due from only two tenants—(1) Ram Kisan, Teli, (57.63 acres at Rs. 49 owing Rs. 1,000) and (2) Rarua Teli (14.25 acres at Rs. 13 owing Rs. 600). If we leave these two out, the average debt comes to Rs. 100 per indebted tenant or Rs. 6 per acre or 8 times the rent. It is remarkable that 50 per cent of the total debt was incurred for the purchase of buffaloes and bullocks. Heavy mortality among the agricultural cattle appears to be the weakest point in the economic life of the cultivators. This, along with the high rates of interest (*i.e.*, 30 per cent) which they have to pay, are the real obstacles to an increase in agricultural prosperity. In this connection the case of Ram Kisan, Teli, is of peculiar interest. Six years ago, he borrowed Rs. 100 from the malguzar to purchase bullocks. His bullocks died and the next year he borrowed Rs. 120 for the same purpose. As ill-luck would have it, this pair also died. He again borrowed Rs. 160 for buffaloes. Thus he borrowed only Rs. 380. That sum has swelled to Rs. 1,000 within 4 years—

Purposes of debt.

	Rs.
1. Repayment of old debt ...	1,322
2. Purchase of buffaloes and bullocks ...	1,864
3. Marriage and other ceremonials ...	180
4. Purchase of land ...	526
5. Purchase of a cart and agricultural implements ...	105
Total ...	3,997

Leaving out the old debt, the purposes for which could not be ascertained, 5 per cent of the balance is for unproductive purposes. Analysis of debt shows that the village is strong economically as will appear from the absence of seasonable loans, which cultivators as a rule cannot avoid. There is only one cultivator who borrows seed, others store their own seed.

Costs and profits of cultivation.—The average cost of cultivation per acre, according to the villagers' own statement, including the rent and water rate, comes to about Rs. 11. They say that they sow 15 káthas (48 seers) of dhan in an acre and get an outturn of 8 khandis (1 khandi=65 seers), a little over 10 times the seed sown, or about 1,040 pounds per acre. But from the statement of Deo Singh, who is a principal tenant in the village, who has extended his holding by 15 acres during the last six or seven years by purchasing land for Rs. 900 without getting into debt, it is clear that the average normal crop is not less than 11 to 12 times the seed sown, i.e., between 1,100 and 1,200 lbs. per acre.

An ordinary pair of bullocks costs Rs. 80 and works for six years, while a pair of buffaloes costs Rs. 130 and works for five years. Buffaloes are imported every year from the northern districts and are responsible for the heavy cattle mortality. But for this heavy recurring expenditure, the cost of cultivation would be much less.

People use cattle droppings as fuel. The land is not therefore manured. Bones are available in abundance in Chhattisgarh and at present large quantities are exported to Bombay and Calcutta for the manufacture of bone meal manure for sale in Europe. The opening of local bone-crushing factories and the use of bone meal manure would greatly increase agricultural incomes throughout Chhattisgarh. This is the chief problem with which the Agricultural Department should deal in Chhattisgarh. Cost of maintenance is low and the requirements are very few. According to the cultivator's own statement the average cost of food and clothing for an average family of 2 adults and 3 children comes to Rs. 210 per year.

This is higher than in other parts of Chhattisgarh at greater distances from headquarters.

The chief source of finance is the malguzar. People say that they cannot borrow from any one else as their malguzar is a very strong man and sowkars do not like to cross his path. People have not taken taccavi as it is given in very small amounts. People have no experience of co-operative credit as there was never any society in the village.

Marketing.—Tenants keep with them sufficient supply of grain for their food and other requirements and sell the surplus in small quantities to petty itinerant traders when cash is required. Big cultivators who have large surplus sell it in the Raipur grain market. The question of marketing offers no difficulties here as the village is on the main road near the district headquarters.

The tenants press for rights of transfer in occupancy land. In this connection it is of interest to note that the debt per acre on tenants with absolute occupancy land here, is less than on the occupancy tenants. This would show that the allegation often made that rights of transfer and improved credit result in increased indebtedness, is untrue.

The maluzar would probably oppose the grant of transfer rights and also the opening of a co-operative credit society. The latter would be most useful here. A land mortgage bank would help the few tenants with substantial debts. This village is typical of the tract.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 1,573.

The following statement will show the distribution of the village holdings:

	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total
Baroda	2	3	4	5	6	7	8	9	10
Baroda	3	16	13	8	6	3	1	2	52

APPENDIX E-LXXVI.

RICE ZONE.

PATEWA, TAHSIL MAHASAMUND, DISTRICT RAIPUR.

A village in the heart of the Mahasamund tahsil, north-east of Mahasamund, some 60 miles from Raipur, the district headquarters, and some 4 miles from the Great Eastern Road.

The total occupied area of the village is 408 acres, of which the home-farm covers 198 acres. The tenancy land is 210 acres the rental demand being Rs. 106.

Malguzars.—The malguzars owe Rs. 13,000; Sheo Kalar owes Rs. 5,000 secured by a mortgage and Rs. 5,000 unsecured debt. The rate of interest is 12 per cent. Rs. 5,000 of this was borrowed towards paying the price of purchasing this village, while Rs. 5,000 was for purposes of litigation. Gopal, the other shareholder, has a debt of Rs. 3,000 which was also incurred for litigation.

Of the 20 tenants, eight are indebted. The total amount owed by them is Rs. 1,990 which works out at Rs. 99 per tenant or Rs. 249 per indebted tenant or Rs. 9 per acre or $17\frac{1}{2}$ times the rent. Of them, one Brahman with six acres of land on Rs. 4 rent owes Rs. 300 which he borrowed for a wedding.

The land which they hold is valued at Rs. 15,000. The purposes for which the debts were incurred were—

Litigation	...	...	...	Rs. 8,000
Purchase of village	...	...	...	5,000
Agricultural expenses	...	...	...	1,260
Old debt	...	...	...	580
Marriages	...	...	...	150
				Total ... 14,900

There is nothing very striking about this village which is, however, relatively more heavily indebted than others in the tract. But most of the debts are the usual short-term loans which will be repaid at harvest.

The income from non-agricultural sources as stated by cultivators comes to Rs. 2,350 or an average of Rs. 112 per tenant.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 1,595.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.	
1	2	3	4	5	6	7	8	9	10	
Patewa	...	1	8	4	3	...	1	1	2	20

**APPENDIX E-LXXVII.
RICE ZONE.**

CHARRA, TAHSIL DHAMTARI, DISTRICT RAIPUR.

Charra is a very big but typical village of the Dhamtari tahsil of the Raipur district. Its soils consist of a rich clay loam lightening on the higher levels to a sandy loam. It is classed in local parlance as kanhar I and II with some dorsa. The village site is about $1\frac{1}{2}$ miles from the main Raipur-Dhamtari road, 35 miles from Raipur but within easy distance of the railway at Kurud where there is a good market and a number of indigenous money-lenders and grain merchants. The total area of the village is 2,606 acres and its abadi is a substantial one with some fine mango groves. Nearly the whole cropped area of some 2,000 acres, excluding some high lying ridges, is irrigated either by the Mahanadi canal State irrigation or from local tanks. 1,700 acres are double cropped. The rice yield here is very heavy and the standing crops were magnificent when we visited the village. The new rents have been announced. The all round enhancement seems substantial, but the acreage rate now is not above Re. 1-8-0 per acre.

Recent sale figures give an average price of Rs. 89 per acre for tenancy land in this village.

Hira Gir, Gosai, and Narotham Gir, Gosai, are the malguzars of the village. Hira Gir does money-lending and has an income of Rs. 2,000 from that source. He is well off. The other co-sharer Narotham Gir owes a debt of Rs. 6,575. He had borrowed Rs. 3,200 for marriage and Rs. 1,700 for the purchase of bullocks and buffaloes. He has over 100 acres of home-farm valued at Rs. 9,000 in addition to his share in the malguzari rights of this village which is probably of a much greater value. He also admits an annual income of Rs. 300 a year from a grocery shop. He is therefore not without hope of redemption though the annual interest charges of Rs. 1,100 odd may eventually get the better of him. He requires long-term facilities at a lower rate of interest and could be helped greatly by a land mortgage bank. No other person in the village is so heavily involved as this.

There are 162 tenants holding 1,620 acres at Rs. 2,456. Of them 116 are entirely free from debt. The indebted 46 hold 968 acres at Rs. 1,480 and their total debts are Rs. 6,553. Of these four, viz :—

	Area.	Rent.	Debt.	Assets.
1	2	3	4	5
	Acres.	Rs.	Rs.	Rs.
Sheochran	85	129	1,725	7,500
Kuljam	33	49	566	2,400
Ghanaram	24	40	613	2,000
Chamaroy	72	102	700	5,500
Total	314	327	3,604	17,400

are responsible for nearly 60 per cent of the total debt and even they are not very seriously indebted, having regard to their assets. If we leave these out the burden of debt comes to Rs. 70 per indebted tenant or Rs. 4 per acre of their land or $2\frac{1}{2}$ times their rent or not more than 5 per cent of the value of land which they hold. People complained bitterly of the heaviness of the water rate and stated that their debts were largely due to borrowing to pay it. This does not seem to be correct. A few have borrowed for this purpose, but the total debt under this head is Rs. 120 only.

As in other places mortality among the agricultural cattle is heavy. The total debt on this account is Rs. 3,756, *i.e.*, more than 65 per cent of the total debt. The most common rate of interest is 24 per cent, but 36 per cent is not unusual.

<i>Sources.</i>			Rs.
Malguzar	...	...	1,459
Mahajan	...	...	5,094
Total			6,553

<i>Purposes.</i>			
Repayment of old debts	...	...	240
Purchase of buffaloes and bullocks	...	...	3,756
Marriage and ceremonials	...	...	1,334
Purchase of seed and wages	...	...	195
Water rate	...	...	120
House	...	...	500
Pilgrimage	...	...	100
Purchase of land	...	...	308
Total			6,553

Mortality of cattle no doubt involves the cultivator in debt, but gives a resultant income to the Satnami Chamar. Last year four Satnamis made Rs. 455 from this source. Many own carts which they ply for hire. Some grow vegetables and others work on wages. The total income of the cultivators from all these sources comes to Rs. 7,408 or about Rs. 48 per cultivator per year. The landless labourers also earn a decent living from the same source.

We have, as usual, examined the cost of cultivation, and costs of maintenance of each cultivator in addition to his debts. These may be summarized as follows:—

Cost of cultivation.—The malguzars hold 337 acres of home-farm and spend on seed, renewal of cattle and labour charges Rs. 5,219 or about Rs. 15-8-0 per acre.

The tenants hold 1,624 acres of land and spend Rs. 15,116 on seed, cattle and labour, etc., or about Rs. 9-4-0 per acre. The total expenditure on cultivation by both malguzars and tenants comes to Rs. 20,225 on 1,961 acres which averaged a little less than Rs. 10-8-0 per acre.

Most of the tenants work themselves with their families in the field, while the malguzars carry out their agricultural operations through servants and hired labour. The difference in expenditure is mainly the cost of the hired labour. The tenants' expenditure averages Rs. 3-8-0 on seed, including double-cropping, about Re. 1-8-0 on cattle and about Rs. 4-4-0 on payments to the village servants and to extra hired labour at special seasons for weeding and harvesting, etc. Of course the bigger cultivators have of necessity to employ more hired labour than those who have small holdings which they can cultivate themselves.

Cattle.—The average price of a pair of bullocks is Rs. 80 and of a pair of buffaloes Rs. 150 though the malguzars pay more for superior animals. The working life of a pair of bullocks is about seven to eight years, but of buffaloes only about five. The buffaloes which appear to be at present indispensable in the Chhattisgarh system of rice cultivation are not bred locally, but are imported annually in vast herds driven across the province from the northern districts and the Native States beyond. They bring cattle epidemics in their train, producing heavy mortality. If the Veterinary Department could get these epidemics under control from the source, there would be a great reduction in one of the chief items of expenditure of the Chhattisgarh cultivator. Up to now they have not been able to do so.

At present a cultivator has to replace a pair of bullocks on an average once in eight years and buffaloes every 5 years. This means an average expenditure per year in replacing cattle as follows:—

Bullocks $\frac{80}{8}$ = Rs. 10. Buffaloes $\frac{150}{5}$ = 30.

There are at present owned by cultivators 294 bullocks and 111 buffaloes for 1,961 acres of land, i.e., about one pair of bullocks to 14 acres and one pair of buffaloes to 35 acres. Therefore the annual expenditure on replacing cattle per acre would be bullocks $\frac{10}{14}$ + buffaloes $\frac{30}{35}$ = $\frac{110}{140}$ = Re. 1-8-1 per acre. The average obtained from the actual estimated capital depreciation of individual tenants is Re. 1-8-0 as is explained above.

The total value of the plough cattle comes to $294 \times \frac{80}{8} + 111 \times \frac{150}{5}$ = Rs. 20,015 which is much greater than the total existing debts.

There are also 337 cows and 31 she-buffaloes worth at a conservative estimate Rs. 10,525.

Land values.—The landed property of the tenants above is valued at Rs. 1,26,214 against their total debts of Rs. 6,553.

The malguzari land revenue is Rs. 1,730 and at 40 times the land revenue which is a figure below the Chhattisgarh average the malguzari rights would be worth Rs. 69,200.

The malguzars' debt totals Rs. 6,575 only or less than one-tenth of the value of the malguzari rights.

Crop outturns.—Here, as usual, the outturn of rice seems to be almost invariably estimated at 10 times the seed. Baisakhu Purao Kewat, however, admitted that this was too low an estimate for irrigated rice. Nearly the whole rice area is irrigated and a good crop every year is practically assured. Baisakhu Purao started with 10 acres of land and out of the profits therefrom he purchased a further $12\frac{1}{2}$ acres after five years for Rs. 800.

The soils here are rich and fertile. The standing rice crop when we visited the village was excellent. Government's estimate of the normal outturn of irrigated rice in this district is 1,500 lbs. per acre.

The all round average outturn here cannot be less than 1,100 lbs. worth about Rs. 35 per acre.

There is a strip of lighter soil out of irrigation near the road, but this is not typical of the average soil of the village.

Then, in addition, there is the second crop on 1,700 acres double-cropped. We can safely take the value of the average gross outturn here at not less than Rs. 40 per acre and the net profits at an average of about Rs. 30 per acre.

This implies a gross income of about Rs. 75,000 and a net income of not less than Rs. 55,000 divided between 164 cultivators, *i.e.*, net Rs. 335 per cultivator.

The tenants, however, hold only 1,624 acres, the balance of 337 acres being held by the malguzars. The malguzars, therefore, should get about Rs. 10,000 profits from agriculture per annum.

The 162 tenants hold 1,624 acres, *i.e.*, the average holding is of 10 acres, and the average net income per tenant Rs. 300.

Cost of food and clothing.—In these calculations the nearest value in cash of the grain consumed by cultivators is given. Actually of course their food grains are their own produce and are not purchased by them.

The individual budgets show different estimates under this head according to the size of the family and their standard of living.

The general standard of living here is superior to that in many other parts of Chhattisgarh.

The malguzars with 5 male and 6 female adults and one child, total 12 persons, expend Rs. 950 on food and Rs. 600 on clothing per annum. But they have many guests to entertain and are men of position.

The tenants with 193 male and 217 female adults and 123 children total 533 persons estimate their expenditure at Rs. 18,893 on food and Rs. 5,243 on clothing per annum according to the totals of their individual estimates, *i.e.*, Rs. 24,136 on 533 persons or about Rs. 35 per head. In this calculation the families and expenses of non-resident tenants are excluded. The total expenditure between the 150 tenant householders works out at an average of Rs. 161 each. The average

family is of about 5 persons. Their average net agricultural income has been estimated at Rs. 300 leaving a balance of Rs. 139 per head for paying rent and water rate on 10 acres about Rs. 15 + Rs. 30, *i.e.*, Rs. 45, and meeting all those items of expenditure on marriages, death ceremonies, feasts, trips to town, railway fare, etc., which they are required to incur. The cultivators further supplement their agricultural income by an average income of Rs. 48 per head from non-agricultural sources as is explained above.

That this estimate is not far wrong is shown by the above mentioned Baisakhu, son of Pura0 Kewat's budget. He has now 22 acres of land on Rs. 35 rent. $19\frac{1}{2}$ acres is rice land and 3 acres is under other crops. There are 2 male and 2 female adults in the family. They spend Rs. 180 on cultivating expenses. They get 250 maunds of rice crop worth Rs. 600 and 70 maunds of second (rabi) crop worth Rs. 240, total Rs. 840 or approximately Rs. 39 gross per acre and Rs. 30 net profit per acre, *i.e.*, Rs. 660 net profit. They spend Rs. 125 on food and Rs. 50 on clothing, total Rs. 175 and pay Rs. 35 rent, total Rs. 210.

Their present holding of 22 acres cannot be cultivated by them without the help of hired labour upon which Rs. 125 out of the total Rs. 180, agricultural expenses, are spent. But in the original holding of 10 acres his cultivating expenses were possibly not more than Rs. 50, his maintenance Rs. 175, his rent Rs. 15, total Rs. 240. Gross outturn, say, Rs. 400. Balance Rs. 160, which in five years came to Rs. 800 and enabled him to purchase a further $12\frac{1}{2}$ acres.

We have ventured on this digression, because we are satisfied from our enquiries that although the profits from agriculture in this tract may possibly be more, they cannot be less than the estimate made by us. It would be impossible for the cultivators to live as they do at present and to meet their regular expenditure, without becoming heavily indebted if their income was less, and the case of Baisakhu Pura0 provides an interesting example.

Manure.—The long distance from the jungle makes the general use of firewood for fuel impossible at present.

Cow-dung cakes are used instead and manuring is neglected.

In irrigated areas the net outturn can be doubled with adequate manuring.

The supply of bone meal and other artificial manure at reasonable prices is the main problem which the Agricultural Department must solve if they are to be of real service to Chhattisgarh.

Marketing.—Cultivators either sell their crops to local people in the village or to grain dealer at Karud. No particular difficulties are experienced.

The generally satisfactory financial conditions here are due to the security of irrigated tracts and good crop outturns. There is wide scope for a thrift campaign as soon as adequate facilities for savings banks, etc., have been provided.

A land mortgage bank would meet the needs of the few persons with substantial debts.

The people know nothing about co-operative credit. When its principles were explained by us they objected to the conditions of joint unlimited liability.

Taccavi is apparently not given here.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 10,326.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total
1	2	3	4	5	6	7	8	9	10
Charra ...	68	32	28	14	6	5	5	4	162

APPENDIX E-LXXVIII.

RICE ZONE.

KOKADI, TAHSIL BALODA BAZAR, DISTRICT RAIPUR.

A largish village of 1,153 acres south-west of Baloda Bazar, a mile and a half from the Baloda Bazar rest-house. The village is typical of the light soil tract of the tahsil. There is a good Bahera and a fair proportion of gabhar and urkaha in the village. The net-cropped area is 990.26 acres. 73 per cent of the cropped area is under rice and 60 per cent of the rice is double-cropped. The village is fully protected by State irrigation and is under agreement. There is a little private irrigation also, but it is confined to the home-farm. Only 24 acres are held in absolute-occupancy rights. The malguzars are up-country Brahmans. They live in Baloda Bazar and are fairly well-to-do, but quarelling among themselves.

Sale and transfer figures show that absolute-occupancy and occupancy lands were transferred at 77 times and 57 times the rent respectively.

There are three co-sharers in the village. All together owe a debt of Rs. 2,700. Two of them do money-lending to the extent of their borrowings. Their assets are considerably larger than their debts which call for no special notice.

There are 68 tenants. Of them 14 are entirely free from debt and 26 owe petty sums below Rs. 75, having taken small taccavi loans. Only one tenant, Jatti Satnami, claims to be heavily indebted. He owns 75 acres of land on Rs. 70 and says he owes a debt of Rs. 1,380. Of this, he has lent out Rs. 200 to others at a higher rate of interest. He is not badly involved. Total tenancy debt is Rs. 6,598 which works out to Rs. 97 per tenant or Rs. 149 per indebted tenant or Rs. 8-8-0 per acre or 8 times the rent. The average value of the land is at least Rs. 50 per acre.

Sources.

1. Government	...	...	Rs.
2. Malguzar	...	...	1,093
3. Mahajan	...	...	2,037
			3,468
		Total	6,598

Purposes.

1. Repayment of old debts	...	...	Rs.
2. Marriage or ceremonials	...	...	241
3. Purchase of seed and manure	...	...	896
4. Litigation	...	...	772
5. Purchase of land	...	...	393
6. Purchase of bullocks and buffaloes	...	...	1,149
7. Arrears of rent	...	...	2,805
			342
		Total	6,598

22 per cent is for unproductive purposes and 78 per cent for productive purposes. Only Rs. 695 is secured. The balance of Rs. 5,903 is unsecured.

In this village also it will be found that about 45 per cent of the total debt is due to cattle mortality. There is great scope for the Veterinary and Agriculture Departments in this division. The Chhattisgarh agriculturists will be grateful to these departments if something can be done to reduce the cattle mortality. Cattle mortality being heavy and interest charges extortionate, some of the cultivators cannot keep out of debt. Co-operation might do much here.

Cultivators want rights of transfer in occupancy land, while the malguzars oppose the demand saying that their rights will be curtailed and that the value of the village will depreciate. People should at least be free to mortgage their lands to a land mortgage bank when started. As they have no rights of transfer, they cannot get money at a reasonable rate of interest for want of credit. The Mahajan cannot be blamed for charging the rates he does, because he takes considerable risk in advancing money to such tenants. According to the statements of the villagers the average cost of cultivation is Rs. 10 per acre including water rate and average gross income Rs. 29-8-0 per acre, leaving Rs. 19-8-0 per acre as the net income. Considering that a very large area in the village is double-cropped, the yield must in many cases be greater. To make a correct estimate of the cost and profits of cultivation is an extremely difficult matter, because so much depends on the personal industry, method of cultivation, quality of land, etc. People estimate the rice outturn at 10 times the seed. This would not be more than 800 to 900 lbs. per acre which is about the normal outturn from unirrigated lands in this tract. The outturn on the irrigated area cannot be less than 1,200 lbs. and is probably more.

Our enquiries show that cattle dung is used as fuel and that there is practically no manuring. With proper manuring the irrigated rice would yield at least 1,800 lbs. per acre.

There is very little subletting in the village and therefore subletting cannot be made a basis for calculating the agricultural income. One thing is clear that if agriculture were not paying, Rupru Satnami and Semdas Satnami and others would not borrow at 24 per cent to purchase land.

The standard of life here is low. The requirements are few and according to the estimate given by the people themselves, a family consisting of 5 persons (2 adults and 3 children) does not require more than Rs. 150 a year for food and clothing.

People sell their produce in Baloda Bazar and have no difficulty in marketing their produce. Quite a large number of cultivators work for wages and some ply carts for hire and a few do money-lending. The total income of the village from these non-agricultural sources is Rs. 10,341 or Rs. 147 per head. It will thus be seen that the economic position of the village is quite strong.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 2,849.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.	
1	2	3	4	5	6	7	8	9	10	
Kokadi	...	28	21	13	2	1	2	...	1	68

APPENDIX E-LXXIX.

RICE ZONE.

PENDARI, TAHSIL AND DISTRICT BILASPUR.

This adjoins the main road to Mungeli and is about 7 miles distant from the headquarters town of Bilaspur. The malguzar is a very enlightened Maharata Brahman pleader of Bilaspur who takes a keen interest in the welfare of his village. The malguzar very kindly rendered us considerable assistance in our enquiries in this village.

The total area of the village is 1,360 acres. The occupied area is only 575 acres, of which the net-cropped area is 526 acres.

This village is of peculiar interest, because up to three years ago it contained, in its scrub-jungle and waste land, a herd of wild cattle. The history of this herd is not quite clear: but apparently they strayed at some time or another and have bred in the jungles. They were much above the ordinary size of the domestic bull and cow, and were also fierce and sometimes attacked people. It is alleged that this is the principal reason why nearly 800 acres have remained out of cultivation. Some three years ago, some professional shikaris were called here, and they managed to snare these cattle and take them away.

There are 159 acres in the home-farm. The tenancy area covers 416 acres, the rental demand being Rs. 329 or about 12 annas per acre. The total revenue at present is Rs. 245 but the district is now under resettlement. The cropping is as follows:—

	Acres.
Rice	335
Double cropped	55
Total kharif area	401
Wheat	32
Total rabi area	125

The soil is, on the whole, light, but fertile, but there is no substantial irrigation, so that in bad years there may be a serious crop failure here. But for the last six or seven years, as elsewhere in Chhattisgarh, the rains have been favourable and the outturns good. The tenants here appear to be a singularly straightforward and sensible lot of people.

Crop outturns.—Narhar, son of Akhar Satnami Chamar, whose statement is attached, acted as spokesman on behalf of the tenants. There are only four tenants in this village, who engage agricultural servants including Narhar. All the other tenants do their own agricultural work themselves with the help of their families. They state that, ordinarily, they sow ten to twelve kathas of dhan per acre, *i.e.*, between 65 and 80 lbs. of dhan per acre. They practise biasi cultivation and the average outturn varies between six to ten khandis, a khandi being of 65 seers or 130 lbs. of dhan, that is to say, the outturn varies between 800 lbs. to 1,300 lbs. to the acre. They say the average is about eight khandis or 1,040 lbs. to the acre. The ordinary price for dhan in this village is about Rs. 4-8-0 per khandi, so that the value of

the gross outturn varies, according to the season, between Rs. 27 and Rs. 45 per acre, the average being Rs. 36 per acre. Ishwari Dutt, Brahman, the village priest, says that he sows four khandis and gets only 80 khandis crop or twenty times the seed. He says that he gets less than the others because, being a Brahman and a priest, he cannot work in the fields himself and depends upon the servants and labourers. The costs of agriculture vary between Rs. 7 and Rs. 14 per acre, according to the amount of hired labour which the agriculturists employ to help them in their working.

Fragmentation of holdings.—There is a good deal of fragmentation in this village, most of the tenants holding small fields in different parts of the village. We discussed with them the question of consolidation and asked them if they were not in favour of the application of the new Consolidation of Holdings Act. They stated that they preferred the existing system, because the soil in different parts of the village area differed in quality, and, whereas some soil did best in a year of heavy rainfall, some of the heavier land required less rain, so that by having their fields scattered over different parts of the village area the tenants were more likely to get a fairly good all round outturn. During the last ten or twelve years no tenant has lost his land in this village.

Tenants.—There are 71 tenants, in all, including holders of bars or small gardens in the village, many of them with small holdings. Many of them earn a considerable income from the scale of timber and fire-wood in Bilaspur town, while practically all the small tenants do agricultural labour in addition. Their total income from non-agricultural sources comes to Rs. 10,485.

Indebtedness.—The malguzar owes, in all, Rs. 1,125 in cash and 80 khandis in grain worth Rs. 350. He has borrowed Rs. 400 taccavi for embankments, while the remaining Rs. 725 was borrowed from a relation for private purposes free of interest. This is a nominal debt only. The tenants owe in all Rs. 3,718. Of this Rs. 793 is due by the members of the co-operative credit society, Rs. 780 is due to the malguzar and Rs. 2,145 to mahajans. The average rate of interest is 25 cent, so that the interest charges exceed Rs. 900 or nearly three times the existing rent. Twenty-four have petty debts not exceeding Rs. 50. Purshottam owes Rs. 210, Rs. 90 of which he has borrowed from the bank. This man has a small holding of 5 acres on a rent of Rs. 5-8-0. His costs of cultivation come to Rs. 50 and his agricultural income is alleged to be 60 khandis of dhan worth Rs. 240, net income Rs. 190 from 5 acres of land or an average of Rs. 38 per acre. This man also earns Rs. 65 per annum from the sale of fuel and timber, but his main business is that of trading in buffaloes which he buys wholesale and sells retail in the neighbourhood and from which he makes an annual profits of Rs. 100 at least. His debt has been incurred for the purposes of his trade, i.e., for buying buffaloes. He has 3 male and 2 female adults and 2 children in his family. He is a Mehra by caste and all his family either work in the fields or earn wages in some form or another. Another tenant, Atmaram, owes Rs. 200 at 30

per cent interest. This man is a Brahman by caste and has 4 male and 2 female adults and 2 children in his family, with five acres of land on Rs. 6-8-0 rent. He is also a dealer in buffaloes and his debt of Rs. 200 has been incurred for the purchase of buffaloes for sale. He alleges that he makes an annual profit of Rs. 100 from the sale of buffaloes. His cultivating expenses come to Rs. 67 as neither he nor his family work in the fields themselves being Brahmans. He estimates his ordinary outturn at 70 khandis worth Rs. 280, net profits Rs. 213 from 5 acres or over Rs. 40 per acre. He says that he spends one rupee per day on food and maintenance of all his family members or Rs. 365 per year.

Hiralal Satnami holding 13 acres at Rs. 12 is, however, the principal debtor and the principal dealer in buffaloes. He has borrowed Rs. 800 for the purposes of his trade. None of the other debts calls for any particular comments.

The debts were incurred for the following purposes :—

			Rs.
Purchase of agricultural cattle	...	...	710
Purchase of land	...	...	120
Old debts	...	...	100
Advances taken for dealing in buffaloes	...	...	1,120
Field improvements	...	...	30
Household expenses	...	...	790
		Total	2,870

Grain debts for seed taken on advances amount to 182 khandis.

The members of the co-operative credit society are 15 in number. The co-operative credit society in this village, as elsewhere in the Bilaspur tahsil, appears to be doing good work in advancing short-term loans which are promptly recovered. Most of the debts in this village are purely short-term loans which will be repaid at harvest or in the ordinary course of business in the case of the buffalo merchants.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 2,060.

STATEMENTS.

Narhar, son of Akhar Satnami—

They sow 10 to 12 kahtas of dhan per acre. They practise biasi. The average outturn in an ordinary good field varies between 6 to 10 khandis, *i.e.*, about 8 khandis=160 kathas=480 seers=960 lbs.

All the tenants agree to this estimate. He also states :— I employ one servant for six months to help in my weeding, etc., but most of the tenants do all their own agricultural work with the help of their own family members. The tenants agree. Jeokaran, Mandan and Nakchand engage one labourer each for six months. These are the only persons who do so except the village priest.

Ishwari Datt, Brahman, is the village priest. He sows four khandis and says he gets only 80 khandis crop. He says he gets less than the others, because being a Brahman and Purohit, he cannot work in the field himself and depends upon servants and labourers.

Jagdeo, Raut—

I sow seed 12 katha dhan yielding 40 khandis paddy. I borrowed Rs. 120 for purchase of buffaloes and Rs. 60 for purchase of land. I have to pay Rs. 37-8-0 per cent interest. I recently purchased one acre land from the malguzar. I can repay my debt in a year or two. I did not give any security for the debt. If absolute-occupancy right is given, then my position will be much improved.

Saugor, the 24th November 1929.

Interviews with—

- I.—Agent of the Firm of Rai Bahadur Bansilal Abirchand.
- II.—Seth Jasraj.
- III.—Seth Bahairon Bux.
- IV.—Seth Ganesh Das.
- V.—Mr. Kedarnath Rohan, B.Sc., LL.B., M.L.C.
- VI.—Mr. G. K. Kher, Malguzar and money-lender.

Present.

1. J. G. Bourne, Esq., I.C.S.—*Chairman.*
2. A. C. Sen Gupta, Esq., I.E.S., Economic Expert.
3. Mr. N. R. Chandorkar—*Secretary.*

If we get money from the bank and the cultivators get absolute-occupancy rights, we can advance loans at 2 per cent in excess of the bank rate, but if cultivators do not get transferable rights, we shall charge 4 per cent more. If we do not get money from banks and if transferable rights are given, we can advance at 9 per cent. We can advance at 9 per cent without Bank help and without insisting on transferable rights to occupancy tenants if revenue officers can help in the recovery of loans. Our real trouble is risk if; it can be removed, we can advance money at 9 per cent.

Most of the sowkars employ their own capital. Those who borrow to lend pay 9 per cent. This is the mahajani rate of interest.

Grain and ghee trade.—These commodities are received from the villages of this district as also from Bhopal and Panna States. Petty traders go to villages, advance money to cultivators and take *ghee* at the stipulated rate. The principal *ghee* traders are Nathuram Karelal, Barelal Kundanlal, Sheoprasad Shobharam and Laxmi Das. These people export *ghee*. They book consignments and send railway receipts to their agents in Bombay or Calcutta and draw hundis on them for three-fourths of the price or the goods consigned and sell the hundis in the market at *plus* or *minus* 2 annas to 3 annas per cent, the limit being the postal insurance charges. The balance of one-fourth is recovered after the sale of the articles sent. The wholesale *ghee* merchants do not advance money to petty traders. *Ghee* worth about 7 lakhs of rupees is annually exported from Saugor station. On an average, in a normal year, three to four lakhs of grain bags (Rs. 10 a bag) are exported from this place.

Petty traders, *e.g.*, weavers, potters, brassware-dealers, etc., borrow money on personal credit or on bonds. The rates of interest vary from 12 annas to Rs. 2 per cent per mensem according to the solvency and character of the borrower.

II.—Munnilal Singai Sheoram Dalchand, Saraf of Saugor.

Gold and silver worth about 2 to 4 lakhs of rupees used to be imported every year. During these scarcity years considerable amount of gold and silver has gone out of the district. This may be estimated at 10 to 15 lakhs of rupees. We prepare

Debts.—There are two malguzars in the village with 175 acres of home-farm in this village and holding other villages elsewhere. Mt. Janodibai, who owns four annas share of the village, has a money-lending business of cash and kind exceeding Rs. 10,000. Gayaprasad, Brahman, who holds the remaining portion of the village, owes Rs. 500 borrowed for a wedding at 12 per cent interest. He also does a grain lending business. The malguzars are in a very prosperous condition and call for no further comment.

Many of the tenants hold land in other villages, and the total value of their landed property in this and other villages is not less than Rs. 1,00,000. They owe, in all, Rs. 6,567 which represents about 6½ per cent of the value of their land, and an incidence of about Rs. 53 per head. Seventy-one or practically half are entirely free from debt. Only six owe over Rs. 100 and many of the other debts are for petty sums of less than Rs. 20. Most of the debts are, in fact, the ordinary petty advances taken during the agricultural year, repayable at harvest. The principal debt is that of Lalji who owns 12 acres of land altogether in this and other villages at Rs. 16 rent, and who owes Rs. 680. Rs. 500 of this was incurred for loss in a contract, while Rs. 100 was for purchase of bullocks. The rate of interest is 2 per cent. This man appears to be more or less hopelessly involved. No other tenant is really involved beyond his means, although the ordinary rate of interest is 25 per cent which implies an annual interest charge of about Rs. 1,600 on the tenantry against a total rental demand of Rs. 526, *i.e.*, more than three times the total rental demand.

Following are the purposes for which the debt was taken :—

	Rs.
1. Repayment of old debt	521
2. Marriage and cremonials	1,315
3. Maintenance and household	734
4. Payment of rent	10
5. Seed, bullocks and buffaloes	3,132
6. Improved implements	180
7. Wells and land improvement	500
8. Purchase of land	151
9. Litigation	74
10. House building and business	450
Total	7,067

A co-operative credit society can do much in this village to reduce the interest charges. The tenants here are very much against the proposal to extend an irrigation canal to this village. They state that the soil is heavy and will only be waterlogged by the coming of the irrigation canal which will do more harm than good. They are also very anxious to be supplied with some form of manure to enable them to increase their outturn. A mixture of bone meal and other artificial manures might increase the

income of the tenantry here enormously if these could be provided at reasonable prices. It is to be hoped that the Agricultural Department will take up this question before long. This village is typical of the rich Mungeli tahsil of the Bilaspur district. There is a good school here.

Jharu Sao, Bania states—

The lambari katha used here measures 4 seers 9 chattacks chawal and 3 seers dhan. From 20 kathas dhan, about 9 kathas of chawal are produced, *i.e.*, 60 seers of dhan produce about 41 seers of chawal, good rice.

The small tenants sell their new crops at once in the village, as their resources are at an end by the time the crop comes. There is a bazar here. Some 20 Kachiyas or petty traders in grain come here and buy up grain from the tenants and take it for wholesale sale at Mungeli and Sambalpur, etc. The poor people sell the new crop at 6 kathas per rupee. Those who do not have to sell in haste in this way can some times get one rupee for 4 kathas, *i.e.*, 50 per cent better price in due course.

I advance about two-thirds of the total sum advanced in loans by money-lenders in this village. Cash is mainly advanced here for purchase of bullocks and cattle, for marriage, etc. Practically, no one here borrows large sums for sowing, weeding or for ordinary agricultural operations.

I charge 9 per cent interest on pledges of gold and silver for sums of Rs. 500 or above. Upon mortgages I charge 12 to 15 per cent according to the value of the property and the position of the borrowers. I charge 25 per cent for unsecured loans. This is an ordinary business proposition. Everyone buys as cheaply and sells as dearly as he can, and I naturally charge the highest interest which I can get. If there were more lenders and more money available, the rate of interest on good security would fall. I have limited my money-lending business. There are four or five tenants here with fairly large debts, *e.g.*, Kulbul, Farharaga, Nemsahi, Bhavsingh, Lalji. Most of the tenants are very prosperous. Some owe petty debts of Rs. 20 or Rs. 30.

All the tenants agree that the above is a correct statement. They say that Jharu Sao is not a bad money-lender and helps them very much with timely advances. They say that there is great need of manure here and are anxious to be supplied with good artificial manure, if it can be supplied on easy terms.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 7,029.

STATEMENTS.

Paru pays Rs. 3 rent per year. He incurs an expenditure of Rs. 4 for sowing his land. He sows 1 khandi seed. The produce of his holding is 16 khandis. His family consists of 1 male and 2 females. He gets 21 khandis per year as his remuneration for grazing cattle of the malguzar of the village. He is not indebted.

Munshi, caste Kurmi—

He pays Rs. 2-5-0 rent. He sows $2\frac{1}{2}$ khandis seed. The produce of his holding is 25 khandis dhan and 5 khandis teora. He has also got 2 buffaloes and 1 plough. He is working on his own field. He has to pay 2 khandis weeding charges. For 4 persons in his house his daily feeding charges are 3 seers rice, quarter seer dal and 1 anna miscellaneous expense. He has borrowed Rs. 30 from co-operative bank at 12 per cent per annum. He also borrowed Rs. 80 from Umeda, malguzar, at 24 per cent per annum to purchase a pair of buffaloes which cost him Rs. 100 only. He did not mortgage any land for the debt. He earns Rs. 50 by wages on other fields and carting. Petty sums are usually taken at 24 per cent per annum.

Lehri, Teli—

He pays Rs. 19-8-0 rent. He has got 2 bullocks, and 2 buffaloes. There are 9 persons in his family. He sows 8 khandis dhan, 10 kathas kodon and five khandis wheat and others. He says that the produce of his land is hundred khandis dhan, 2 khandis kodon and 20 khandis other and 10 khandis wheat. His cost of cultivation is 25 khandis dhan. He owes Rs. 200 at 15 per cent per annum and Rs. 60 at 12 per cent per annum to Santokh. He also borrowed Rs. 160 this year at 12 per cent per annum for purchase of buffaloes. He hopes to repay this debt during the year.

Garlain, Kurmi—

I pay Rs. 6 rent. I have got 9 persons in my family. I have got 1 plough and 2 buffaloes. I sow 6 khandis dhan and 3 khandis teora. The produce of my holding is 60 khandis dhan and 16 khandis teora. I also earn Rs. 30 by carting. I have to pay 10 khandis for weeding, transplanting and other charges. My daily expense is Re. 1 per day. My yearly expenses comes to Rs. 370 and I purchase clothes worth Rs. 50. I have to pay Rs. 60 debt at 24 per cent per annum which I took for purchase of buffaloes. I had also to borrow 20 khandis dhan about $1\frac{1}{2}$ month ago to perform a funeral ceremony.

Kulbul, Kurmi—

I pay Rs. 26-8-6 rent. I have got 2 buffaloes, 2 bullocks and 2 ploughs. I sow 12 khandis dhan, $1\frac{1}{2}$ paili batra and four khandis wheat. The produce of my holding is 120 khandis dhan, 4 khandis batra and 12 khandis wheat. There are 23 persons in my family. I have borrowed Rs. 260 at 24 per cent per annum. I incurred this debt for purchase of buffaloes, clothes and for a wedding. I also purchased 10.38 acres of absolute-occupancy land at Rs. 80 per acre.

APPENDIX E-LXXXI.

RICE ZONE.

PATPURA, TAHSIL JANJIR, DISTRICT BILASPUR.

This is a typical village of the Jangir tahsil of the Bilaspur district. The total area is 1,186 acres. The typical soil is a good sandy loam embanked for rice cultivation and double-cropped, a considerable portion of which is secure from ordinary failures of the monsoon by irrigation from tanks.

The malguzar, Padamdas, Brahman, has 280 acres of home-farm and, in addition has a substantial money-lending business.

There are 20 acres held in malik-makbuza right on a rental of Rs. 23; 180 acres in absolute-occupancy right on a rent of Rs. 151 and 695 acres of occupancy land on a rent of Rs. 563. The total areas held by malik-makbuzas and tenants is 907 acres on a rent of Rs. 837. The village is only a short distance from Naila railway station and market where a rice hulling factory and all the usual market facilities exist. During the last ten years 45 acres of tenancy land have changed hands for Rs. 4,102, the average price in recent years exceeding Rs. 100 per acre. According to the tenants' own statements, the average cost of cultivating a holding of 20 acres works out as follows:—

	Rs.
Seed	45
Capital depreciation on and feeding of bullocks	20
Other expenses such as weeding, etc.	160
Total	225

or Rs. 11 per acre.

The gross outturn is estimated at Rs. 640 or Rs. 32 per acre.
Net profit Rs. 21 per acre.
No 4, Gaya Ramnath, estimates his expense of cultivating 48 acres at—

	Rs.
Seed	80
Capital depreciation on and feed of cattle	80
Weeding and other hired labour	300
Total	460

or a little less than Rs. 10 per acre while the value of his gross outturn is estimated at Rs. 1,500 and net profit Rs. 1,040 or about Rs. 22 per acre. The outturn of rice is said to vary between ten times and 17 times the seed. Kalanath Vasantram, Teli, sows 10 maunds of seed worth Rs. 25, spends Rs. 50 on agricultural labour and Rs. 20 on capital depreciation of cattle total Rs. 95. He has 14 acres of land on Rs. 12 rent and receives an outturn of 162 maunds of crop valued at Rs. 400, net profit Rs. 305 or approximately Rs. 22 per acre. In this case the average outturn is over 16 times the seed. Gajraj, Chamar, has 6½ acres of land on Rs. 7-12-0 rent. He sows 5 maunds of seed worth Rs. 12 and estimates his capital depreciation on his cattle at Rs. 20, total expenses Rs. 25 plus rent

and kotwar's dues Rs. 8-8-0, *i.e.*, Rs. 33. He estimates his outturn at 97 maunds worth Rs. 240 or nearly 20 times the seed net profit Rs. 203 on $6\frac{1}{2}$ acres or Rs. 31 per acre. He has a large family of 11 persons, all of whom work in the fields. His family members in addition earn Rs. 200 by agricultural labour and carting. He estimates his annual expenses on the feeding of the 11 members of his family at Rs. 360 and clothing at Rs. 50, total Rs. 410.

The following gentlemen, Mr. Kunji Ram, malguzar of Korka, Pandit Sakharam Pant of Jangir, Mr. Kodu Khan of Naila and Chandandhar of Karari, who were present agreed that the conditions in their own villages were the same as those of Patpura. They stated that one khandi of dhan was of 65 seers and that 10 to 12 kathas were sown to an acre, there being 20 kathas in a khandi, that is to say, that the ordinary amount of rice seed required here was between 65 lbs. and 80 lbs. per acre. They stated that the ordinary outturn averaged 10 khandis per acre in the ordinary good soil, *i.e.*, 650 seers or 1,300 lbs. per acre, while the lightest soil of all unirrigated yielded about 6 khandis or 750 lbs. per acre.

The real outturn of rice here is not less than that in the surrounding tract which is closely developed and well protected, averaging between 1,000 and 1,200 lbs. per acre.

Farmers all over the world habitually underestimate their crop outturns. The value of the gross outturn can rarely be less than Rs. 35 per acre here.

Debts.—The malguzar is entirely free from debt. The total tenants' debts come to Rs. 7,744 in cash and Rs. 700 in grain, total Rs. 8,444. Rs. 2,317 in cash and 30 maunds grain are owed to the landlord and Rs. 5,827 and 128 maunds of grain are owed to money-lenders. The average rate of interest is 25 per cent and on grain 50 per cent. The purposes for which debts were borrowed are as follows:—

	Rs.
Old debt	437
Purchase of cattle	2,379
Marriages, pilgrimages, death ceremonies, etc.	3,748
Purchase of land	400
Litigation	345
House repairs	455
Agricultural improvements	280
Seed	400
Total:	8,444

The total value of 1,186 acres held in this village is certainly not less than Rs. 1,00,000 at an average of Rs. 90 per acre, so that the total indebtedness represents only 7 per cent of the value of land alone. In addition, the cultivators have numerous cattle which are of considerable value. The total income from non-agricultural sources comes to Rs. 14,422.

There are in all 157 tenants of whom 50 are entirely free from debt. Sixty have petty debts below Rs. 60, 18 only have debts

exceeding Rs. 100, while only 3 have debts exceeding Rs. 200. Mt. Ketibai, Telin, with 24 acres, owes Rs. 340, Rs. 300 of which was borrowed for marriages and death ceremonies. This is the biggest debt in the village. The rate of interest charged is one-fourth anna per month or Re. 1-9-0 per cent. The value of her land, however, is probably not less than Rs. 2,000. The incidence of debt per indebted tenant is Rs. 70 per head, while the all round incidence on all tenants is about Rs. 50 per head. This is a rich well established closely populated village. Most of the debts are only ordinary seasonal loans which are borrowed from year to year for the financing of agricultural operations and repaid at harvest. All the tenants were strongly in favour of being granted rights of transfer, as they stated that, at present, they did not receive the full value of their land if they desired to transfer it, and also had to pay unnecessarily high rates of interest on loans.

Marketing.—There are a number of large grain merchants in this tract who buy grain in small quantities from the tenants in their villages. Kunji Ram stated that he usually paid one rupee for 16½ seers or Rs. 4 per khandi when the new crop came and sold it when the price rose. He said that sometimes the price might rise to Rs. 5 per khandi. There appears to be no difficulty with regard to marketing or finance in this tract.

Co-operative credit.—The co-operative credit movement has done excellent work in the Bilaspur tahsil of the Bilaspur district and is now extending its operations to the Janjgir tahsil. It appears that it can perform excellent services in this tract for financing the short-term requirements of agriculturists. This tract has had a number of good years in succession and the general condition of the tenants is much more sound than in many other parts of the province.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 2,675.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Patpura	107	30	12	6	1	...	...	1	157

STATEMENTS.

Malguzar Kunjiram of Kokra, Sakharam Panth of Janjgir, Kodu Khan of Naila, Chandrabhan of Kalari, Daroji and other villagers say—

One khandi of dhan in this district is of 65 seers. 10 to 12 kathas are sown in an acre. The ordinary outturn averages 10 khandis per acre of good soil. Lighter soil yields about 6 khandis.

Kodu Khan has borrowed Rs. 2,000 for bullocks and buffaloes at 12 per cent from Ghasi Ram, malguzar of Sakli, and some taccavi. I have a running account with Ghasi Ram, taking advances and making repayments. Chandrabhan has no debts. Khuji Ram pays Rs. 97 income-tax. He purchases grain in small quantities in the surrounding villages to sell wholesale. He has also a cloth shop. He pays Re. 1 for 16 seers. Later on the price rises to 13 seers for Re. 1. Sakharam Panth owes Rs. 5,000 to Atmaram sowkar and Sheonarayan, etc. The loan was incurred for marriages and interest at 12 annas per cent or 9 per cent per annum is charged.

In Korka about 50 per cent of the cultivated land is irrigated. About 50 per cent of the cultivators are indebted.

In Janjgir about 25 per cent of the tenants are indebted.

Dewan Raghunath Singh of Saekaron owes Rs. 7,000 at 6 per cent interest. He says he pays Rs. 2,500 per annum in liquidation of debts. The debt was incurred for marriages and litigation with his cousin. All these malguzars say that the tenants will lose all their land in debts if they are granted rights of transfer.

APPENDIX E-LXXXII.

RICE ZONE.

BACHAWAR, PENDRA ZAMINDARI, BILASPUR DISTRICT.

Total occupied area is 2,029.13 acres. Of this, 154 acres constitute the home-farm and 1,874 acres the tenancy land. The rental demand is Rs. 865. The average price of the land is Rs. 40 an acre.

There are 293 tenants. The average holding is of 6 acres, but many of these so-called tenants are really agricultural labourers with nominal holdings. Of the tenants 209 or 71 per cent are free from debt. The 84 tenants who are indebted owe Rs. 6,314 or Rs. 71-8-0 each, or Rs. 6-8-0 per acre of their land or 14 times the rent they pay. Only one tenant, *i.e.*, Babulal, is hopelessly indebted. He has hardly 1 acre of land and owes Rs. 300.

There is a Co-operative Credit Society with membership of 10. Their financial position can be seen from the following statement ;—

Name.	Area.	Rent.	Bank.	Outside.
	Acres.	Rs. a. p.	Rs.	Rs.
1. Sudhu ...	15.74	3 8 0	30	20
2. Manbahor ...	7.35	4 0 0	50	80
3. Mahadi ...	8.18	3 6 0	20	20
4. Bodhan ...	8.05	3 8 0	40	20
5. Bhuden ...	10.53	4 14 0	30	30
6. Parmesur ...	8.70	3 12 0	30	20
7. Pitam ...	29.47	10 4 0	50	...
8. Deolal ...	28.29	13 0 0	80	160
9. Tirka ...	14.57	4 8 0	40	35
10. Amarsao ...	4.32	1 14 0	60	...
Total ...	14.10	52 12 0	430	+385 =815

The debt works out at Rs. 81 per member or Rs. 6 per acre or 15½ times the rent they pay. It will appear that the members of the society are practically in the same position as non-members in the matter of debt.

The sources from which and the purposes for which the debt was taken are:—

		Rs.
<i>Sources.</i>		
1. Co-operative	...	430
2. Mahajan	...	5,884
		6,314
<i>Purposes.</i>		
1. Marriage and ceremonials	...	300
2. Agricultural expenses	...	5,896
3. Litigation	...	118
		6,314
Total	...	6,314

All the debts are unsecured and about 96 per cent is for productive purposes.

Cost and profits of cultivation.—The total cost of cultivating 2,093 acres, according to the estimate of the villagers themselves, comes to Rs. 12,004 or Rs. 6 per acre. The gross outturn estimated by them comes to Rs. 48,652 or Rs. 23 per acre. The cultivators have other sources of income, e.g., money-lending, trade, shop-keeping, sale of *ghee*, carting, labour, etc. They estimate the total income from all these sources at Rs. 27,721 or Rs. 95 per family.

Cost of maintenance.—There are 523 adult males, 558 adult females and 652 children, total 1,733 in 294 families. A family here is of 6 persons. They estimate the total cost of maintenance at Rs. 66,863 or Rs. 227 per family. If this is correct, the cultivators must be out of pocket by Rs. 32 every year. It is clear that they have underestimated their income and overestimated their expenses.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 10,726.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Bacharwar	181	59	26	7	7	9	4	...	293

APPENDIX E-LXXXIII.

RICE ZONE.

CHAITMA, CHURRI ZAMINDARI.

Total occupied area is 946 acres and the rental demand is Rs. 596. Of this, 93 acres constitute the home-farm. Thus the tenancy area is 823 acres.

There are 149 tenants in all. Thus the average holding in the village is of $5\frac{1}{2}$ acres, but many of these so-called tenants are really agricultural labourers with nominal holdings. Of the tenants, 131 or 88 per cent are free from debt.

The total debt on the village is Rs. 3,649. Of this Rs. 2,500 is on the malguzar who owns four full villages and one half village beside Chaitma. His debt is thus negligible and need not be considered. He does money-lending also.

The total tenancy debt is Rs. 1,149 or Rs. 10 per tenant or Rs. 64 per indebted tenant or Re. 1-6-0 per acre or twice the rent. None is heavily indebted.

Following are the sources from which and the purposes for which the debt was taken :—

Sources.		Rs.
Mahajan	..	2,700
Malguzar	..	949
Total		3,649
Purposes.		
1. Marriage and ceremonials	...	1,500
2. Land Improvement	...	100
3. Seed, etc	...	200
4. Trade	...	260
5. Miscellaneous	...	689
Total		3,649

About 50 per cent is for productive and 50 per cent for unproductive purposes.

The rate of interest varies from 12 to $37\frac{1}{2}$ per cent. Small sums carry high rate of interest. The most common rate, however, is 18 per cent. The malguzar and mahajan finance the cultivators.

The average price of land is Rs. 30 per acre. The debt comes to about 7 per cent of the total value of land.

The total cost of cultivation, according to the estimate of the cultivators, comes to Rs. 5,121 or about Rs. 5 per acre while the total gross income comes to Rs. 26,598 or Rs. 28 per acre. Big cultivators trade in grain, ghee and keep shops. Small ones do carting and labour. The total income from these non-agricultural sources is estimated by the villagers at Rs. 19,976 or Rs. 130 per tenant.

There are 254 adult males, 252 adult females and 313 children in the families of 150 cultivators. The total amount which these families require for their maintenance is estimated by them at Rs. 42,245 or Rs. 281 per family of 5 persons. This appears to be an overestimate. If they spent so much, they would be out of pocket by Rs. 36 each and will necessarily be in debt. But as 88 per cent are entirely free from debt and as those who are indebted are very lightly indebted, the estimate of maintenance is clearly an overestimate. It may be that the income has been suppressed.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 17,700.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total
1	2	3	4	5	6	7	8	9	10
Chaitma	96	35	10	3	1	3	1	1	150

STATEMENTS.

APPENDIX E-LXXXIV.

RICE ZONE.

SEONI, CHAMPA ZAMINDARI.

Seoni is a village in the Champa Zamindari of the Jangir tahsil in the Bilaspur district. The total occupied area of the village is 2,204 acres. Of which 231 acres constitute the home-farm of the zamindar and 1,973 acres the tenancy area. Total land revenue of the village is Rs. 1,000 and the rental demand is Rs. 1,564.

There are 253 tenants in the village. They together hold 1,973 acres at Rs. 1,564 in the village and 45 acres at Rs. 35 outside. Thus the total land in their possession is 2,018 acres on a rent of Rs. 1,599. Thus the average holding is about 8 acres, but many of these so-called tenants are silk weavers and agricultural labourers with nominal holdings.

There is a co-operative credit society with 12 members in the village. The chief source of finance is the mahajan. The rate of interest is 18 per cent.

Of the 253 tenants, 124 or 49 per cent are free from debt and 129 or 51 per cent are indebted. The total debt amounts to Rs. 21,072 which works out at Rs. 83 per tenant or Rs. 163 per indebted tenant or a little over Rs. 10 per acre or a little over 13 times the rent. Of the indebted tenants, the following are hopelessly involved:—

Name.	Acres.	Rent.	Debt.
1	2	3	4
		Rs. a. p.	Rs.
1. Rama ...	2.83	2 0 0	500
2. Mutki ...	0.33	Free	200
3. Manbodh ...	0.10	Free	500
4. Jhalka ...	7.14	6 4 0	500
5. Parasram ...	7.02	6 12 0	350
6. Dhirajman ...	3.40	2 0 0	200
7. Janki Prasad ...	10.40	8 0 0	750
8. Chaitu ...	1.03	1 3 0	300
Total ...	32.25	26 3 0	3,300

As the value of the village land is said to be worth Rs. 30 to Rs. 50 per acre, the above 8 are certainly indebted beyond hope of redemption.

The following statement will explain the position of the co-operative society:—

Name.	Acres.	Rent.	Society.	Outside.
1	2	3	4	5
		Rs. a. p.		
1. Avahram ...	13-43	82 0 0	60	...
2. Aghori ...	24-43	22 14 0	200	...
3. Kusva ...	10-08	9 10 0	40	...
4. Chenga ...	10-87	5 0 0	...	...
5. Dadu ...	4-22	3 10 0	40	...
6. Mandal ...	9-22	6 4 0	35	...
7. Maniram ...	4-34	2 6 0	50	140
8. Raghu ...	16-80	11 11 0	70	100
9. Rajaram ...	15-50	13 0 0	100	...
10. Rakhiram ...	33-06	24 4 0	150	200
11. Soni ...	18-37	18 6 0	140	260
12. Hemdas ...	6-99	3 3 0	100	140
Total ...	167-31	202 4 0	1,065	840 =1,905

The debt works out at Rs. 153-8-0 per member or Rs. 11-8-0 per acre or 9 times the rent. The condition of the members is generally better than non-members in this village.

Following are the sources from which and the purposes for which the debt was taken:—

	Sources.	Rs.
Co-operative	...	1,065
Mahajan	...	26,007
	Total	21,072
	Purposes.	Rs.
Repayment of earlier debt	...	9,250
Marriage or ceremonials	...	5,379
Agricultural purposes	...	6,143
Litigation	...	300
	Total	21,072

Leaving out the old debt as the purposes for which it was taken could not be ascertained, 48 per cent of the balance was for unproductive and 52 per cent for productive purposes.

Cost and profits of cultivation.—From the statement of Dhansing and others it appears that an average pair of plough bullocks can be bought for Rs. 100 and works for six to seven years. Depreciation on bullocks therefore is about Rs. 15 a year on an average. The other charges are paid in kind and Dhansing requires 5 khandis of dhan for all agricultural operations cash value of which according to the average rate comes to Rs. 20. He

owns 8 khandis of land. His outturn in a normal year, according to his statement, is 100 khandis of dhan which valued at the price obtaining at the harvest, is worth Rs. 400. In addition he sows 1 khandi of utera crops and gets 5 or 6 khandis, which is worth Rs. 100. Thus the total income from his 8 khandis land comes to Rs. 500. He does a little labour also in his spare time. He and cultivators of his type are free from debt. Sometimes they take small seasonal loans but they repay at harvest.

This was once an important silk weaving centre. These kosh-tis are now in considerable difficulties, and account for most of the debt.

They say they have no market and the cost of weaving cloth is heavy. They say there is little demand for kosa cloth now-a-days. When asked the reason, they stated that some time ago Government had appointed a Commissioner of Settlements in Calcutta whose name they believed was Mahatma Gandhi and that he had ordered the public to wear khaddar cloth, with the result that none wanted kosa cloth now-a-days! This shows the ignorance of some villagers with regard to politics.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 15,416.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total
1	2	3	4	5	6	7	8	9	10
Seoni	129	78	28	14	6	1	4	2	249

This village is not typical owing to the large number of indebted silk weavers.

APPENDIX E-LXXXV.

RICE ZONE.

PURENA, TAHSIL AND DISTRICT DRUG.

A largish village, fairly typical of the Drug tahsil. The principal crop is rice. Since the last settlement the area under rice has increased from 304 to 349 acres, all of which is now irrigated; 329 acres have been irrigated from the Tendula State canals and the remaining area from tanks. 168 acres are under kodonrahar. This is on the unirrigated sandy soil. There are 244 acres under rabi or winter crops, including 70 acres of wheat and 58 acres of linseed. 76 acres are double-cropped. The total cropped area is 787 acres. There are in all 53 tenants of whom 8 hold 35 acres in absolute-occupancy right and the remainder hold occupancy land. There is also one malik-makbuza with a small holding of 2½ acres. Out of these 53 persons, 30 are entirely free from debt. The total debts of the remaining 23, which are the only debts in the village, amount to Rs. 3,189, of which Rs. 900 is the principal item. This Rs. 900 is alleged to be an old debt carrying six per cent interest owed by one Bharosa, who is properly speaking not a *bonafide* agriculturist at all. His statement is attached. His father was not an agriculturist and lived by the wholesale purchase and retail sale of brass utensils. He lost money over this business and eventually he was sued and a decree of Rs. 900 was passed against him. Since then Bharosa has purchased his present holding of 5½ acres of occupancy land at Rs. 5 rent for Rs. 250. He also makes bidis from which he earns about Rs. 100 per year. He has two wives, his mother and two boys and two girls, and his family carry on the cultivation of his holding without the help of hired labour and also do the manufacture of bidis. This case appears to be of peculiar interest as it is a case of a family which, having lost money in a non-agricultural trade, has now turned to agriculture for a living, and has been able to pay for the purchase of the land without incurring any further debts.

Ajabsingh, Marar, has a debt of Rs. 300 at 18 per cent interest. This he has incurred for acquiring 1.31 acres occupancy land at Re. 1-8-0 rent, which is the only land held by him in the village. This man also holds land at Rs. 25 rent in Bhilai, another village. He also has some garden land or bari. This individual is only a nominal tenant of Purena and his case is a special one. He appears to be living within his means, but there is little prospect of his paying off of the debt of Rs. 300 which bears an annual interest of Rs. 48. One other tenant, Manku, with 22 acres of land owes Rs. 300 for the purchase of bullocks.

Of the 23 indebted tenants, 15 have petty debts of under Rs. 100, which are nothing more than the usual short-term loans incurred during the year which should ordinarily be repaid at harvest.

The malguzar is free from debt and is the principal money-lender in the village. The total capitalized value of the property held by the agriculturists in this village according to their own

statements is Rs. 62,409 against a total indebtedness of Rs. 3,540 which, after the old debt of Rs. 900 of Bharosa, the bidi maker and of Rs. 300 of Ajabsingh, the absentee be deducted, comes to under Rs. 2,300.

Cost of cultivation.—The average cost of cultivation per acre according to the villager's own statements including rent and water rate at about Rs. 3 per acre, comes to Rs. 10-12-9.

Cost of maintenance.—The alleged total expenditure upon maintenance and clothing of cultivators and their families comes to Rs. 15,326. This expenditure is partly in cash and partly the valuation of their own grain which they use for food. The total number of persons in the families so supported consists of 84 male adults, 102 female adults and 122 children, in all 308. According to the cultivators' own statements, therefore, the average cost of clothing and maintenance per head, including men, women and children, averages Rs. 50.

In estimating their income from agriculture, the cultivators appear to have invariably estimated the outturn from rice at 10 times the amount of seed sown by them. The statement of Sobha Ram, Kurmi, who is a principal tenant in the village, who has extended his holding by 13½ acres during the last 10 years by purchasing land for Rs. 400 out of the profits of his agriculture, and who has also started a money-lending business with a capital of Rs. 500 out of the same profits, casts some light on the situation. He evidently holds some of the better land in the village and admits an average outturn of rice of 11 times the seed. He states that the figures which he has given are the figures for an ordinary year, but the outturn in the present year is 16 annas and will be much more and that they have had similar good crops for several years past in this tract since the Government irrigation canal reached the village. The area under Government irrigation has been rapidly increasing here. In 1926-27 the area irrigated was 243 acres and is now 329 acres. There are perennial disputes in this district with the Irrigation Department with regard to the amount of water rate which should be charged for Government irrigation, and it appears that the normal outturn, as estimated by the tenants for the purpose of estimating their income, is the outturn which they used to get in a normal year without Government irrigation. Ten times the seed would not be more than 800 to 900 lbs. per acre which is about the normal outturn from unirrigated rice in this tract. The ordinary outturn from irrigated rice is at least 50 per cent more. We could safely take a figure 30 per cent above the tenants' estimates here for the probable average outturn in the future. Our enquiries show that most of the cattle dung is used for fuel and that there is practically no manuring, but that with manure this irrigated rice yields at least an average of 1,500 lbs. per acre. The Government estimate of normal outturn in the Drug district, based on the experiments of a number of years, is—

Unirrigated rice	...	...	950 lbs. per acre.
Irrigated rice	...	...	1,500 ..

Manuring would then increase the cultivators' own present estimated income by at least Rs. 17 per acre of rice. The cultivators' statements show that the costs of cultivation, when conducted entirely by hired labour, are as follows:—

<i>Weeding and Harvesting.</i>		R s. p.
An acre of land can be weeded by seven persons in a day. Two weedings are usually done; but substantial tenants do three weedings. The same amount of labour, i.e., 6 or 7 persons per acre usually suffices for harvesting. Thus two weedings and harvesting requires 21 persons at 4 annas a day ...		
		5 0 0
<i>Cost of Cultivation per acre of land.</i>		
Manuring (Unhappily neglected at present. All the cattle droppings are used as fuel and inferior stuff is utilized for manuring) ...		2 0 0
Ploughing: A pair of bullocks at Re. 1 per day for 2 days ...		1 0 0
Sowing: A pair of bullocks at Re. 1 per day for one day ...		2 8 0
Seed: Ten Kathas per acre at 4 Kathas per rupee ...		2 0 0
Biasi: Cross ploughing, one ploughing, one pair bullocks for two days ...		1 8 0
Harvesting: Six men at 4 annas per acre ...		3 8 0
Weeding: Fourteen men at 4 annas for two weedings...		1 8 0
Threshing: Six men at 4 annas an acre ...		1 0 0
Rent of one acre of land ...		3 0 0
Water rate for irrigation ...		18 0 0
Total cost of cultivation ...		18 0 0

Actually most of the cultivators use their own bullocks and labour, reducing the average expenditure per acre according to the total of the statements in Form A made by them to Rs. 10-10-0 as is noted above.

Value of land.—The average value of land in this tract is as follows:—

First class rice land is valued at Rs. 80 to Rs. 100 per acre and second class land at Rs. 50 to Rs. 60. The price offered for pure wheat land is said to be between Rs. 30 to Rs. 40 per acre, while Bhata pure is disposed of at Rs. 20 to Rs. 25 per acre. Picked land of any one kind is rarely sold separately and the mixed land in a holding generally fetches Rs. 40 to Rs. 50 per acre. Each holding usually consists of half rice land and one-third wheat and one-sixth Bhata land.

Cattle.—The cost of an ordinary pair of bullocks, as used here, is about Rs. 60 per pair and of a pair of he-buffaloes about Rs. 110 per pair. Buffaloes are said to be necessary for biasi cultivation. They are imported in large herds annually from the north of the Central Provinces and beyond and bring cattle epidemics in their train.

There seems no reason why cultivators should not breed their own cattle. The main purpose of the intermittent borrowing in this village and tract is "Purchase of cattle".

In addition the villagers in this tract earn a good income from plying carts for hire on the main road to Raipur and Drug. Though capable of further improvement, the economic situation here is better than in many other parts of the province. Owing to the security provided by irrigation, cultivators on the whole do not at present seem to need any special facilities for long-term loans. Debts are unimportant as is explained already.

This is a typical irrigated Chhattisgarh village.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 2,259.

The following statement will show the distribution of the village holdings :—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
Purena	17	19	3	3	5	20	2	2	53

STATEMENTS.

Bharosa Jobana—

My father opened a shop for selling brass utensils. He lost money and borrowed money and a decree for Rs. 900 has been passed against us. Later, we purchased one occupancy holding of 5.43 acres, rent Rs. 5, for Rs. 250 nazrana. I live by cultivating this land. I also make bidis. I get about Rs. 100 a year from bidi-making. I sow 2 khandis of dhan and get 20 khandis. I have 2 wives and 1 mother. I have 4 children, 2 boys and 2 girls. The 4 adults do all the work of the fields and also make bidis.

Bhuneshwar, son of Gopal, Kurmi, Malguzar—

I have no objection to the grant of rights of transfer to tenants. I do not fear for my nazrana. I fear my tenants may lose their lands in debt.

All the tenants—

We should get right of transfer. We can then get loans at low interest and improve our condition.

APPENDIX E-LXXXVI.

RICE ZONE.

BAJJI, TAHSIL BEMETARA, DISTRICT DRUG.

A village of the Bemetara tahsil of the Drug district, about 5 miles west of Bemetara on the Simga-Kawardha second class road.

It contains a considerable area of black soil (kanhar 65 per cent and dorsa 34 per cent), but with the exception of the rice area, the surface is slightly undulating.

The general position and quality of soil is about the average of the Bemetara tahsil as a whole. The total area and cropping is shown below :—

—	At last Settlement.	At present.
1	2	3
	Acres.	Acres.
Total area ...	1,091.62	1,091.62
Total occupied area ...	944.45	978.69
Total cropped area ...	931.99	1175.46
Total kharif area ...	536.86	554.67
Area under—		
Rice broadcasted ...	206.86	223.18
Kodon kutki ...	327.69	...
Kodon rahar ...	...	329.38
Others ...	2.31	2.11
Total rabi area ...	579.03	610.79
Area under—		
Wheat kathia ...	348.48	382.87
Teora ...	8.74	137.34
Batra ...	82.01	9.15
Linseed, utera ...	67.06	46.43
Botra ...	2.30	3.17
Gram ...	22.98	3.97
Masur ...	34.00	16.86
Urad, mung ...	4.35	0.65
Others ...	8.71	10.35
Total double cropped area ...	183.90	204.56
Total net cropped area ...	748.09	960.90
Total irrigated area ...	32.69	33.93
Total area paying Government water rate prior to end of agreement and at present.	...	...

There has been a marked increase both in the area and quality of cropping since last settlement and the net cropping is now over 90 per cent of the total village area, leaving very little area for grazing or nistar.

Nearly the whole of the rice area is double-cropped as the soil though sandy, is rich, approximating to a sandy clay loam,

27 per cent of the occupied area is embanked. The total rental demand is Rs. 1,054 for 959 acres of tenancy land; average rent Re. 1-1-9 per acre.

Plough-cattle.—Ample, having risen by 15 per cent. There is a pair for every 13 acres of occupied area.

Irrigation.—36 acres are watered from a private tank; but there is no state irrigation.

Holdings.—Home-farm has risen from 31 to 35 per cent at the cost of occupancy tenants. Of the tenants, 96 per cent sow their own seed, 80 per cent possess plough-cattle and 35 per cent hold land in other villages. The tenants engage in carting in the off season a good deal. They are a good lot on the whole.

There are five resident Kunbi malguzars in the village. With the exception of Mathan Singh, the lambardar, and his sons, the rest of the village is illiterate. There are 52 cultivators, including the malguzars and 30 agricultural labourers, who say they earn 3 to 4 annas a day for eight months of the year. Of the 52 cultivators, 27 are indebted, and ten hold less than 5 acres. The principal castes are Satnamis, Chamars and Kunbis.

Only 10 tenants have debts exceeding Rs. 100. The total debt of the village is only Rs. 3,445 of which the malguzars owe Rs. 440. Two tenants only are indebted beyond their means. Two other big tenants owe Rs. 850 between them.

Area.	Holdings number.	Number in-debted.	Total debt.	Per head of indebted tenant.
1	2	3	4	5
			Rs.	Rs.
Below 1 acre ...	1	...	...	...
From 1 to 5 acres ...	9	2	90	45
From 5 to 10 ..	17	9	753	84
From 10 to 15 ..	6	5	535	107
From 15 to 25 ..	10	5	597	119
From 25 to 50 ..	6	4	620	155
From 50 to 100 ..	2	2	850	425
Over 100 acres ..	1	...	...	...

Of the total debt of Rs. 3,445, only Rs. 400 is secured by a mortgage and the rest is unsecured. The most usual rate of interest is 24 per cent. It is strange that the rate of interest charged does not seem to vary according to the size of the holding; thus Bhuneshwar and Bisheswar, with a holding of 63.26 acres, have borrowed Rs. 500 at 24 per cent; and Birohoo with a holding of 15.47 acres, has borrowed Rs. 90 at 24 per cent; Keshlal, with a holding of 5.44 acres, has borrowed Rs. 60 at 18 per

cent; Gayanath, with a holding of 5.81 acres, has borrowed Rs. 50 at 24 per cent; and Mukund Sai, with a holding of 3.58 acres, of which 3.21 acres are held in absolute occupancy right, has borrowed Rs. 50 at 37½ per cent. There are two explanations of this phenomenon—

- (1) There is not enough competition among money-lenders in the village and the rate of interest they charge often depends upon the urgency of the need of the borrower.
- (2) The rate of interest depends on the character of the borrower.

The debt per head of cultivator comes to Rs. 66 and that per head of indebted tenant comes to Rs. 127-8-0. The total area held by these cultivators in this and other villages is 1,473 acres, and the debt per acre comes to Rs. 2-8-0 per acre. The cultivators do not know how to calculate the rate of interest and as they are mostly illiterate, depend upon the money-lender for accounts.

An analysis of the total debt according to the sources from which and the purpose for which it was borrowed is given below :—

Sources of debt.

		Rs.	
Mahajan	...	2,617	Predominating rate of interest 24 per cent.
Malguzar	...	828	
Total	...	3,445	

Purposes for which debts were taken.

		Rs.
For land improvement, etc.	...	300
For purchase of cattle	...	1,985
For marriage	...	100
For paying off old debts...	...	950
To relieve famine and other distress	...	110
Total	...	3,445

It will be seen that, here as elsewhere in Chhattisgarh, the purchase of cattle is the principal purpose of borrowing. Heavy mortality from cattle epidemics, particularly among buffaloes is the cause. This is a very important factor in the agricultural finance of Chhattisgarh.

Profits of agriculture.—Maharajsingh, Kurmi's, statement was as follows:—

There are one man, one woman and three children in the family. He holds 21.37 acres of occupancy land for which he

pays Rs. 18 as rent. He has also taken 5 acres on a sub-lease for Rs. 27. Two members of the family work in the fields.

		Rs. a. p.
Seed expenses—		
Dhan 1½ khandi at Rs. 4	...	6 0 0
Kodon 12 kathas	...	2 0 0
Teora 15 kathas	...	3 0 0
Castor seed 1 katha	...	0 8 0
Tur ...	...	2 0 0
Wheat 10 khandis at Rs. 10	...	100 0 0
Total	...	113 8 0
Cost of labour—		
		Rs. a. p.
One servant ...	...	60 0 0
One grazier 32 kathas kodon	...	5 4 0
Lohar 10 kathas kodon	...	2 10 0
Carpenter 4 kathas	...	0 10 0
Weeding done by members of family with the help of servant.	...	...
Harvesting of wheat	...	1 0 0
Harvesting other crops done by family with help of servant.	...	...
Total	...	69 8 0
Capital depreciation, etc.—		
		Rs. a. p.
Buffaloes Rs. 120—working life 4 years	...	30 0 0
Bullocks Rs. 80—working life 5 years	...	16 0 0
Implements ...	...	4 4 0
Total	...	50 4 0
Total cost of cultivation	...	233 4 0
Add kotwar's dues	...	1 8 0
Total	...	234 12 0
Total output—		
		Rs. a. p.
Dhan 30 khandis at Rs. 4	...	120 0 0
Kodon 30 khandis at Rs. 4	...	120 0 0
Teora 3½ khandis at Rs. 6	...	21 0 0
Castor 4 kathas	...	2 0 0
Wheat 45 khandis at Rs. 10	...	450 0 0
Tur 18 maunds	...	60 0 0
Total	...	773 0 0
Less cost of cultivation	...	235 0 0
Net income	...	538 0 0
Deduct rent for 21 acres	...	18 0 0
Sub-rent for 5 acres	...	27 0 0
Total	...	45 0 0
Net profit from 26 acres	...	493 0 0
Net profit from 1 acre is approximately	...	19 0 0

N. B.—This is a mixed holding of rice, wheat, etc., typical of this tract.

Maharaj Singh estimates his ordinary expenses for food and clothing at Rs. 200 per year. He has no debts and estimates the value of his house at Rs. 200. He says he has Rs. 120 worth of gold and silver ornaments, Rs. 40 worth of utensils and Rs. 98 worth of grain. His capital is valued at Rs. 900, the land alone being valued at Rs. 33 per acre. He says that the outturn varies considerably according to the character of the monsoon and that in good years he has to put by something for the bad year.

Pachkod, Kurmi's, statement was as follows—

There are 1 man and 2 women and 1 child in the family. He holds 9.16 acres of land in occupancy right for which he pays a rent of Rs. 13. Two members of the family work in the field.

Total cost of cultivation.

Seed expenses—

			Rs. a. p.
Dhan 16 kathas	...	...	3 4 0
Tur and kodon 9 kathas	...	...	1 12 0
Wheat 2½ khandis	...	...	25 0 0
Teora 6 kathas	...	...	2 0 0
		Total ...	<u>32 0 0</u>

Cost of labour—

			Rs. a. p.
Grazier 16 kathas	...	...	3 4 0
Weeding katai, etc., cost nothing, done by the members of the family.			...
Lohar 8 kathas	...	...	1 9 0
		Total ...	<u>4 13 0</u>

Capital depreciation—

			Rs. a. p.
Bullocks Rs. 60—life 5 years	...	...	12 0 0
Bullock feed	...	...	...
Implements	...	...	2 2 0
Kotwara dues..	...	...	1 4 0
		Total ...	<u>15 6 0</u>
		Grand total ...	<u>52 3 0</u>

Total output--

		Rs. a. p.
Dhan 9½ khandis at Rs. 4	... ..	38 0 0
Tur and kodon 15 khandis	... ..	60 0 0
Wheat 11 khandis	... ..	110 0 0
Teora 1½ khandis	... ..	9 0 0
	Total	217 0 9
	Less expenses of cultivation	52 3 0
	Net income	165 0 0
	Deduct rent	13 0 0
	Net profit on 9 acres	152 0 0

Net profit on one acre is Rs. 17 approximately.

The villagers considered these two cultivators to be typical of the village and accepted as correct their estimates of profit and expenditure. Pachkod, Kurmi, estimates his expenditure on food and clothing at Rs. 120 per year. His land and capital, etc., have a capitalized value of Rs. 384. He says he has utensils worth Rs. 15, gold and silver ornaments worth Rs. 23 and a house worth Rs. 30. The Statement A was prepared before the coming of the rains crops, and at that time he had Rs. 3 worth of grain in stock. He has borrowed Rs. 25 from the malguzar at 2 per cent interest for buying a bullock. This he proposed to repay, now that the harvest has been reaped.

The rate of net profit from a mixed holding can thus safely be taken at Rs. 17 per acre and is most probably higher. In this case an average family of five will require about Rs. 120 a year for food and clothing at the low standard prevailing in Chhattisgarh. Thus a family of five will require a holding of 7 acres for its bare subsistence and a holding of 10 acres may be taken as good provision for a family like this. Half the cultivators of this village are below this standard.

As a matter of fact, the tenants with small holdings admit that they receive, in addition, a regular income as agricultural labourers. In fact the tenants with uneconomical holdings in this village are only part-time cultivators in their own fields. The rest of their time they spend working as agricultural labourers in the fields of others or on employment in the vicinity. Many of the tenants also earn a regular income from plying their carts on hire for the carriage of grain, etc., to the big market of Simga.

Value of land.—The selling value of land on an average is Rs. 33 per acre. Rice land is sold roughly at Rs. 40 an acre and wheat land at Rs. 30. The cultivators dispose of their produce in small quantities at Bemetara and Bahara markets; but bigger cultivators take their produce in cart-loads to Simga where they get a better price. The gross earning and expenditure of the village have been estimated at Rs. 25,406 and Rs. 21,644, respectively. This leaves a balance of Rs. 3,762.

On being asked if the right of transfer of occupancy land will benefit them, some cultivators answered in the affirmative, others in the negative.

The tenants of this village are averse to change. Apparently some co-operative credit societies have recently been liquidated in the vicinity, while there has also been trouble over Government irrigation in the neighbourhood.

When asked by us as to their needs, they replied :—

“Our cattle often die of cattle epidemics and this puts us to loss. We sometimes suffer from attacks of cholera and small-pox. Sometimes our crops fail owing to the failure of the monsoon. These are all misfortunes which come to us from heaven and they depend on the displeasure of our Great Master. These we can endure as best we can. We do not ask your gentlemen to do anything for us. You may do anything which you think good; but we pray you, in your kindness, not to bring any Government irrigation canal here, nor to open any co-operative credit bank. These are misfortunes which we should not be able to bear. Any other misfortune we can tolerate but this.”

From our enquiries in this village and elsewhere the conclusions which we drew with regard to this tract were that the standard of living of the Chhattisgarh cultivator at present is low and needs are few. He does not generally borrow money; nor does he borrow seed. We were impressed with the fact that practically all the tenants and cultivators kept their own seed in reserve. The cattle mortality, here as elsewhere, is very heavy and this involves cultivators from time to time in relatively heavy expenditure. There seems to us no reason why the Chhattisgarhis should not breed their own buffaloes, but this, of course, is a question for the Veterinary and Agricultural Departments to deal with. There seems to be no immediate need for providing any special facilities in this tract for long-term loans. For short-term loans and the intermediary loans, it is possible that an extension of taccavi distribution might be beneficial. Owing to lack of competition the rates of interest are very high, and in years of crop failure debts might swell very rapidly owing to the high rate of interest. Fortunately Chhattisgarh has had recently a succession of good years.

The great need here and throughout Chhattisgarh is for some kind of manure. The cultivators told us that the Agricultural Department had a demonstration farm in the neighbourhood and were repeatedly preaching to them the need for burning firewood instead of cowdung cakes and preserving their cowdung for manure. But the tenants pointed out that it was quite useless to urge on them to burn firewood until they were provided with firewood, there being no jungle in the vicinity. They said, however, they would be very pleased to make use of any artificial manure which might be proved to be economically paying. It might be possible to start a bone-crushing mill for providing bone meal manure in this tract, somewhere near the tahsil headquarters at Bemetara.

The statements of Prahlad, Kurmi, and Noormohammad, Kacchi, of this village and of Asaram and Chainsingh of adjoining villages, which are attached, supply some interesting information on the methods of money-lending in this tract and the ruinous effect of the high rate of interest prevailing.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 4,084.

STATEMENTS.

Prahlad, Kurmi—

I borrow from Ramgopal, Bania, of Karesara at the rate of 2 per cent per mensem. The malguzar also lends, but as I have been taking loans from Ramgopal, I still borrow from him. I pay only interest every year. I have not been able to pay anything towards the repayment of the principal. I do not get receipts for the interest I pay.

I took a loan for purchasing buffaloes. I have been unfortunate in this. My buffaloes die every two or three years.

I do not sell dhan. I keep all I grow for seed and consumption. Wheat I sell and pay interest and purchase clothes. I sell wheat in Simga market. I do not borrow seed. I keep sufficient dhan for this and other purposes.

I do not know what bank is. I have taken taccavi only twice. I would like to have taccavi for manure if it can be given. I burn cowdung in open season and use it as manure during rains. Grain is advanced on dedhi system.

Nurmohammad, Kacchi, of Baiji—

I deal in grain and yarn. I borrow money from sowkars in Raipur at 12 annas per cent per mensem. Yarn I get on condition that if I do not pay the price in a month I pay interest at 12 annas. For one month I pay no interest.

I advance money to cultivators on condition that they sell their grain to me at a rate agreed upon at the time of making advance. I then send the grain to Raipur. As I charge no interest I purchase grain at a cheaper rate.

Asaram of Kavachi—

I took a loan of Rs. 200 from Labchand of Kharsara at Re. 1-4-0 per cent per mensem. I used to pay interest for several years. When my house was burnt down, I could not pay anything. Labchand therefore got Rs. 700 entered in his khata against my name five years ago. He obtained a decree for Rs. 1,000 against me.

Similarly, Ram Narayan obtained a decree against me for Rs. 1,000. He had advanced Rs. 200 at Re. 1-4-0.

Thus both these persons got my land auctioned and arrested me and put me in civil jail.

Money is advanced on mortgage, bonds, purjas and khatas. On small sums interest at 3 pies to 1 anna per rupee per mensem is charged, and on big sums Rs. 2 per cent per mensem is charged.

On mortgage rate of interest is Re. 1 to Re. 1-8-0 per cent per mensem. On the security of ornaments, rate is Re. 1 to Re. 1-8-0 per cent per mensem.

Chainsingh of Gangpur—

Though Bania is a bad money-lender, the Co-operative bank is worse. I have seen people having dealings with banks ruined altogether, but people dealings with Banias are still getting on. I do not want that occupancy tenants should get transferable rights.

APPENDIX E-LXXXVII.

RICE ZONE.

PARRAS, TAHSIL BALOD, DISTRICT DRUG.

A village of 964 acres, situated some 2 miles from Balod, the tahsil headquarters, 37 miles south of Drug. The village is typical of this part of Chhattisgarh. The following statement shows the character of the cropping :—

	Acres.
Total area	963·66
Total occupied area	691·40
Total gross cropped area	629·25
Total kharif area... ..	610·47
Area under dhan	565·47
Area under kodon-kutki	30·89
Total rabi area	318·78
Wheat	8·00
Mung, urad, alsii, etc.	299·27
Total double cropped area irrigated from private tank	310·55
Total net cropped area	618·70

The soil is mostly rich clay loam of good quality and large areas are embanked. There is a large double-cropped area irrigated from five private tanks. There is no Government irrigation.

The villagers say they sow 1 khandi of dhan of 66 seers in 2 acres and in ordinary years they get 15 times this amount, i.e., 7½ khandis or 990 lbs. per acre. This is probably an underestimate as the soils are superior, and the tanks give considerable protection. In addition, in the double-cropped area a second crop is obtained. Over half the net cropped area is double-cropped and the normal holding consists of half double-cropped and half single-cropped fields.

The villagers' statements of outturn as recorded in Form A show that the value of the second crop from the double-cropped area is usually about one-third of the value of the total rice crop. The value of 7½ khandis rice is Rs. 30 at present and if one-third is added on account of the double-cropping, the average gross outturn in the normal holding will work out at about Rs. 40 per acre. This is according to the tenants' own statements.

Tenants state, however, that the outturn varies considerably from field to field and from year to year according to the character of the monsoon, and that the gross outturn which some cultivators get is more than others. Tenants say that most of them do their cultivation, by their own labour and that of their family members. There are only 14 in all who employ farm servants or Saonjias.

Judawan, who has 9 acres of land at Rs. 15 rent, estimates his total agricultural expenditure, including depreciation of bullocks, at Rs. 81. This represents an average of Rs. 9 per acre. Bihari, with 42 acres of land on Rs. 53 rent, estimates the cost of his seed at Rs. 136; the cost of maintenance of and capital deprecia-

tion on his cattle at Rs. 100 and his other agricultural expenses at Rs. 445. He maintains four farm servants, to whom he pays Rs. 285 and he also spends Rs. 30 on employing extra labour for weeding and Rs. 32 for harvesting. His expenses also include 11 khandis of dhan paid in kind to the kotwar, blacksmith, raut, barber, grazier, watchman, etc., etc. The estimated value of this grain is Rs. 44. These items with the rent make up a total of Rs. 445, and including his seed and bullock expenses he alleges that his total annual expenditure on agriculture comes to Rs. 680 for cultivating 42 acres of land. This represents an average of about Rs. 16 per acre. This tenant has 6 bullocks, 4 buffaloes, 8 cows, 1 she-buffaloe and 4 calves. He estimates his normal crop outturn as worth Rs. 1,499, giving a net-balance after deducting expenses on an average of about Rs. 19 per acre. This tenant estimates his expenditure on the maintenance and clothing of his family at Rs. 522 per annum. He also alleges income from non-agricultural sources amounting to Rs. 226, Rs. 36 of which is from some petty money-lending at high rates of interest.

The rates of wages are low here. In this village we have drawn up a detailed budget of expenditure and income as usual for each cultivator in the village. The daily expenditure upon food varies between 2 annas 6 pies spent by Mt. Nerbudia, who is a widow living alone and maintaining herself from a small grove of custard apples and by agricultural labour, to Re. 1-1-0 per day spent by Harlal and Laxman, who hold 43 acres of tenancy land in this village and have also a malguzari share in an adjoining village. The average of the daily expenditure on food by the 54 tenants come to 6 annas a day. The average family of a tenant is of 3 adults and 2 children. It appears that the standard of living in this tract is low. The annual expenditure on clothing varies between Rs. 6 expended by Mt. Nerbudia on the purchase of 3 lugras at Rs. 2 each to Rs. 129 spent by Harlal and Laxman on the purchase of 8 dhotis at Rs. 2 each, 8 saris at an average price of Rs. 4-8-0 each, 8 shirts at an average price of Rs. 2 each, 2 coats at an average price of Rs. 8 each, Rs. 12-8-0 spent on children's clothing, 4 pachoris at Rs. 3 each, 2 alvans at Rs. 6 each, 3 caps of a total price of Rs. 2-8-0 and 2 pairs of shoes at Rs. 3 each. This family consists of 2 male adults, 3 female adults and 5 children.

The ordinary expenditure on clothing, according to the tenants' statements, is about Rs. 20 per family per annum.

It is clear that in this tract the needs are few, although in general appearance the tenants are prosperous.

The value of a bullock varies between Rs. 20 and Rs. 80. Judawan has a pair of bullocks which he values at Rs. 160. The ordinary bullocks average about Rs. 50 per pair. The price of buffaloes varies between Rs. 80 and Rs. 120 per pair. The average value of land, as estimated by tenants approximates to Rs. 100 per acre. The total value of land, cattle and agricultural implements in the village, *i.e.*, the total capital invested in agriculture according to the tenants own statements comes to Rs. 93,455.

There are three malguzars in the village and 55 tenants.

Debts.—The debts on the whole are surprisingly small. The three malguzars owe Rs. 2,020, while the total tenants' debt comes to Rs. 2,331, total debts of the village equal, Rs. 4,351. Of these debts, Rs. 1,000 are secured on a mortgage of a share of a village at 12 per cent interest. The remaining debt is unsecured. The rate of interest is very high, particularly upon small sums, and most of the debts here are of small amounts. The least rate on an unsecured debt is 24 per cent per annum, while in many cases the rate is 38 per cent. Of the malguzars' debt Jailalsingh holding 5 annas 4 pies share alone owes Rs. 1,640. He was recently prosecuted on the charge of taking a bribe in the name of a Tahsildar in order to influence the decision of a criminal case, and Rs. 1,200 of the debt is said to have been incurred for the purpose of defending this case. He has also taken Rs. 400 Government taccavi for improving his fields at 6½ per cent per annum.

Tenants.—Of the 55 tenants, 20 are entirely free from debt. Nineteen owe only petty debts in money or in grain not exceeding Rs. 50. Ten have debts between Rs. 50 and Rs. 100, while only 6 have debts above Rs. 100. The largest debt is Rs. 300 owed by a tenant Bidesi, who hold 6 acres of land in this village and 18 acres in mouza Belmad. Rs. 200 of this debt has been borrowed at the rate of Rs. 3-2-0 per cent per month interest or Rs. 37½ per cent per annum; Rs. 100 was borrowed for marriage expenses, Rs. 100 for purchase of cattle, while Rs. 60 had been borrowed for paying the irrigation dues in mouza Belmad which were in arrears, and Rs. 40 for buying clothes. This individual is a Teli with 4 male adults, 4 female adults and 3 children in his family dependant upon him. He has 8 bullocks valued at Rs. 340, while the total value of his land, cattle and implements is valued at Rs. 2,387. Under these circumstances his debt of Rs. 300 could be easily liquidated if the rate of interest payable upon it were not so exorbitant.

None of the other debts call for any special comment. In no case is the amount of the loan likely to be a serious burden on the property, although the interest in some cases may be so. Many of the loans are of course the usual short-term loans taken during the agricultural season to be repaid at harvest.

For instance Bodrai, Chamhar has borrowed Rs. 2 worth of dhan for food at 33 per cent. Guno, Teli, has borrowed Rs. 20 for purchasing a bullock and Magia has borrowed Rs. 20 for marriage; both of these debts are at 38 per cent interest.

The case of Mehtaru, Gond, age 15 years, is of some interest. He borrowed Rs. 20 two years ago at 37½ per cent interest for his marriage, which he has not yet repaid. He and his mother own 2 acres of land at Rs. 3-8-0 rent. His expenditure on cultivation is estimated at Rs. 4 for seed and an average of Rs. 4 per year the capitalized value of the one bullock, which he owns. He borrows a second bullock when he has cultivation to do. The total outturn from his small field is valued at Rs. 60. In addition he and his mother bring firewood from the jungle for sale and earn on an average Rs. 60 per annum thereby. They also earn about Rs. 30 from agricultural labour. His annual expenditure on food,

clothing for himself and for his mother is estimated at Rs. 120. They are paying an annual interest of Rs. 7-8-0 on this debt of Rs. 20. His statement is attached.

The debts are analysed as follows:—

	Rs.
Borrowed from Government in taccavi ...	504
Borrowed from Mahajans Rs. 3,508 at Rs. 30 per cent average interest.	3,508
Borrowed from Malguzars ...	339
Total ...	4,351

The purposes for which these debts were incurred are as follows:—

	Rs.
For land improvement ...	709
For purchase of land ...	50
For paying irrigation dues ...	60
For food, clothing and household expenses, short-term loans.	658
For wooden oil mill ...	25
For weeding ...	10
For death and marriage ceremonies ...	500
For litigation ...	1,200
For purchase of cattle ...	1,139
Total ...	4,351

It will be seen that here, as elsewhere, throughout Chhattisgarh one of the most important items of expenditure is the purchase of cattle due to the heavy mortality by cattle disease.

Co-operative Credit.—The villagers have no experience of co-operative credit as there has never been a co-operative credit society in this tract. They are, however, much in favour of taccavi and press for larger advances. It does appear that in this backward tract it would be desirable to advance taccavi loans on a more generous scale in order to reduce by some sort of competition the extremely high rate of interest which is charged here by local money-lenders.

Marketing.—Tenants keep with them sufficient supply of grain for their food and their other requirements, and usually only sell grain in small quantities to the local petty traders when money is required. In this tract most of the transactions are carried on in grain, which shows that the economic system is only just emerging from the state of barter. Agricultural labourers are paid in grain, and beyond the rent and the purchase of certain articles of clothing and jewellery, there are very few purposes for which money is used. Most of the tenants sow their own seed. At present the question of marketing is therefore not important. A large proportion of the agricultural produce, which is all food grain,

is locally consumed in the village. One or two big men who have considerable surplus grain for sale take it in their carts to Drug for sale in the market there.

The tenants all pressed very much for the grant of the right of transfer in their occupancy land. They themselves stated that the absence of this right was the reason why the rate of interest was so high. They pointed out the case of the malguzar who had borrowed Rs. 1,000 at 12 per cent on a mortgage, and stated that they would be able to obtain money at the same rate of interest if they had the right of transfer in their land, whereas at present the minimum rate which they have to pay is 24 per cent rising to 38 per cent.

In this tract, as elsewhere in Chhattisgarh, the crops for some years past have been satisfactory and indebtedness may be said to be insignificant, and the problems of agricultural finance are nothing like so complex as in some more developed parts of the province. As indigenous sowkars have not yet obtained a footing here to any substantial degree, the whole of this tract in particular and Chhattisgarh in general would appear to be peculiarly suited for the introduction of improved financial facilities. As the indigenous money-lenders' activities have up to now been insignificant, he will have little to suffer from the change, nor will there be much competition with him. With proper supervision and control it seems, as if the co-operative credit movement has a bright future before it in this tract, but up to now no beginning has been made in the Balod tahsil at all.

From the voluntary statements of the cultivators it appears that they have gold and silver worth Rs. 11,095.

The following statement will show the distribution of the village holdings:—

Village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1.	2	3	4	5	6	7	8	9	10
Paras	23	15	9	2	...	2	1	8	55

STATEMENTS.

Mehtar, aged 15 years—

I look after my cultivation. I own 2 acres of land. My mother and I do labour also and bring fuel from forest and sell it. Thus I make my living.

I borrowed Rs. 20 for marriage. We pay the interest Rs. 7-8-0 per year. I get about Rs. 50 net from cultivation. We earn 2 or 3 annas per day when we bring fuel and about 3 annas each per day when we do agricultural labour. We earn about Rs. 60 from fuel and some Rs. 30 from labour.

APPENDIX F:

INTERVIEWS.

Betul, the 29th October 1929.

Present.

1. J. G. Bourne, Esq., I.C.S., *Chairman.*
2. Mr. N. R. Chandorkar—*Secretary.*

Kastur Chand, son of Manik Chand Oswal, age 30 years—

I do business in gold and silver and sell usually some Rs. 50,000 worth of silver and gold. About one-fourth of this is in gold and the remainder in silver. My money-lending business is of about 2 lakhs of rupees and also I am a malguzar. I have shares in 20 malguzari villages. Many of these villages have come to me in payment of debts and the others have been purchased. According to the credit of the debtor I charge 8 annas, 10 annas and 12 annas per month per cent interest on a mortgage. On unsecured debts for similar sums I charge Re. 1-8-0 and Rs. 2 per mensem. If the tenants had a right to mortgage land, I should charge the same on mortgages as I charge at present, *i.e.*, 8 annas 10 annas and 12 per mensem.

The Rs. 50,000 worth of silver and gold, which I sell every year, comes from Bombay. The silver comes as a parcel by train and the gold is sent through the post office registered and insured. These are mostly sold in Chait and Baisakh to tenants. In an ordinary year about Rs. 15,000 worth of gold and silver comes back again on the market in Betul. I also discount some hundis on Bombay, but the total amount of hundis which I receive is not sufficient to pay for the total amount of silver and gold which I purchase from Bombay and I have to send, as a rule from Rs. 20,000 to Rs. 30,000 by post. In some of the bigger places like Nagpur, merchants are in the habit of cutting the note into two pieces and sending one half of the note at a lower rate of insurance in order to save the expenses of insurance. Some people also do this in Betul, but I do not do it. I also at times take supply bills from the treasury. I get a profit of about Rs. 12,000 a year from money-lending, including bad debts.

He says: "Betul district people are not in the habit of depositing money with the indigenous bankers or sowkars. If anybody makes some profit from agriculture, he buys a certain amount of silver and gold, while others bury their money in the ground. Some of them also start doing a little money-lending in their own villages".

Lala Baijnath, son of Devidin, Kalar, 48 years states—

I do rupees one lakh worth money-lending. I also take contracts for liquor. I deposit sums in the Imperial Bank in Nagpur on current account. Sometimes there may be Rs. 5,000 to my credit and sometimes there may be nothing according to my business. I charge from 7 annas to Rs. 2 interest according to the character and position of the debtor, and sometimes I charge up to Rs. 3-2-0. I even charge this on mortgages.

There is the usual penal rate of interest fixed in case of default in repayment of instalments. If some more money is readily available for my business, it will be possible for me to lend at a lower rate of interest.

Abdul Hussain, son of Khan Bhai, Bahora Musalman, 50 years—

I do ordinary grocery business and sell about Rs. 3,000 worth of goods every month. These articles come from Bombay and I pay for them by money order or by V. P. P. I do not get more than one month's time within which I have to pay. When I have to send a large sum like Rs. 1,000 I send by hundi.

Raghunath, son of Harchand, Marwari Bania, 50 years—

I have got land in many villages, and I do Rs. 25,000 worth of money-lending. I charge the same rate of interest as Seth Kasturchand does. I am not prepared to do regular banking by taking advances from a recognized bank so as to increase my business, because I am not competent to manage a money-lending business of more than Rs. 25,000. I am afraid I may lose the money if I take more. I might take small advances from the bank, but I have got no courage to do more than Rs. 25,000 worth of money-lending. The Rs. 25,000, which I have invested in money-lending, is my capital and was not borrowed. Our business of money-lending is going on for the last 100 years from father to son. We have also purchased 11 villages, the value of which is Rs. 1,00,000. Mahajans sometimes borrow money from each other and charge 8 annas to 12 interest.

Bilaspur, the 8th November 1929.

Interviews with—

- I.—Seth Ajuddhya Prasad Rao, Malguzar and money-lender.
- II.—Chitai Prasad Mitai Prasad, Cloth merchant, grain dealer and money-lender.
- III.—Raghunandan Prasad Misra, Malguzar of Bilaspur, Bilaspur.

Present.

1. R. N. Banerjee, Esq., I.C.S., *Vice-Chairman.*
2. Rao Bahadur K. V. Brahma, C.I.E., M.B.E.
3. Rao Bahadur M. G. Deshpande.
4. Mr. N. R. Chandorkar—*Secretary.*

I.—I have 52 villages. I do money-lending. I observe the mahajan year, *i.e.*, Diwali to Diwali. I pay Rs. 800 income-tax. I lend money to my tenants as also to others in the towns and villages.

My method of doing business is:—Grain advances are oral. Cash advances are made on "purja" or pro-notes. Cultivators borrow dhan for seasonal agricultural operations. Agricultural labourers are paid in kind. Mortgages are registered. No money is advanced on account books entries. Khatas, copies of accounts are not sent to debtors. At times demands are sent to remind them of their debt.

Loans on mortgages of land are advanced for three to seven years. Length of time does not affect the rate of interest. On mortgage of villages the rate of interest charge is 10 annas to 12 annas per cent per mensem. The common rate of interest on grain loans is deodhi. Occasionally sawai is also charged. Rate of interest depends on the status of the borrower. When grain loans get into arrears, a bond for cash (price of the grain) is obtained. The price charged is the price current at the time of getting the bond. Interest is calculated and included in the price and then the entire amount is recovered by instalments. On default, interest is charged at Re. 1 per cent per mensem.

I advance cash loans to Koshtis also. The rate of interest is Rs. 15 per cent per annum. Loans are generally advanced for one year. I do not finance export trade. Nor do I advance money on the security of grain kept in my custody. I do not accept deposits.

I think if I get cheap capital, I may be able to extend my business and reduce the rate of interest on loans advanced to cultivators. I have to refuse loans to several persons for want of capital.

Making allowance for bad debts and cost of litigation, I get about 12 annas per cent per mensem on my capital.

If I get capital at Rs. 6, I can advance it at Rs. 9 per cent.

Rate of interest depends on the supply of capital and the status of the borrower.

If I get capital at Rs. 6, I shall be prepared to abide by conditions imposed by Government for keeping accounts and submit them for periodical inspection. I think others also may agree to this. I approve of the idea of licensing money-lenders; because I think petty money-lenders do adopt questionable methods.

I am opposed to giving transferable rights to occupancy tenants, because the price of villages will go down and also because the income from nazrana will disappear.

I do not deal in hundis. Accounts of grain lending are kept in the villages. No sort of check account is kept here. Cash advanced from village shops is accounted for in the village shop account books. I have no account of that business here. Every village is autonomous. When I want money I get it from any of my village shops. At times I have to send money from the head shop to the village shops.

Chitai Prasad Mitai Prasad, cloth merchant, grain dealer and money-lender, Bilaspur—

II.—I accept deposits and pay 6 annas to 8 annas per cent interest on them. I advance money at Re. 1 to Re. 1-40 per cent per mensem to others. I invest money in trade also. I charge Re. 1 per cent per mensem sometimes on mortgages. Money is not advanced in this district on the security of grain kept in godowns.

If I can get money at Rs. 6 per cent, I shall be prepared to advance it to others at Rs. 9 per cent to Rs. 12 per cent. The average interest that I get on my capital at the end of the year after deducting bad debts is 12 annas per cent per mensem.

On the security of ornaments, the rate charged is Re. 1 per cent per mensem.

For remittance we take remittance transfer receipts from the treasury. We also purchase hundis. The rate of discount varies according to demand and supply. Hundis drawn by known persons only are cashed here. It is immaterial on whom it is drawn. Money is advanced on the security of railway receipts. It is advanced up to Rs. 80 per cent of the value of goods. Rate of interest charged is 12 annas per cent on such advances. I purchase grain from petty dealers and send it to Bombay, Calcutta and other places. I advance money to those petty dealers, but I do not insist that they should sell their grain to me. I charge them Re. 1 per cent per mensem interest on these loans.

Raghunandan Prasad Misra, Malguzar—

III.—I finance my cultivators. They do not go to any other money-lender for loans. On small sums I charge 6 pies per rupee and on big sums 3 pies. Grain is advanced on the deodhi system. To the malik-mukbuza and absolute-occupancy tenants money is advanced on the security of their lands only. I admit that if the occupancy tenants are given transferable rights money will be available to them at a lower rate of interest, but I think to give transferable rights is not in the interest of the cultivators. I do not think money-lenders will welcome the idea of licensing money-lenders. They do not like to be controlled as it always creates trouble.

Mandla, the 14th November 1929.

The Chairman and the Secretary interviewed the following:—

- I.—Seth Dadulaji.
- II.—Seth Ramratnji.
- III.—Bhagwan Dasji.
- IV.—Narayan Parasadji.
- V.—Bhaiyaji.
- VI.—Kodulalji.
- VII.—Muni Dilsukh Nathmal.
- VIII.—Seth Jai Narayan.
- IX.—Mr. U. D. Pathak, M.L.C. (Rural Mandla).
- X.—Manager, Co-operative Bank.
- XI.—Mr. M. K. Kher, Extra-Assistant Commissioner.
- XII.—Dhannalal Bhareva.
- XIII.—Badri Bhareva.
- XIV.—Misra Lal Bhareva.
- XV.—Bala Parsad Bhareva of Mandla.

I.—*Bell metal industry*.—This is the oldest industry. There are about 25 houses of Bharevas. This industry was very prosperous up to 1909 or 1910, so long as Ramnath Paharia of Jubbulpore financed it. He used to supply cash and raw material on credit, and recover his loans from the sale proceeds of the manufactured articles. About 1910 or 1911 Ramnath became insolvent and ceased to finance. Demand for Mandla articles fell as about the same time bell metal articles made in Panipat and Benares began to flood the market at cheaper prices. These two factors affect this industry which began to decline. Mandla bell metal workers have not adopted labour saving methods and therefore cannot compete with other workers. There is another and more important reason why the local mahajans hesitate to finance them, viz., that these Bharevas have, during the last 10 or 15 years, taken to gambling. They have ruined their credit and with it also some sowkars; Seth Dadulaji had to write off Rs. 15,000 of debts. This has made the local sowkars shy and they now decline to finance them.

In 1911 Mr. Russell made an attempt to help this industry. He formed a society of Bharevas, after conciliating the then existing debts and arranged for an advance of Rs. 10,000 from a local sowkar on the security of the house property of these Bharevas. The loan was on joint responsibility. A mortgage deed was executed. This arrangement worked only for three years when the sowkar had to file a civil suit to recover his money as the Bharevas failed to pay the stipulated instalments.

The next attempt to revive this industry was made in 1927 after the floods when a sum of Rs. 3,000 from Lady Butler Fund and Rs. 15,000 from the Central Bank were advanced. This scheme failed owing to the Bharevas, dishonesty and inefficiency of the management. Today these Bharevas are in a bad way and the society is under liquidation.

If it is necessary to save the industry, we believe that an efficient co-operative society run strictly on business lines under an experienced man might save it, but a change of heart in the Bharevas is necessary.

On an average two men (owner and one servant) working together can prepare 2 seers of article a day, *i.e.*, Rs. 4 worth.

Cost of this is:—

	Rs.	a.	p.	
	2	12	0	raw material (metal).
	0	10	0	Sancha and mom, coal, etc.
	0	4	0	servant.
Total	...	3	10	0

Thus 6 annas is the net profit or his wages. If the worker is dishonest and mixes cheaper metal he can increase his income by another 6 annas. The maximum income that a worker can make is 12 annas a day. It is possible to save something on the metal if metal is imported in large quantities.

Composition of bell-metal.

	Rs.	a.	p.
1 seer copper
$\frac{1}{2}$ seer tin
1 chattak lead
			} 1 11 6

Out of this quantity a finished article weighing half a seer is made. It will be sold for Re. 1 at Rs. 2 a seer. In a day one workman with one servant turns out articles weighing 4 seers, *i.e.*, worth Rs. 8. From 10 seers of bell-metal 4 seers of finished articles are made. The remaining 6 seers are not wasted. It is again melted and refined and articles are made therefrom. In this way, only 3 seers of metal is wasted and articles weighing 7 seers are made.

They make:—

- | | |
|--------------|--|
| 1. Lotas. | 5. Flower vases. |
| 2. Katoras. | 6. Finger bowls. |
| 3. Tumblers. | 7. Bells. |
| 4. Tea sets. | 8. Ornaments and several other articles. |

When used for ornaments the proportion of tin or pewter is increased so as to make them of lighter colour, resembling silver as far as may be. Women of higher castes do not wear these ornaments except on the ankles if at all. The lower castes have no such objections.

Eating and drinking vessels are made of bell-metal, but they cannot be used for cooking as the metal cannot stand fire. Bell-metal articles are considered liable to population and cannot be lent to outsiders.

There is no market for this metal in this district. Very little is sold here. Most of the articles are sold in Seoni, Balaghat, Burhmanghat, and Bhandara. The monthly output is worth 4 to 5 thousand rupees. At present they cannot make articles worth even Rs. 400 a month, because they have no capital and none is prepared to supply it to them.

The daily sales here come to Rs. 50 a day. Most of their things go out to Burhmanghat and Bheraghat. They ask that raw material should be supplied at reasonable prices and that the finished articles should be taken and sold as they are ready. They want no advance. Their chief complaint is the want of market.

II.—*Grain trade*.—Wheat, alsí, san and *ghee* are the chief articles of export. For want of capital the local traders cannot always purchase all the grain brought to the market. Several cultivators have to take their grain to Barela or other places or they have to sell cheap. The municipal committee get 7 to 10 thousand as terminal tax on these commodities.

The local traders obtain money on Railway receipts and on hundis. Outside traders come here and purchase grain as the local traders have no capital. The most we can do nowadays is to act as commission agents. Before 1906 Chaudhari and Jamna Das used to advance money to us to finance this trade. Now they do not. We want that some arrangements should be made to improve financial facilities. A branch of the Imperial Bank should be opened or some other arrangement made.

As a rule, darshani hundis are used. Muddati hundis are not in vogue. Hundi rates vary from 2 annas to 10 annas per cent. At times we have to pay more than the postal insurance charges. We have dealings with Bombay and Calcutta.

The *juar* is brought to market both by some cultivators themselves as well as by petty traders but most of the grain is brought by petty traders. Petty traders advance money to cultivators before the sowing season and purchase their produce after harvesting. Pindarai, Bamni, Nainpur, Barela and Narayanganj are the chief markets for Mandla district.

Ghee worth 3 lakhs of rupees is exported every year. Gram worth 7 or 8 lakhs of rupees is exported. Thus facilities to provide 15 lakhs of rupees should be made. Rs. 20,000 a day during the season will meet the requirements. There are about 20 persons who trade in gram and *ghee*.

III.—Weaving Koshtis:—About 50 families. They prepare cloth worth Rs. 3,000 or Rs. 4,000 a month. They carry this about and sell it in villages. Their trade is declining as there is no demand for their cloth. Mill cloth has ousted it. If cheap yarn can be supplied, Koshtis may be able to make some income. They cannot import yarn for want of capital. They do not form themselves into a co-operative society as they say that joint responsibility is risky.

Dindori town—Mandla, the 14th November 1929.

The Chairman and Secretary interviewed leading persons of Dindori town and made a local enquiry. Jubbulpore traders come here to purchase grain. There is no wholesale purchase or sale in the Dindori market. Local traders also purchase grain in villages and sell it to outside traders. For want of good means of communication cultivators do not get proper prices for their produce. At present transport is by pack bullocks, a most primitive method. Wholesale purchase is not possible as local traders have very little capital. If they get money on easy terms, they can improve the trade.

Munnalal, Brahman, sends some 400 to 500 bags of wheat to Jubbulpore. The traders advance small sums to cultivators at the time of the harvest and the grain is purchased after the crops are harvested at rates settled at the time of purchase. About 10,000 bags are sent out by local dealers. One bag contains 2½ maunds of wheat. The price is Rs. 10 a bag ordinarily.

Dindori wheat goes to Palli, Barsinghpur and Jubbulpore.

There was once a considerable trade in ghee. It has gone down since 1823 owing to heavy cattle mortality.

Capital is borrowed from Jubbulpore mahajans at Rs. 12 per cent interest. Jubbulpore mahajans come here themselves as the local traders have no capital. They, in all, take away one lakh of bags. The people say that the urgent need here is the improvement of communications particularly with the Katni-Bilaspur railway stations.

We also visited villages in the interior of the landlocked Dindori tahsil. There is much fertile land. There would be very rapid expansion if communications were improved. Dindori has possibly a better future before it than Mandla Khas. Dindori is at a high elevation and the climate is good. It might become a sanatorium if it were connected by pucca road with the railway.

Saugor, the 24th November 1929.

Interviews with—

- I.—Agent of the Firm of Rai Bahadur Bansilal Abirchand.
- II.—Seth Jasraj.
- III.—Seth Bahairon Bux.
- IV.—Seth Ganesh Das.
- V.—Mr. Kedarnath Rohan, B.Sc., LL.B., M.L.C.
- VI.—Mr. G. K. Kher, Malguzar and money-lender.

Present.

1. J. G. Bourne, Esq., I.C.S.—*Chairman.*
2. A. C. Sen Gupta, Esq., I.E.S., Economic Expert.
3. Mr. N. R. Chandorkar—*Secretary.*

If we get money from the bank and the cultivators get absolute-occupancy rights, we can advance loans at 2 per cent in excess of the bank rate, but if cultivators do not get transferable rights, we shall charge 4 per cent more. If we do not get money from banks and if transferable rights are given, we can advance at 9 per cent. We can advance at 9 per cent without Bank help and without insisting on transferable rights to occupancy tenants if revenue officers can help in the recovery of loans. Our real trouble is risk if; it can be removed, we can advance money at 9 per cent.

Most of the sowkars employ their own capital. Those who borrow to lend pay 9 per cent. This is the mahajani rate of interest.

Grain and ghee trade.—These commodities are received from the villages of this district as also from Bhopal and Panna States. Petty traders go to villages, advance money to cultivators and take *ghee* at the stipulated rate. The principal *ghee* traders are Nathuram Karelal, Barelal Kundanlal, Sheoprasad Shobharam and Laxmi Das. These people export *ghee*. They book consignments and send railway receipts to their agents in Bombay or Calcutta and draw hundis on them for three-fourths of the price or the goods consigned and sell the hundis in the market at *plus* or *minus* 2 annas to 3 annas per cent, the limit being the postal insurance charges. The balance of one-fourth is recovered after the sale of the articles sent. The wholesale *ghee* merchants do not advance money to petty traders. *Ghee* worth about 7 lakhs of rupees is annually exported from Saugor station. On an average, in a normal year, three to four lakhs of grain bags (Rs. 10 a bag) are exported from this place.

Petty traders, *e.g.*, weavers, potters, brassware-dealers, etc., borrow money on personal credit or on bonds. The rates of interest vary from 12 annas to Rs. 2 per cent per mensem according to the solvency and character of the borrower.

II.—Munnilal Singai Sheoram Dalchand, Saraf of Saugor.

Gold and silver worth about 2 to 4 lakhs of rupees used to be imported every year. During these scarcity years considerable amount of gold and silver has gone out of the district. This may be estimated at 10 to 15 lakhs of rupees. We prepare

ornaments and sell them. Gold is selling at Rs. 21-40 per tola. We get gold and silver from Bombay on current account. Accounts are made in Diwali and squared up.

We do not get more than 6 per cent on our capital at the end of the year.

Question.—Why don't you then deposit in co-operative banks which pay Rs. 7 on three years deposit?—No answer. (Mr. Rohan, M.L.C., says that whatever happens these people would never disclose this.) Now he says, we get 10 annas or 11 annas per cent per annum. We do not think money-lenders should be licensed. It will create complications. Shop-keepers who advance commodities on credit will also have to take licence. Licence charges will then be added to the price and even the rate of interest will go up. We, for these, and other reasons do not favour the idea of licensing money-lenders. They may be controlled in some other way.

Sironcha (Chanda), the 2nd and 3rd December 1929.

PRESENT :

1. J. G. Bourne, Esq., I.C.S.—*Chairman.*
2. A. C. Sen Gupta, Esq., I.E.S., Economic Expert.
3. Rao Bahadur K. V. Brahma, C.I.E., M.B.E.
4. Rao Bahadur M. G. Deshpande.
5. N. R. Chandorkar, Esq.—*Secretary.*

P. Ramchandra Iyer and Seth Seonarayan—

Til and linseed are the only commodities exported from this place. They are sent to Warangal railway station by the local merchants to be sent to Bombay, Madras or Calcutta. Most of this stuff is purchased in the villages. Very little, *i.e.*, 12 per cent, is brought to the market. Advances are not made to the cultivator with a view to purchase the produce subsequently. Local merchants go to villages at the harvest time with cash, purchase grain and pay for it. Chanda is another place where grain is sent from here.

Seth Sheonarayan Kisanlal and Sukdeo are big exporters. There are 2 or 3 petty dealers. Total value of the til and linseed exported comes to Rs. 50,000. Money required for this trade is obtained by these merchants from Chanda where they have their head offices. Hundis are not necessary. We send til and linseed and get carpets, gur, cloth, etc., instead.

These grain dealers do money-lending also. They advance money to persons living within a radius of 11 miles. Cash and grain are advanced, but there is a greater demand for grain than for cash. Grain is advanced on deodhya system. At times "duna" is charged. It depends on the character of the borrower. A bad man is required to pay "duna". Grain transactions are ordinarily done on bahikhata. Rs. 12 is charged on those cash loans which are repayable in kind at the harvest at Re. 1 less than the market rate. 24 per cent is the common rate and Rs. 30 per cent is not uncommon. It is charged from persons of doubtful solvency. Bonds, pro-notes and account books are used in cash transactions. No deductions except 2 annas to 4 annas writing charges are made.

Considering the cost of litigation and bad debts the net average interest that a sowkar earns on his capital at the end of a year is from 12 annas to Re. 1 per cent per mensem. Bad debts are due to the fact that the cultivators have no rights in the land and many of them are poor. Sowkars use their own capital. We cannot say whether they would agree to have money at 6 per cent from a bank and advance it at 8 per cent. There is no much demand for money.

Timber trade is in the hands of Rajmahandri merchants. Local men do not deal in timber. We have no money to do this business. It requires a large capital. If bank is started, some persons will come forward to do this business which is very paying and which for lack of capital local people cannot do.

Lac is not grown here. Bidi leaves are being collected and sent to Madras. Bidis are not made here.

There are 1,502 weavers here. Yarn worth 20,000 is sold in a year. The business is declining.

Wun, District Yeotmal, the 5th December 1929.

PRESENT :

1. J. G. Bourne, Esq., I.C.S.—*President.*
2. A. C. Sen Gupta, Esq., I.E.S., Economic Botanist.
3. Rao Bahadur K. V. Brahma, C.I.E., M.B.E.
4. N. R. Chandorkar, Esq.—*Secretary.*

Rai Bahadur Puranik, the premier landholder and one of the biggest money-lenders—

Money is lent on pro-notes to reliable persons and to others on bonds. My rates of interest vary from Re. 1 to Re. 1-8-0 per cent per mensem. I advance money on mortgage security at Re. 1-2-0, Re. 1-4-0 or Re. 1-8-0 per cent per mensem. But the rate prevailing in the taluq is Rs. 2-0-0 per cent. On default, however, penal rate at sawai is charged. Penal rate is allowed by courts if simple interest is charged. When compound interest is charged penal rate is not allowed. On Rs. 500-0-0 and above the common rate is Re. 1-0-0 per cent. On smaller sum Re. 1-8-0 to Rs. 2-0-0.

Grain loans are advanced on sawai, but grain loans are very insignificant.

Interest does not depend on the security offered, but on the character and status of the borrower. The only explanation I can give for the high rate of interest is that the money with the lender is not sufficient to meet the demand and that is why several demands have to be refused.

Money-lenders will not be prepared to advance money at Rs. 2 per cent more than the bank rate if bank advances money to them. The difficulty is about punctual recovery. The cost of lending cannot be covered by the small margin of Rs. 2 per cent. Money-lenders will not agree to any arrangement which allows them less than Rs. 4 per cent margin. I do approve of an arrangement whereby the solvency of a person is certified to enable any bank to advance him money at the Bank rate. I would not like the word "licensed" to be used in this connection. Any other term may be used. I do not think it necessary to control the money-lending business and restrict the freedom of persons to adopt professions. The situation cannot be eased to any appreciable extent by the proposed restrictions. Only the extension of the co-operative movement will help to some extent. Co-operative education is necessary before the movement can be of real help to the people. At present they do not like the principle of joint responsibility which is the corner-stone of the movement. People have to be educated in the co-operative principles to enable them to see the advantage of this.

Note on the Yeotmal Cotton Market.

PRESENT :

1. J. G. Bourne, Esq., I.C.S.—*Chairman*.
2. A. C. Sen Gupta, Esq., I.C.S.—*Economic Expert*.
3. N. R. Chandorkar, Esq.—*Secretary*.

Mr. M. P. Kolhe, B.A., LL.B., M.L.C., and the members of the Cotton Market Committee at Yeotmal—

The season begins from 1st October 1929.

Arrivals,	1928-29.	1929-30.
1	2	3
Carts	46,493	21,547
Bojhas... ..	3,403	203

1. Last year up to this day the total number of carts and bojhas brought to the market was 18,870 and 251 as against 21,547 and 203, respectively, in the current season. The largest number of carts received on one day this year was 1,400.

2. Last year on 5th December 1928 the ruling rate of the day was Rs. 105. This year on the same day the rate was Rs. 92. This is with reference to the average quality of cotton free from moisture and leaves.

3. There are 55 adatyas licensed by the committee. There are dalals. The rate is determined by open auction. The carts then go to gins where cotton is weighed on platforms, examined and the price paid before night by the adatyas. Adatya gets 12 annas commission per khandi. A cart contains a khandi generally speaking.

4. Weighment is by platform scales in the ginneries and is certified by a "Tak patti" receipt.

5. The adatya charges Re. 1-1-6 per khandi.

	Rs.	a.	p.
Adat	0	12	0
Weighing charges	0	2	0
Charity (dharmadaya)	0	2	0
Cotton market cess	0	1	0
Hamali for drawing carts on the scales and to the platform for storing cotton.	0	0	6

Dharmadaya goes to the Female Hospital, Gorakshan and other charitable institutions. All recoveries go to the Gorakshan Committee and realizations are properly spent. They have built a decent Dharmashala. The committee do not keep big balances.

6. Big purchasers in the market are—

	Number of Bales in thousands.
1. Empress Mills, Nagpur ...	15—20
2. Rao Bahadur Dravid ...	2—3
3. Jairamdas Bhagchand (Dhamangaon) ...	3—4
4. Gulraj Mulchand (Yeotmal) ...	2
5. Ralli Brothers ...	5
6. Japan Cotton Company ...	2—3
7. Bhushan Company (Japan) ...	2—3
8. Gosha Goshi Company (Japan) ...	...
9. Sukdeo Ramdeo (Shegaon) ...	...
10. Mannulal Sheonarayan (Amraoti) ...	5—6
11. Gokul Doss (Bombay) ...	...
12. Model Mills, Nagpur ...	...

7. Factories are as follows:—

Full Presses.	Half Press.	Ginneries.
6	1 (Empress)	11 (360 gins).

8. It is usual for the factories to enter into a combination for ginning and pressing. The quantity of work done by combination last year was as follows:—

	1928-29.	Bales.	1929-30 season.	Bales.
(a) (1) Jairamdas Bhagchand ...	9,680	(1) Jairamdas ...	2,395	
(2) Dravid and Company ...	11,111	(2) Dravid ...	3,396	
(3) Ranchoddas Ganji ...	5,323	(3) Ranchoddas ...	245	
		(4) Trikamji ...	1,491	
Total ...	<u>26,114</u>		<u>7,527</u>	

Empress Mills—

Outside the combination ...	15,000
	<u>41,114</u>

(b) Ginneries	...1928-29.
(1) Jairamdas Bhagchand ...	53,336
(2) Dravid and Company ...	2,090
(3) Ranchoddas ...	7,555
(4) Ranchoddas ...	4,150
(5) Ranchoddas ...	1,240
(6) Gulraj Mulchand ...	863

9. If we assume that normal trade of Yeotmal is 42,000 bales and the rate is Rs. 120 per bale at Yeotmal, the annual financial requirement of this market comes to Rs. 50,40,000. The system of finance is that Indian merchants send bales to Bombay and obtain advances against railway receipts by hundis drawn on Bombay firms and sold to the local branch of the Imperial Bank of India. Japan and other companies of foreign nationality have their cash credit settled at Bombay and draw money against it at Yeotmal branch of the Imperial Bank which charges 1 anna 6 pies per cent for discounting hundis.

Traders do not as a rule indulge in speculation and are prepared to give an undertaking not to speculate if the Imperial Bank will agree to advance them money. People do not think that warehouses will serve any useful purpose because under the Dharwar system the cultivator gets all the advantages of a warehouse without its risks.

Dharwar system.—The cultivators keep their cotton with adatyas or traders if they do not approve of the rate of that day. The traders sell their cotton and employ the money in their trade. The cultivator has the privilege of demanding payment at the daily market price of cotton on any day during the next two months.

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	Number of Bales in thousands.
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2. Rao Bahadur Dravid	2-3
3. Jairamdas Bhagchand (Dhamangaon)	3-4
4. Gulraj Mulchand (Yeotmal)	2
5. Ralli Brothers	5
6. Japan Cotton Company	2-3
7. Bhushan Company (Japan)	2-3
8. Gosha Goshi Company (Japan)	...
9. Sukdeo Ramdeo (Shegaon)	...
10. Mannulal Sheonarayan (Amraoti)	5-6
11. Gokul Doss (Bombay)	...
12. Model Mills, Nagpur	...

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6	1 (Empress)	11 (360 gins).

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Total	26,114		7,527

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Outside the combination	15,000
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Dharwar system.—The cultivators keep their cotton with *adatyas* or traders if they do not approve of the rate of that day. The traders sell their cotton and employ the money in their trade. The cultivator has the privilege of demanding payment at the daily market price of cotton on any day during the next two months.

Note on the Pusad Cotton Market, dated the 7th December 1929.

PRESENT :

1. A. C. Sen Gupta, Esq., I.E.S.
2. P. D. Pundlik, Esq., M.L.C.
3. N. R. Chandorkar, Esq.—Secretary.

Bombay telegrams are received every day quoting rates. Local rates depend on Bombay rates. Bombay quotes Umra and Broach rates. Rates are declared after making allowance for the khandi = 1 bale (ginned cotton) = 14 maunds. A maund = 14 seers. 40 maunds of cotton yield 14 maunds ginned cotton. The local rate will be declared at from Rs. 88 to Rs. 91 per khandi. One khandi cotton yields $9\frac{1}{2}$ maunds of ginned cotton. We calculate ginning, pressing, freight, adat before declaring rate. Rs. 50 cover all these charges for 2 bales—

35,500 carts were received in 1927.

25,000 carts were received in 1928.

4,000 carts were received up to date this year 1929.

Last year 6,000 carts were received during this period. We think this year less than 20,000 carts will be received.

Money is obtained on remittance transfer receipts and hundis. Imperial Bank also finances through the treasury here. But the treasury here gets direct orders from the Imperial bank office, Bombay, and issues money accordingly. Hundis are discounted at 4 annas to 6 annas per cent. During rains hundis are sold at a profit of 4 annas per cent. At times there being no demand they cannot be discounted for days. Kuchhis who purchase cloth, kirana from Bombay purchase these hundis. Trade worth Rs. 30,00,000 is carried on every year. Adatyas here are poor and cannot finance. They are in fact dalals. They work for sellers. Very few purchasers have their adatyas. They get about 8 annas per cent as adat.

A cultivator has to pay—

		Rs. a. p.
Cotton market cess	...	... 0 1 0
Adat	...	... 0 10 0
<i>Dharmadai.</i>		
(1) School	...	... 0 0 6
(2) Dispensary	...	... 0 1 0
(3) Gorakshan	...	... 0 1 0
(4) Anjuman	...	... 0 0 3
(5) Balaji	...	... 0 0 3
Weighment	...	... 0 2 0
Hamali	...	... 0 1 0
Total		... 1 1 0 on each cart.

Carts are weighed on platforms in the presence of representatives of sellers and purchasers. No complaint regarding weighment exists here. Traders suggested that stamp duty on hundis should be considerably reduced. "Muddati" hundi for a year or less should not be required to pay more than 1 anna per cent. This will popularize hundi business and remittance will be facilitated.

Nandura, the 10th December 1929.

Professor A. C. Sen Gupta, I.E.S., Economic Expert and the Secretary interviewed the Rangaris of Nandura (Malkapur taluq, Buldana district).

Banshia, Rangari, and 16 others—

There are about 300 houses of Rangaris in the three suburbs of Nandura. Each family requires colour worth Rs. 25 a month. Formerly there was a great demand and each family used colour worth Rs. 300 every month. Most of us purchase cloth and colour from Seth Chunnilal and Gangabishan. We do not pay direct interest. If we pay cash, then we gain a little. We send our goods to Akola, Khamgaon and Amraoti shopkeepers. They pay part price of the goods supplied to them. The balance they pay on sale of goods.

We dye yarn for the weavers also. We charge Rs. 2 for 5 seers of yarn. We have to spend Re. 1-10-0 for the colour. We get 6 annas for our wages. Colour is sold at Re. 1-9-0 a rental.

We prepare "Chunadi" and "Patala".

Chunadi.—One "than" of 38 yards costs Rs. 8 and is used to make four Chunadis. Rs. 2 is the cost of dyeing. Rs. 2 for washing and preparing the cloth. Each piece is sold for Rs. 3-4-0. We prepare 28 Chunadis in 15 days.

7' thans' = $7 \times 8 =$ Rs. 56

Dying, etc. = $7 \times 4 =$ Rs. 28

84

	Rs.
Price of 28 Chunadis at Rs. 3-4-0	91
Wages for 15 days	7

As there is no demand for our goods, this business is going down. We have no difficulty about getting money. About 10 of us have cultivation. Others do manual labour either in fields or in grain. Those who have lands are well to do. They have not to work for others. Two of them do this business also. Those who are doing dyeing business have enough to keep them going. They too have not work for others. Those of us who do not do dyeing or cultivation, work as labourers. About 80 per cent work as labourers. They cannot do the business even if they are financed, as there is no demand for our goods. Ikkal, Burhanpur and other peths have killed our trade. Even Nandura people do not buy our things. Fashions have changed. We cannot keep peace with the changing fashions. We cannot prepare those articles for which there is demand now. Our articles are used by villagers and rarely by town people. We cannot say how can anyone help our trade except by buying our things. If our children are trained in modern methods, there is a possibility of improving our trade. We realize that times will change and if we do not change accordingly, we shall go under.

Note on the Khamgaon Cotton Market, dated the 11th December 1929.

PRESENT :

J. G. Bourne, Esq., I.C.S.—*Chairman.*
 Rao Bahadur K. V. Brahma, C.I.E., M.B.E.
 Rao Bahadur M. G. Deshpande.
 A. C. Sen Gupta, Esq., I.E.S.
 P. D. Pundlik, Esq., M.L.C.
 N. R. Chandorkar, Esq.—*Secretary.*

In point of size the Khamgaon market stands third in Berar. It serves an area of about 1,000 square miles extending from Balapur to Malkapur, east to west and Khamgaon to Mehkar, north to south.

2. The arrivals of cotton carts and bojas during the current year and the two previous years are as under :—

Years.	Carts of Kapas.	Bojas.	Prevailing rate on 10th December 1929 in rupees.
1927-28 ...	76,533	13,340	{ 122 for kapas per khandi. 163 bojas.
1928-29 ...	93,077	11,016	{ 111 for kapas per khandi. 142 bojas per khandi.
1929-30 ...	20,877	582	{ 92 for kapas per khandi. 122 for bojas.

A cart of kapas usually carried $1\frac{1}{2}$ khandi of unginned cotton. A cart is supposed to yield lint sufficient usually for one boja, while one boja is equal to one bale. The quality of cotton is known in the Bombay market by the trade name of "Oomras" = C. P. No. 3.

Cotton coming from the plateau of Chikli and Mehkar is superior in point of staple. Khamgaon usually exports one lakh of bales every year. Last year, 1928-29, bales exported were estimated at one lakh ten thousand rupees. If the rate of the bale according to Bombay market is taken at Rs. 148, the value of this in money comes to Rs. 16,20,000. It would not be wrong to estimate the annual transactions in the Khamgaon market at $1\frac{1}{2}$ crores of rupees. The figures of cotton carts and bojas given above do not include the bales and bojas which foreign traders doing business in Khamgaon bring in from their factories in the interior direct as these bojas and bales do not pass through the Khamgaon Cotton Market and therefore are not registered.

3. *Weighing of cotton.*—Platform scales are not in use here. Weighing is done by the ordinary beam scales. The Chairman says that the sellers of cotton get correct weighment and that there are no complaints from sellers as regards short or false weights. Carts are taken to the gin factories of purchasers and are weighed in the presence of the purchaser or his representative and the owner of cotton assisted by his Adatya.

4. *Fixation of rates.*—The method of fixing the "Ruling rate of the day" is as follows:—

The cotton market committee gets telegrams at its own cost at 2 a.m. for the following qualities, viz.:—Oomras (Berar cotton), Broach cotton, Bengal and American futures. These telegraphic rates are posted in big letters for the information of all who resort to the market for sale or purchase. Purchasers arrive in the market before 9 a.m. and quote their rates and that rate which applies to one-fourth of the number of carts in the market is declared as the ruling rate of the day. As regards quality, it is understood that it is for that kind of cotton which has the largest lint percentages [called jada (thick) cotton free from moisture and black leaf (kali pathi)]. Cotton which is above this average quality fetches one or two rupees more, and cotton which is inferior fetches a few rupees less.

5. *Adatyas.*—Last year there were 110 licensed adatyas (commission agents) and four brokers. Adatyas act as agents of the sellers, get the price fixed, attend to weighment, and pay the price of carts, recovering it later in the evening from the chaser. Every cart passes through the hands of an adatyas adatyas charges the following to the owners of the cart:—

Rs.		Rs. 140
1 60	Adat (commission) for one cart which is general at 100 per khandi of kapas.	
0 40	weighing charges paid per cart to the license-ops down while	
0 60	to coolies lifting cotton from the cart to the	
0 06	charges for a woman for collecting cotton taking it to the scales.	
0 10	Gorakshna charity.	
2 16		
+0 10	cotton market cess per cart.	
2 26	Total.	

The adat (commission) rate has recently been raised to Rs. 1 per cart. This rate was formerly higher in the instance of the cotton sold which works out at Rs. 1 per cart. The rate was formerly higher in the instance of the cotton sold which works out at Rs. 1 per cart. The rate was formerly higher in the instance of the cotton sold which works out at Rs. 1 per cart.

6. Big purchasers of cotton are:

1. Messrs. Ralli Brothers.
2. Messrs. V. Mankas.
3. Messrs. Jan Coss, Campbell.
4. Messrs. Goshon Cotton Company, Ltd.
5. Messrs. Lang.
6. Messrs. Fambhagat.
7. Messrs. Trivinarayan.
8. Messrs. Bhagchand.
9. Messrs. G. R. Kothare.
10. Messrs. Patel & Co.
11. Messrs. Kilachand Deochand.

7. *Financial arrangements.*—Indigenous merchants obtain finance by sending their bales to Bombay and drawing a hundi on their adatyas against the railway receipt for the bales consigned to them. Hundis are discounted either locally in the local branch of the Imperial Bank of India or otherwise. Small traders borrow money from local sowkars agreeing to pay them interest on their account at 12 per cent and also agreeing to pay adat (commission) or dalali to the financing sowkar varying from 6 to 8 annas per cent. The local branch of the Imperial Bank of India charges 1 anna 6 pies per Rs. 100 for discounting hundis to big merchants who agree to discount all their drafts through it in the season, whereas to others the bank charges 2 annas.

Khamgaon, the 11th December 1929.

PRESENT :

1. J. G. Bourne, Esq., I.C.S.—*Chairman.*
2. Rao Bahadur K. V. Brahma, C.I.E., M.B.E.
3. A. C. Sen Gupta, Esq., I.E.S.
4. P. D. Pundlik, Esq., M.L.C.
- N. R. Chandorkar, Esq.—*Secretary.*

Interview with—

1. Mr. Jasraj Shreeram.
2. Mr. Kasturchand Bhikamchand..
3. Mr. Gulam Yasinkhan.
4. Agent, Volkart Brothers.
5. Namsukh Das Gokuldas.
6. Rao Sahib Khanzode.
7. Rao Bahadur K. J. Deshmukh.
8. Rao Bahadur Kothare.
9. Mr. Chande, President, Central Bank.
10. Mansukhdas Chunnilal Firm.
11. Mr. B. N. Bobde, Pleader, Chairman, Taluq Agricultural Board.
12. Mr. Mohanlal Bhajulal, Adatya, Money-lender and Landholder.
13. Mr. Manchar Lal Rajildas, Money-lender.
14. Mr. Radhakisan Ramjilal, Money-lender.

1. One of the difficulties of indigenous bankers is about the debtors who run to the insolvency courts. People take loans and then secretly transfer their property to others and get themselves declared insolvent. Kavasji Takarji of Khamgaon borrowed Rs. 25 thousand from Jasraj and over a lakh from others and became insolvent. This took place recently. He was doing cotton business. The business was more or less gambling. He purchased large quantities of cotton and held it up in the expectation of getting better prices in future. We do not believe that he lost in honest business so much.

We cannot compete with the Imperial Bank.—(1) They have Government surplus available to them.

2. They follow modern methods of Banking while we follow an old method,

3. People can get money cheaper in the Imperial Bank than from us. The Imperial Bank charges 1 anna to 2 annas only hundawan. For extension of time stamp duty has to be paid for. This should be exempted to popularize hundis. We do not want to do money-lending on borrowed capital. Therefore we would not agree to take money from the Imperial Bank and lend it out to agriculturists. The Imperial Bank should directly advance money on security of land. It lends for three months and extends the period by another month and no more. One anna per cent is charged for this extension.

There are three classes of cultivators :—

- (1) Very poor or insolvent.
- (2) Rich.
- (3) Middle class.

Scheme to finance agriculturists.—(1) The third class requires finance and should get it. Panchayats of 5 men should be formed in all villages. These should be affiliated to Revenue Inspector Circle Committees which should be controlled by Taluq Committees. All Taluq Committees should be under a District Committee and should deal with the Imperial Bank.

(2) Government should finance all the needy through patwari, Revenue Inspector and Tahsildars.

(3) Local mahajan should get cash credit from Imperial Bank and obtain money for distribution to cultivators. Tahsildars can certify the solvency of such mahajans and on these certificates the Imperial Bank should advance money.

Co-operative credit.—Sitaram Radhakisan says—

Joint responsibility is the bane of the movement—

(a) Crops are failing. Prices are going down. Loans accumulate. Land value falls down after loans are advanced and land is sold away for defaults of others. There is no justification for this.

(b) Long-time loans are not granted. Big sums cannot be repaid in four or five years.

Jethamal says—

I am against joint responsibility. Why should a man who does not want money stand surety for others who do want and why one should lose his land for default of others. I see no reason why those who do not want money should join with those who do and form a society to obtain loans.

Rao Bahadur Deshmukh—

The law should be amended so that a society may be formed of five persons. Ten is too big a number.

In Khamgaon, almost all the adatyas advance money to cultivators from June to September on the implied condition that those cultivators will sell their cotton through them. Some of them also purchase cotton on their own account. Some well-to-do Kunbis have taken to the profession of adatya and of these many advance money to cultivators.

Akot, district Akola, the 12th December 1929.

PRESENT :

1. J. G. Bourne, Esq., I.C.S.—*Chairman*.
2. N. R. Chandorkar, Esq.—*Secretary*.

Interview at Akot with—

1. Mr. Baliram Kisan, Patel of Akot.
2. Mr. Manwar Alli Abas Alli.
3. Mr. G. W. Deshpande.
4. Mr. Sadashiv Madho Patel.
5. Mr. Chandanmal.
6. Mr. Lonkaram.
7. Mr. Nuruddin, Sub-Divisional Officer.
8. Mr. Gupta, Extra-Assistant Commissioner.
9. Tahsildar.

1. *Causes of indebtedness*.—People have not been able to adjust their expenditure to the fall in price of cotton. People contracted expensive habits during the boom years and have not yet been able to curtail their expenses.

2. *Uncertainty of crops*.—Cultivators live in the same style as before hoping that they will get normal crops, and a good price for their produce. For the last four years not only have the crops been failing, but, cotton prices have also been going down. The cultivators' income is therefore less than they anticipated and they are not able to meet the liabilities which they had incurred in anticipation of the income. The result is that they are in debt.

3. The rate of interest helps to increase the burden. The sowkars are of the opinion that they will not require any capital if their money which is locked up in advances is realized. They will then have sufficient capital. They want Conciliation Boards. They are prepared to accept 70 per cent of their total claims. If paid in cash, they agree to forego 30 per cent of their outstanding loans. They cannot realize their advances and therefore are short of capital and therefore cannot accommodate even the needy cultivator. This is said to be the chief reason for the high rate of interest prevailing in Berar. They think that they will not like to be linked with the joint stock banks and suggest that Government or banks should finance the agriculturists directly. Their reason is that they find it extremely difficult to realize their loans and would be taking great risk by accepting funds from the joint stock banks, because they will have to make punctual repayments. They promise to think over the matter and appear before the Committee to give evidence.

Those who cultivate their lands do not require more than Rs. 10 or Rs. 12 per acre. But those who have to employ hired labour require Rs. 25 per acre. Average yield per acre is 2 khandis per tiffan. One khandi = 20 maunds.

Akola, the 13th December 1929.

The Chairman, the Secretary and Members interviewed the following gentlemen in the Akola Circuit-house:—

1. Rao Bahadur K. G. Damle, C.I.E.
2. Rao Bahadur R. V. Mahajani.
3. Khan Bahadur Mirza Rahman Beg, M.L.C.
4. Mr. Satarkar.
5. Rao Sahib Saranjame.
6. Mr. G. B. Deshpande.
7. Mr. Rajurkar, M.L.C.
8. Mr. Abhyankar, M.L.C.
9. Mr. Athale.
10. Mr. Biyani, M.L.C.
11. Mr. Dighe, M.L.C.
12. Mr. Bapat.
13. Mr. Pande, M.A., LL.B.

Mr. Bapat asserted that the village co-operative societies were only borrowing societies and Central Banks were not discharging the functions of banks. Central Banks were only doing money-lending business and not spreading co-operative ideas.

Mr. Pande—

The movement has succeeded in meeting the financial needs of the agriculturists to some extent. It has not tackled the questions of thrift and saving habit which are of vital importance. Business should be divested of philanthropy and ideas of academic interest only should not be emphasized.

Mr. Abhyankar—

The main idea is the moral uplift. Supply of capital is quite a subsidiary object. Improvement of character is the basic idea. But it has not caught on yet. The provision of having sureties for each loan and also having joint responsibility serve like watch dogs and are intended to ensure proper supervision and punctual repayment. This has not succeeded. Sufficient trouble has not been taken to preach punctuality. Unpaid honorary agency cannot afford the time. But the chief principle of the movement is honorary service. In the Punjab the movement is being run by Government servants. It is a success there, but I doubt if the people have caught the real spirit at all.

I think that the indigenous banks be linked up with joint stock banks. They should get money cheap and lend out at small profit. They know the people well and can do this work well and cheaply.

Q. How will it be possible to reduce the rate of interest in co-operative lending?

A. If some of the surplus money which is at present with the Imperial Bank is given to the Provincial Bank the rate of interest can be reduced. It can then be lent out at a cheaper rate than it is done at present.

Mr. Rajurkar, M.L.C.—

Something should be done at once to reduce the indebtedness which is eating into the vitals of the cultivators. Sind Agriculture Act, *i.e.*, a cultivator should not be allowed to alienate his land for more than 20 years, should be applied to Berar. Right of transfer should be restricted. I think 90 per cent of the land has passed into the hands of the sowkars.

Mr. Dighe, M.L.C.—

Government should advance taccavi for long and short-term requirements. Government can get all the money more easily than any other agency. The chief trouble is the recovery. Government has no such trouble. Government should advance loans to malguzars and through them it can reach the agriculturists.

Land Mortgage Banks should be started. Long-term loans can be given only by an institution of this sort. Ordinary co-operative banks cannot and should not undertake this business. Their deposits are for short periods and therefore they cannot invest them in long-term loans.

Amraoti, the 16th December 1929.

PRESENT:

1. J. G. Bourne, Esq., I.C.S.—*Chairman*.
2. Rao Bahadur K. V. Brahma, C.I.E., M.B.E.
3. Professor A. C. Sen Gupta, I.E.S.
4. Rao Bahadur M. G. Deshpande.
5. Mr. P. D. Pundlik, M.L.C.
6. Mr. N. R. Chandorkar—*Secretary*.

Interview with the following sowkars of Amraoti:—

1. Sheonath Dadu.
2. Swarup Singh of Pathrot.
3. Vasudeo Vithal Chimote.
4. Namdeo Rao of Belmandali.
5. P. D. Pundlik, Esq., M.L.C.
6. N. R. Chandorkar, Esq.—*Secretary*.
7. Takhtwal.
8. Sheoram Parashram of Shahpur N. Nirur.
9. Sitaram Ram Bilas.
10. Nilkanth Narayan Deshmukh of Talod.
11. Waman Rao Gulab Rao Deshmukh of Shirole.

Why mortgage debts carry higher rate of interest in Berar than in Central Provinces?

Difficulty in realization is the real cause. For mortgage debts creditors have invariably got to go to court. Uncertainty of the land prices is another reason. People know that the land value is falling. The risk in advancing loans on the security of land is thus great. The third reason is that even co-operative society charges Rs. 12 per cent on joint responsibility. Why then should we charge less on individual responsibility.

People do not get adequate price for their cotton. Co-operative pools should be started to remedy this evil. Foreign merchants know that the cultivators cannot hold up cotton and wait for better prices. This is our weakness. If there is a society to sell cotton, this defect will disappear. This can be done only by a trained businessman. There is a chance of loss in case the cotton price went down.

Q. Will indigenous bankers be prepared to be financed by Imperial Bank or other joint stock bank on the following conditions:—

- (1) No speculation.
- (2) Maintenance of accounts on modern lines and publication of balance sheets.
- (3) Charging a fixed rate of interest over the bank rate?

A. We shall not. We have sufficient capital and the high rate of interest is not due to shortness of capital. It is due to the difficulties of realization of loans; we have to wait for a long time and spend large sums in litigation before we can realize the loans advanced. Government should finance the agriculturists directly. Our suggestions are—

- (1) Gambling should be rigorously put down.
- (2) Drink habit should be discouraged.

Nagpur, the 24th February 1930.

Interview with Mr. D. P. Ogale, Managing Agent, Glass Factory, Nagpur.

PRESENT :

1. Rao Bahadur K. V. Brahma, C.I.E., M.B.E.
2. Rao Bahadur M. G. Deshpande.

Supply of raw material.—(1) Sand.—This is obtained from Panai near Manikpur in the United Provinces. The railway companies have given a concession rate of freight for sand and this has made it possible to import it from so long a distance. Sand costs annas 10 per maund delivered at the factory. It is not available locally. Quartz is available in some quantity, but carting and grinding charges make it uneconomical. The manager stated that it was beyond the means of the company to examine the possibility of finding sand suitable for white glass in the forests of Central Provinces and that Government should assist this industry by sending specimens to the factory to have them tested.

(2) *Lime.*—Lime is obtained from Rajur near Wun in Berar.

(3) *Coal.*—Coal is obtained from Bengal as Central Provinces coal does not possess the necessary calorific property. The factory works at present on what is known as "Direct furnace" system. This requires the best quality of coal. Furnaces capable of utilizing inferior kind of coal are now available, but they cost as much as Rs. 40,000, whereas the present furnace used in the factory can be constructed for about Rs. 3,000 and be maintained in an efficient state with annual repairs costing Rs. 600.

(4) *Soda ash.*—This is obtained from Bombay.

(5) *Labour.*—Unskilled labour presents no difficulty. Skilled labour consisting of blowers and others are indentured from Bombay Presidency. The factory is running its third year and has so far experienced no difficulty in labour supply.

Articles manufactured.—The factory manufactures only Dietz lantern globes and Madras Batti globes.

Demand and supply.—Demand supplied by the factory was as follows:—

1927-28 (15 months), Rs. 27,000.

1928-29 (12 months), Rs. 47,000.

1929-30 (10 months), Rs. 61,000 up to date, *i.e.*, 24th February 1930.

Orders registered during the preceding 10 months amount to Rs. 72,000, *i.e.*, Rs. 11,000 in excess of the supply. This shows that the industry has a future before it. The factory cannot increase production for want of capital at cheap rates. The company attempted to secure a loan from the Allahabad Bank,

but it was refused and loan in the bazar cannot be obtained less than 12 per cent per annum, a rate which the competitive price of glass cannot afford.

Method of work.—The factory works on agency principles. It has two agents through whom orders are booked and who are responsible of payment of price of articles delivered as per demand. The agents get 10 per cent commission on goods supplied. They have to spend about 7½ per cent in moving about for canvassing, to reserve 1 per cent for bad debts and 1½ per cent is their profit.

Financial requirements.—The company is well managed and every care is taken to keep the cost of production as low as possible. It is in need of a modest sum of Rs. 15,000 for building a few more furnaces and sheds for work. As stated above banks do not see their way to assist this concern and local capital is notoriously shy. It is therefore necessary for the Government to come forward with assistance. A sum of Rs. 15,000 on the first mortgage of the company's property is absolutely safe. The second requirement is material for packing. Glass is at present packed in baskets and the manager says railway companies complain of the small weight carried as compared to the space occupied. The factory desired light wood should be sold to it from Government forest. Salai wood or some such wood which is available in Chanda or Bhandara district would meet the requirement of the factory. The third requirement is the supply of electrical energy to the factory at cheap rates for heating as well as for driving certain grinding and other machines in the factory. The Nagpur Electric Supply Company can very well do so during day as there is practically no work for the load on the wires during the day.

Nagpur, dated the 26th February 1930.
 Interview of A. C. Sen Gupta, Esq., I.E.S., with Sir S. M. Chitnavis.

The Nagpur Bankers may be divided into two classes (1) Marwari bankers and (2) non-Marwari bankers. I am speaking only of the latter. Of these, the following are the principal ones:—

1. Madhorao G. Chitnavis, son of Sir Gangadhar Rao Chitnavis.
2. Ghatate.
3. Buti.
4. Perhaps Madhorao Deshpande.
5. Myself.

History of the family.—Rukmajee Randive came with Raghojee I as Chitnavis. He was succeeded by his son, who had no son. He nominated his nephew (sister's son) Krishna Rao Vaidya who was working with him. He was the head of the present Chitnavis family. This was at the time of Raghojee II. Krishna was succeeded by his brother Gangadhar Rao. Gangadhar had no son and he nominated his cousin's son Madhhorao Chitnavis—father of Sir Gangadhar Rao and Sir Shankar Rao Chitnavis. This lapsed in 1844 on the death of Raghojee II to the British Government. He had 15 or 16 villages at the time. After the Raja's death he started money-lending and grain lending and increased his property. The Raja had a lot of grain in his granary which was sold by the British after his death at one rupee a khandi. Sir Shankar Rao's father bought some of this and extended his grain lending business.

Business.—This class of bankers lend money on bonds, receipts, mortgage, hundi, and *khat* (i.e., repayable in instalments, capital and interest) and lend grain.

In receipts no rate of interest is mentioned. This is mentioned in a separate letter, as otherwise this would be a bond and stamp duty applicable to the latter would have to be paid. In *khat*, the method is this:—A man borrows Rs. 20 and gives a bond for Rs. 25 repayable in 24 instalments.

Grain lending is according to sawai system in this part. No bond is taken for this. As this is generally done by malguzar bankers, there is not much risk. Some people lend cotton seed on condition that the cultivator repays half the weight of seed in cotton, i.e., for 1 khandi seed $\frac{1}{2}$ khandi cotton will be paid. Rao Bahadur Madhorao Deshpande does the business and referred to it in his evidence before the Linlithgow Commission.

Establishment.—To give an idea of the establishment of indigenous bankers I give my staff at the central establishment and at my Nagpur shop.

Central establishment—

1. Manager	Rs. 150	...	...	Rs. 150
2. Two Inspectors	at Rs. 50	...	...	100
3. Three Clerks	at Rs. 35	...	...	105
4. Two Muktears	at Rs. 35	...	...	70

Total ... 425

In addition the manager gets the use of a car and the expenditure on travelling allowance comes to Rs. 800 to Rs. 900 a year. I keep Inspectors to prevent abuses. Although I have given orders that receipts must always be given for all payments this may not be done by local employees if their work is not checked in this way. Another form of abuse that has to be carefully guarded against is the practice of some local employees taking a certain percentage of the sum lent as commission. I have given strict orders to my supervising staff to see to this.

Nagpur shop—

	Rs.
1. Munim ...	40
2. Assistant ...	30
3. Khajanchi ...	30
4. Warkari ...	25 (who realizes the monthly instalments).
5. Three peons at ...	45
Total ...	170

In addition they get a little bakshish.

The rate of interest varies according to the character of the borrower and the security offered. It is sometimes as low as 6 to 9 per cent.

Risks.—The rate of interest has to be high on account of want of security, delays of courts, sometimes illegal gratifications of the court subordinates. There is a lot of danger even when property is mortgaged, e.g., in the case of Mohammadans, Hindu widows, and Hindu joint families. There have been cases when the borrower applied for insolvency within two months of executing a mortgage deed. This of course makes the deed void and the mortgagee only counts as one of the creditors. As the same man borrows from different sowkars, it is difficult to fix a credit limit. Occupancy tenants have of course very little security to offer.

Bad debts.—An idea of the risk can be seen from the following statement :—

Total outstanding. Written off as bad debts

	Rs.	Rs.	
Samvat 1982 (1925-25) ...	16,85,948	25,090	or 1.5 per cent of the total outstanding.
Samvat 1983 (1926-27) ...	16,97,025	28,695	or 1.7 per cent of the total outstanding.
Samvat 1984 (1927-28) ...	17,02,762	42,473	or 2.5 per cent of the total outstanding.

Licence and control.—I have no objection to money-lenders being licensed. At first there may be a little opposition and discontent, but after four or five years this will disappear. It is necessary to devise means to check all dishonesty on the part of money-lenders. I am convinced the following mal-practices exist among a certain class of money-lenders :—

(i) Changing of accounts by changing pages from the account book.

(ii) No receipts are given in some cases and this leads to all sorts of cheating of the poor borrower.

I realize these will be difficult to check. But standardized account books with pages numbered and issued by Government will stop some of the abuses. It should be made a rule that receipts must be given for all payments. This may be made a condition of the licence.

Deposits and reserve.—I used to take deposits payable on demand at $4\frac{1}{2}$ per cent per annum the interest to be paid every diwali. There is no fixed proportion kept as reserve. At the most I had a deposit of Rs. 1 lakh. Against this I kept short period loans on 60 days' hundis to the extent of Rs. $1\frac{1}{2}$ lakhs which mature on different days.

Some of the people failed to pay on due date, and I have found this deposit business unprofitable. I have discontinued accepting deposits for the last two years, except in the case of some approved customers. In no case is it ever anything more than a small percentage of the owned capital employed in the business. We have no connection with modern banks. The connection with other indigenous banks takes the form of lending money to one another for short-terms on hundis.

Other business.—The non-Marwari indigenous banker does not do any other business. He is almost invariably a big malguzar. Marwari bankers enter into other trade also. I do money-lending not only in my own villages, but also outside. I have, however, no shops, agents, or correspondents outside the province, and I do not deal in hundi business of this sort.

Figures supplied by Sir Shankar Rao Chitnavis.

Year.	Total outstanding (cash and grain).	Gross profits.	Expenditure inclusive of cost of management and income-tax	Amount written off as irrecoverable.	Total expenses.	Net profit.	Average rate of interest earned based on column 7.
1	2	3	4	5	6	7	8
Samwat 1982 (1925-26).	Rs. 16,85,948	Rs. 1,84,540	Rs. 1,29,975	Rs. 25,090 1.5 per cent of the total outstanding.	Rs. 1,55,065	Rs. 29,475	1.2 per annum.
Samwat 1983 (1926-27).	16,97,025	1,65,248	97,756	28,695 1.7 per cent of the total outstanding.	1,26,451	38,797	2.6 per annum.
Samwat 1984 (1927-28).	17,02,762	2,29,457	19,416	42,473 2.5 per cent of the total outstanding.	1,33,889	95,568	5.10 per annum.

Nagpur, dated the 1st March 1930.

Interview of A. C. Sen Gupta, Esq., I.E.S., with Sir Bisweswardas Daga and Seth Narsingdas Daga of Messrs. Bansilal Abirchand, Bankers.

Seth Narsingdas—

In our own bank, we follow practically modern banking methods. What I tell you need not particularly refer to our firm. It is common to all indigenous banking in the province. The principal bankers in Nagpur, *i.e.*, those who take deposits and lend money, apart from our firm, are the following :—

1. Ghatate, 2 Mathuradas Gopaldas, 3 Motilal Kothari.

Chitnavises I think do not encourage deposits now. All Marwaris and Kuchhis do hundi business; apart from the persons already named, mention may be made of Mathuradas Rathi, the cashier of the Imperial Bank and Sheonarayan Rathi.

Other business.—Indigenous bankers, apart from strictly banking business, act as commission agents, adatyas, cotton dalals; and as cotton dalals they finance cultivators and small traders of cotton. In fact a Marwari will do any business except that connected with iron and leather.

Clients.—They take deposits from anybody. Their strictly banking business is generally done with merchants, traders, modern banks, other indigenous bankers, adatyas, malguzars, town and village money-lenders. They do not finance agriculture directly. But village money-lenders when they need cash, on their own security and adatyas may borrow from indigenous bankers and lend money to cultivators at their own risk.

Deposits.—Good bankers do not pay any interest or demand deposits, some do. The indigenous bankers mostly accept fixed deposits for six months or twelve months. Our firm accept deposits for three months, six months, nine months and twelve months. For twelve months deposits a good banker will pay $4\frac{1}{2}$ to 5 per cent. For six months deposits in busy season 6 to $7\frac{1}{2}$ per cent and in slack season $2\frac{1}{2}$ to $3\frac{1}{2}$ per cent interest is paid. Those who have not got a very good credit may pay a little more.

Reserve.—It is difficult to generalize about reserves. Against *on demand* deposits a reserve of 50 per cent is kept of which 30 per cent is cash and 20 per cent invested in such a way that it matures on different dates.

Proportion of own capital to deposits.—There is no fixed proportion. Deposit depends on credit. It is difficult even to make a rough guess.

Dealings with modern banks and other indigenous bankers.—They have to go to the Imperial Bank and joint stock banks for rediscounting hundis. In this way they get cash when they want it. They also borrow money with two names, or on the security of Government paper, shares, etc. They deposit surplus cash with modern banks and keep with them Government paper and other securities for safe custody. The advantage of the latter is that in an emergency they may get overdrafts.

They do practically the same kind of business with one another. Accepting one another's hundis to facilitate remittance, unless cash is deposited, is very seldom done nowadays. This is generally done through modern banks. But when two indigenous bankers know each other well, they may accept each other's hundis by arrangement up to a certain limit. The same is true about collection of hundis for each other.

Hundis.—There is hardly any difference in method of hundi business and that in modern bills of exchange. The only difference is this: any big indigenous banker will pay in a different branch for a hundi drawn on another branch, if presented, without charging any commission. Suppose we draw a hundi on our Raipur branch in favour of a certain party and he happens to go to Jubbulpore and needs cash there, he will be paid by our Jubbulpore branch, without charging any commission.

There are two kinds of hundis, "Darshani" and "Muddati". The longest period for which a hundi is drawn is 12 months, usually six months is the maximum.

The printed hundi forms in Hindi and Gujrati are following forms of modern cheques to some extent.

Bearer hundis are not necessary.

Establishment.—Central establishment of an average indigenous banker—

- 1 Munim at Rs. 100 to Rs. 200 per month.
- 1 Cashier (Rokdya) at Rs. 75 to Rs. 100.
- 2 Gumasthas—
 - One at Rs. 60 to Rs. 125.
 - One at Rs. 50 to Rs. 100.
- 4 Mukhtars at Rs. 50 to Rs. 75.
- 1 Tagdewala at Rs. 25 to Rs. 40.
- 2 Peons at Rs. 15 to Rs. 18 each.
- 1 Night watchman at Rs. 15 to Rs. 18 per mensem.

In addition it is usual to pay the first three classes for stitching of their clothes, washing, a pagri at Diwali, etc. Nowadays a cash bonus is paid instead. The munim will get, say, Rs. 100 a year, the rokdyas Rs. 80 and the gumasthas Rs. 70 to Rs. 75. The others get a pagri at Diwali.

Branch establishment—

- 1 Munim at Rs. 100 to Rs. 150.
- 1 Rokdya at Rs. 75 to Rs. 100.
- 2 Peons.
- 1 Night watchman.

Methods of advancing money.—Advances are made on—

(1) Promissory notes.

(2) Money is lent on a receipt being given by the borrower. The interest is not mentioned in the receipt as that would make it a bond and a higher stamp duty would be required. The rate of interest is mentioned in a separate letter written by the borrower to the lender.

(3) Bonds.—Money is lent on a bond in stamped paper being given. All the conditions of the transaction are mentioned in it. It is usual in this province to charge a higher rate of interest in case of default.

(4) *Sarkat bahi*.—Borrowers sign their names in the books of the lenders and a stamp is affixed, as a proof of the debt.

(5) *Mortgage*.—Loans are advanced on mortgage of immovable property.

(6) *Lahan gahan*.—Mortgage with the condition of *lahan gahan* is, in effect, a conditional sale. If the sum advanced is not repaid on due date the property passes to the creditor.

(7) Loans are often made on gold and silver ornaments being pledged. This is known as *girvi*.

(8) *Khat* or instalment system. According to this interest at 25 per cent or 50 per cent is added to the capital sum and the borrower promises to repay in six or twelve equal monthly instalments. There is a condition that in case of default the lender would be free to sue and realize the whole of the balance at once.

Sir Bisweswardas Daga—

History of the family.—Seth Indrabhanji first came to these provinces and started a kirana shop at Amraoti about 110 years ago. Then he extended his business to Nagpur after about 10 years. His younger brother Bansilalji came to Kamptee before the mutiny for kirana business and also did a little money-lending. Before the mutiny he used to supply grain, etc., to the army. During the mutiny he helped the army in every way. Bansilalji had three sons, Abirchandji, Ramchandji, and Ramratandasji. Seth Abirchandji was in charge of the business at the time of the mutiny and was made Rai Bahadur in recognition of his services. Abirchandji greatly extended the business. Ramchandji died young without any issue. Ramratandasji used to stay at Lahore and helped Government in the Kabul War. He was also made a Rai Bahadur. He was a very religious man. He also died without any issue. He used to supply stores to the Commissariat and also did banking business in Lahore. He also started a branch at Bangalore. Abirchand had one son who died while a child. He adopted Seth Kasturchand Daga, father of the present partners. He extended the business greatly during his life time.

They have got banking shops at Kamptee, Nagpur, Raipur, Jubbulpore, Saugor, Hinganghat (in Wardha district) and Waraseoni (in Balaghat district) in the Central Provinces. They have none in Berar. Outside these provinces they have got branches at Bombay, Calcutta, Rangoon, Madras, Bangalore, Guntur, Tenali, Pichapalli, Chandur, Hyderabad, Secundrabad, Lahore, Jaypur, Bikaner, Nizamabad, Punas, Pasti, Shelu and Loha.

They act as khajanchis for the Central Provinces and Punjab Government.

They have organized their banking business practically on modern lines and use cheques like modern banks. In addition to the banking business they have also got many villages—4 big villages in the Punjab and 89 in this province—60 in Saugor district, 25 in Raipur and 4 in Jubbulpore district. They have also got many ginning factories and presses. They also own a cotton mill at Hinganghat. They are managing agents, with Sir Manekjee Dadabhoy as a partner of the Badnera Cotton Mills

(near Amraoti) and the Model Mills, Nagpur. They hold one quarter of the shares in the two mills. They own 6 or 7 collieries in Central Provinces and own many manganese mines. It appears that they first made their fortune as suppliers of stores to the army, but now they are the biggest indigenous bankers in the province.

Nagpur, dated the 7th March 1930.

Interview of A. C. Sen Gupta, Esq., I.E.S., with Mr. Mathuradas Mohota, M.L.C.

History of the family.—We have been resident in the Central Provinces for more than 100 years. My great-grandfather Seth Bhikamchand first came from Bikaner to this province for business. He died an ordinary man and left two sons. The elder was Seth Lakhhi Chand and the younger Seth Rai Sahib Raikh Chand. The former died young and the latter began to extend his business in cotton and grain. He became a rich man and started a cotton mill as a limited company at Hinganghat, which now belongs to Messrs. Bansilal Abirchand. Later on he started his own mill, which even now we possess. He was one of the pioneers in this field in this province. He also started and owned 5 ginning factories and 5 presses in Nagpur Division. In addition to these industrial concerns he owned about 10 villages and a number of fields. He died a rich man and on his death his property was divided between my father Seth Bulakidas and my uncle Seth Rai Bahadur Narsinghdas; the former got the mill and the latter the villages and fields. I own the mill, 2 gins and 2 presses. My uncle Seth Rai Bahadur Narsinghdas has 5 presses, 5 ginning factories and 12 villages and some fields.

Business of an indigenous banker.—In addition to banking business an indigenous banker undertakes all kinds of trade and business. On the banking side the business principally is money lending. There is a certain amount of hundi business, but this is going more and more into the hands of the Imperial Bank.

Some banks accept deposits. The rate of interest allowed depends on the needs of the banker for more funds. On fixed deposits an interest of five per cent is allowed. On "demand" deposits are very rare and interest on such deposits is allowed at about 3 per cent.

Reserve.—The deposits may not be used in banking business and may be used in other trade. There is no fixed proportion of reserve kept. It depends on the circumstances and judgment of each banker. During the season, bankers keep as high a cash balance as possible.

Business.—As a result of the competition of the Imperial Bank and Government sub-treasuries, the hundi business, specially remittance work for which these charge 1 anna per cent, has practically gone out of the hands of the indigenous banks, only 5 to 10 per cent of the work remains in the hands of the latter.

The bankers lend one another on hundis at a little less than 6 per cent. When I have too much of cash, I generally send this surplus to my agent at Bombay or Calcutta, who pays 7 annas 9 pies per cent per month for seven months and 4 to 5 annas per cent per month for five months. Indigenous bankers generally finance traders in grain, grocery, cloth, cotton, etc., in urban centres. They do not finance agriculture directly. They advance loans to village money-lenders who finance agriculture.

Modern banks accept "Darshani" hundi for discounting up to a certain limit fixed according to the credit of the shroff.

"Muddati" hundi will only be discounted if it is accepted and the bank is satisfied with the credit of the drawer and the acceptor. If drawn on our own agents, it may not be discounted at all, even though it be accepted.

Shroffs borrow money from modern banks on the security of Government promissory notes or on pledging gold and silver.

Branches.—Our main shop is at Hinganghat and we have branch shops at Nagpur, Wardha and Waraseoni. Outside the province we have a branch at Sambalpur in Bihar and Orissa. We have got agents at Bombay and Calcutta.

The hundis in use in this province are of shahjog system. Twelve months is the longest period which a hundi has to run. But even this is very rare. The ordinary period is two months, sometimes it is four months. There is no necessity for bearer hundis.

Establishment.—Generally it is as follows:—

Central Establishment.

- | | |
|--|---------------------------------------|
| 1 Munim on Rs. 20 to Rs. 300 per mensem. | |
| 1 Rokdya or Cashier at Rs. 125. | |
| 4 Gumasthas at Rs. 100 each | } The number depends on the nature of |
| 2 Tagadwalas at Rs. 25 each |  | business. |
| 1 Mukhtiar at Rs. 50 | |
| 2 Watchmen on Rs. 15 to Rs. 17 a month each. | |
| 3 or 4 Peons at Rs. 15 to Rs. 17. | |

Branch Shop.

- | | |
|---------------------------------------|---------------------------------|
| 1 Munim at Rs. 100 to Rs. 250. | |
| 1 Rokdya at Rs. 75 to Rs. 125. | |
| 1 or 2 Gumasthas at Rs. 70 to Rs. 100 | } The number will depend on the |
| 2 Peons at Rs. 15 to Rs. 17 each |  | volume of business. |
| 2 Watchmen at Rs. 15 to Rs. 17 each | |

Facilities wanted.—Except in house and land mortgage business the Imperial Bank competes with indigenous bankers. It should not be allowed to do small business of say below Rs. 10,000. Some remedy should be found for delays. The insolvency law is abused. An insolvent should not be allowed to start in business at least within 10 years. If he becomes solvent again, he should repay his old creditors.

Interview by the Chairman, Provincial Banking Committee, Central Provinces, with the Mahajans and merchants of Kareli-Ganj on 14th March 1930.

PRESENT.

Canpatrao, Munim,
Rao Pratabsingh of Amgaon,
Pachoria Bai, agent to Oomraji Raghji,
Mohanlal Bujalal,
Parsodilal Dannelal,
Motiram,
Hansraj Hamir Madi, Munjim,
and others.

Kareli Ganj is one of the principal grain markets in this part of the province. The total exports of grain in a normal year exceed 20 lakhs of rupees. The Imperial Bank of India makes advances on grain stored in grain pits here and whenever the merchants deposit grain in these pits, they obtain 80 per cent of the value. The bank keeps a chaprasi here and a clerk lives in Gadarwara and, as soon as a merchant has collected enough grain to fill a pit the pit is filled. The grain is not deposited in bags but is poured in loose, the bags being counted and weighed before it is poured in. The grain pit is then closed up and covered with earth and a number of the Imperial Bank is put on it. The merchant is then given a cheque on Jubbulpore. There are about 200 grain pits altogether in this village and each person's grain goes in separate pits. Two or three borrowers do not mix their grain in one pit. The grain pits belong to private persons. The Imperial Bank advances money on this grain up to a maximum period of 12 months, but the merchants can repay the money whenever they like. When they receive money they are given a cheque which is cashed at the bank in Jubbulpore and when money is repaid they repay in Jubbulpore and get an order from the bank to take away their property. In the season about 20 lakhs of rupees worth of grain is exported in a good year. The cash for financing these purchases is obtained by hundis on Bombay. There is a considerable import trade here and silver, gold, sugar and other articles are sold here. The cultivators when they bring their grain to the market usually make a number of purchases out of the money which they obtain for their grain. In this way during the season, probably 10 lakhs of rupees worth of cash comes in to Kareli from sales and this amount is available for the purchase of hundis towards financing the purchase of the crop. About 10 lakhs of rupees of cash has to be brought from outside either in notes from Bombay or in other cases hundis are cashed in Gadarwara or at the Bank at Jubbulpore and money brought from there.

The bank charges 7 per cent on the advances on grain. It charges one anna per cent on the discounting of hundis. It only discounts the hundis of the people whom it knows. All the people are in favour of the opening of a branch of a commercial bank, either of the Imperial Bank or of the Allahabad Bank, etc., for financing trade here. All the persons present were of

the opinion that Kareli would be the most central place, and if a branch were opened here, it would be possible to finance both Gadarwara and Narsinghpur from this centre. They also stated that the large godowns at present in existence will be available as licensed warehouses. The ganj is managed by the Notified Area Committee, the members of which are all residents of Kareli Ganj. The people also say that sometimes it is not possible to make payments the same day to the people who bring the grain to the ganj, and a habit has been introduced of charging 4 annas per cent for the cash payments on the day of the transaction. The import merchants also say that large supplies are imported during the season of sugar and other articles, the surplus of which might also be deposited in godowns with the bank and money raised thereon until required for sale. All were of the opinion that the trade of Kareli Ganj would be much improved if some banking facilities could be provided on the spot.

The traders say that they obtain advances from the Imperial Bank, Jubbulpore, on railway receipts. As soon as they get these receipts, they go to Jubbulpore and hand the railway receipt to the bank and obtain money upon it. They say that there is a large house belonging to Dewan Bahadur Ballabdas which could be purchased or taken on hire and would be suited for banking purposes. The local merchants were of the opinion that capital would be available for the purchase of debentures if a land mortgage bank was opened. They were doubtful as to which would prove more popular, ordinary debentures with a higher rate of interest or premium bonds at a lower rate.

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Camp Jubbulpore, the 19th April 1930.

PRESENT :

1. Rao Bahadur K. V. Brahma, C.I.E., M.B.E.
2. A. C. Sen Gupta, Esq., I.E.S.
3. N. R. Chandorkar, Esq.—*Secretary.*

Interviewed.

1. Agent, Bansifal Abirchand.
2. Dayal Bhai Inderji.
3. Dassa Din Pande.
4. Shri Gopal Rameshwardas.
5. Magandas Bhagwandas.

In the beginning the Imperial Bank had on their approved list even men whose credit limit was Rs. 500. After two years they removed the names of even those whose credit limit was Rs. 5,000. The bank does not collect for those who are not on their approved list.

In the beginning the bank used to advance us money at 1 per cent above the bank rate on the security of grain kept in our godowns. Then the bank started keeping account of those whose grain used to be in our godowns. Sometimes after the bank fixed the rate of interest on advances to us at 6 per cent irrespective of the bank rate, and insisted on taking interest every third month. After that they raised the interest to 6½ and then to 7 per cent. We had therefore to give up the business. The bank has since started dealing direct with those men who used to get finance through us. The bank puts their lock on the godowns, but we have no trouble. They open them whenever we want them to be opened. Several traders stock their grain in one godown. Arrangements are made to keep each stock separate. Allahabad Bank trusts traders more than the Imperial Bank and traders can get grain bags as soon as they deposit their price, but in dealings with the Imperial Bank some delay is caused. The Imperial Bank does not allow the bags to be removed unless their clerk has checked the stock. There is nothing wrong in checking the stock, but delay in business means loss. If the Allahabad Bank can trust us, we see no reason why the Imperial Bank should not.

Allahabad Bank does not deal in hundis. Allahabad Bank advances money against grain locked in their godowns.

Grain trade.—Small traders purchase grain from cultivators. They borrow money from us at 9 per cent and they advance money to cultivators at 12 per cent. We get money at 1 per cent above the bank rate from the bank. We send grain to Bombay and have to pay Rs. 9 per cent on the balances.

Grain (excepting rice) worth 50 lakhs of rupees comes to this market. Rice worth 20 lakhs of rupees is annually brought to the market.

Rice is imported from Chhattisgarh. Wheat is brought from the villages of this district. About half this is exported and half is consumed in the district.

We send grain and draw hundis to the value of 70 or 80 per cent of the goods. These hundis are sold locally. People importing goods from Bombay and Calcutta purchase them. The balance is received after the sale of goods. If the credit of the drawer of a hundi is not good, he has got to attach the railway receipt, for the goods sent, to the hundi before cash can be obtained. It is called (D. A. document attached). No stamp is necessary for Darshani hundi. Ordinary railway receipts or any other document of title is attached to the hundi.

Interview of A. C. Sen Gupta, Esq., I.E.S., with different persons connected with the Ghatate estate, Nagpur.

History.—Gopalrao Ghatate started life as an employee of a Marwari businessman at Pardi, just outside Nagpur on Bhandara-Nagpur road, which was then the principal market of Nagpur, *i.e.*, in days before Nagpur had been connected by railways with Bombay and Calcutta. He saved a little money and started lending money on a small scale. Later on, he added petty trading in grain to his business. He prospered and at the time of his death must have been worth about a crore of rupees. He had no son and adopted Ganpatrao. Ganpatrao was also a shrewd businessman and added much to the property. On his death, his son Narayanrao became the owner of the estate and business. He died young, leaving an infant daughter. Narayanrao's widow is alleged to have adopted Madhorao on her death bed. The famous Ghatate case is still going on in the Judicial Commissioner's Court between Rajabai, daughter of Narayanrao, and Madhorao Ghatate, the former contesting that there was no real adoption as at that time Narayanrao's widow was either dead or was unconscious, Narayanrao's mother to perpetuate the family on the male line having made a show of adoption. The lower court has found in favour of Madhorao Ghatate and held the adoption as valid.

In addition to the money-lending and banking business, the estate consists of 49 whole villages, 46 villages with half share or more and 33 villages with less than half share, together with a certain amount of house property. As *malguzar*, Mr. Ghatate also cultivates a large area as home-farm. The only banking business that Ghatates do is lending money and dealing in *hundis*.

Money-lending.—Money is lent on—

- (1) Promissory notes.
- (2) On a receipt being given by the borrowers. The rate of interest is not mentioned in it. Whatever the sum an anna stamp is affixed. Such advances are only made to people of very good credit who may be in temporary need of ready cash. The conditions about interest, etc., are verbal, no separate letters on this point are taken.
- (3) A bond in stamped paper being given.
- (4) *Kabul hisab* or *sarkat bahi*.
- (5) Mortgage of immovable property.
- (6) Mortgage with the condition of *lahan gahan* which is in effect a conditional sale, *i.e.*, if the sum advanced is not repaid on due date.
- (7) *Pawns*—for loans on pledging of gold and silver jewellery 8 annas per mensem is charged from other money-lenders and 10 annas to 12 annas per cent per mensem from others.
- (8) *Khat* or instalment system. There is what is known as *mahin khat* where *sawai* interest is charged and the principal and interest so calculated are repaid in equal 12 monthly instalments. There are also other kinds of instalments.

(9) The security of grain kept in our own godown. About 80 per cent of the value of grain is advanced. The interest charged is 9 annas to 10 annas per cent per mensem.

(10) Hundis being drawn in our favour. These are generally 61 days' and 121 days' muddati hundis. Bombay hundis get five days of grace, but local hundis get no such grace. The money is to be paid on due dates. Local hundis are drawn for—

- (1) financing local traders in cloth, grocery, stationery, etc.;
- (2) lending money to other money-lenders, bankers, etc.;
- (3) making deposits of surplus cash. Thus if we have too much of cash in hand we deposit part of it with other people after taking a hundi drawn in our favour. Such deposits are generally taken by people poorer than ourselves or by those who engage in extensive business of other sorts, e.g., cotton, etc.

The shroff rate for hundis, i.e., for (2) and (3), is 13 annas per cent for two months and for traders, i.e., for (1), is Re. 1-4-0 for two months.

Remittance business is also undertaken by this house, but only to Bombay. We have an adatyā at Bombay with whom we have about Rs. 50,000. Against this we draw hundis on our adatyā to provide facilities for remitting funds to Bombay by people who have imported goods from there.

The hundis commonly in use here are "shahjog" hundis. The longest period for which a hundi is drawn is 12 months, but even this is very rare.

Some idea about the establishment expenses of the banking shop at Itwari Chowk, Nagpur, can be gathered from the following:—

	Rs.
1 Munim on ...	50 a month.
1 Rokdya or Cashier on ...	42 per month.
1 Gomastha on ...	22 a month.
3 Peons at Rs. 17 ...	51
Total ...	165 a month.

Total business by the shop during last year:—

	Rs.
Bonds and receipts ...	2,84,000
Pledges ...	35,000
Hundis ...	2,00,000
Total ...	5,10,000

Ghatates have 25 money-lending shops, including three at Nagpur, one head-shop, the banking shop in Itwari Chowk and another,

Outstandings.—An idea of the kind of business can be seen from an analysis of the total outstanding of the money-lending and banking department:—

—	1926-27.	1927-28.
1	2	3
	Rs.	Rs.
Loans secured by pledges of jewellery ...	95,851	15,044
Loans due on bonds and Promissory notes ...	13,20,937	14,41,235
Loans on mortgages of immovable property ...	2,02,710	2,09,171
Loans on monthly instalment bonds ...	49,112	46,851
Loans on other instalment bonds ...	85,489	1,01,305
Loans on hundis ...	2,67,600	2,25,800
Decrees ...	6,33,324	6,45,502
Grain loans ...	73,412	72,130
Total ...	27,28,435	28,07,038

Profits from money-lending and banking.

—	1926-27.	1927-28.
1	2	3
	Rs.	Rs.
Gross profit ...	1,28,378	1,20,460
Expenditure ...	70,031	81,483
Net profit ...	58,347	38,977

But as the expenditure includes income-tax paid, a correct idea of net profit cannot be got.

Profits from grain lending.

—	1926-27.	1927-28.
1	2	3
	Rs.	Rs.
Gross profit ...	7,645	8,713
Expenditure ...	3,538	3,649
Net profit ...	4,107	5,064

Profits made from the head-shop at Nagpur, and the banking shop at Itwari Chowk, Nagpur.

Year.	Interest.	Com- mission on hundis.	grain trade.	Mis- cellane- ous.	Total profit.	Expen- diture	Net profit.
1	2	3	4	5	6	7	8
1926-27	Rs. 20,535	Rs. 10,837	Rs. 625	Rs. 3	Rs. 32,000	Rs. 9,821	Rs. 22,179
1927-28	20,348	17,233	646		38,227	14,075	24,152

The expenditure includes—

	1926-27.	1927-28.
1	2	3
Debts written off	Rs. 5	Rs. 3,105
Income-tax	4,809	6,005

Income-tax should not be included in expenses and the profit for 1926-27 is Rs. 26,988 and for 1927-28 is Rs. 30,157.

The bad debt of 1927-28 comes to 10 per cent of the net profit or about 8 per cent of the gross profit.

Profits from 15 other shops.—

	1926-27.	1927-28.
1	2	3
Income	Rs. 19,931	Rs. 33,411
Expenditure	10,368	24,381
Net profits	9,563	9,110

APPENDIX G.

Note on Weaving Industry in Chanda by R. N. Banerjee, Esq., I.C.S., Vice-Chairman, Rao Bahadur K. V. Brahma, C.I.E., M.B.E., Member, and Mr. P. D. Pundlik, M.L.C., Member.

There are 1,500 looms working here. Most of the weavers are Halbi Kosthis. Each loom requires three operators, *viz.*, a man assisted by a woman and a child. Out of these 1,500 weavers, only 20 to 30 men are well-to-do. The rest are financed on what is known as Tagla system. It is a system in which a man works for another for money already received and which is repaid by goods manufactured at rates lower than the market rate. The borrowing weaver is called Taglawala and the money-lender the "Sowkar". We met a weaver Sambha working on his loom. He was weaving a sari which he said would bring Rs. 28 in the market, but which he had agreed to sell for Rs. 25 to his "sowkar", from whom he had borrowed Rs. 200. The man in spite of hard work was involved in debt. He thought that if a system could be devised for advancing money to weavers against goods, they would get considerable relief. They manufacture only saris here.

A weaver takes from 3 to 4 days to weave a *lugda* (a woman's sari) with silk border of 20 to 24 feet in length and 4 or 4½ feet in breadth. Its price varies according to quality from Rs. 10 to Rs. 30. The count generally used for the weft is 24 and for the warp from 30 to 50 or even 60. The cost of raw material for a *lugda* priced at Rs. 7-8-0 is Rs. 4-8-0 or Rs. 5. Rs. 2-8-0 or Rs. 3 represent the wages of working members. Thus the average income per family is about Rs. 20 a month. Weavers making finer saris earn up to Rs. 35 a month.

Yarn is purchased locally. When purchased for cash they get it for a lower price. A bundle of yarn is sold for Rs. 12 cash, the same is sold for Rs. 12-4-0 or Rs. 12-8-0 on credit on the understanding that money is paid within a month. They purchase white yarn in the market and have it dyed blue or black. Red yarn is bought in the market. Silk yarn for the border is obtained from Malda in Bengal or Umrer. Japan silk is gradually ousting Indian silk. Weavers carry on their trade for about 300 days in a year. They live for about three months without work either on account of heat or rains, because some of the operations have to be carried out in the open. The total output is estimated at 14,000 saris a year. The department of industries had introduced the fly shuttle loom a few years ago and several weavers had purchased these looms. At one time there were 500 or 600 fly shuttle sleys. The output was doubled, but the demand being limited prices fell and the weavers took this overproduction as an evil. In a caste panchayat, therefore, they resolved not to use fly shuttle looms. Consequently no fly shuttle looms are working here. The other reason for doing away with fly shuttle sleys is said to be that the cloth made on them is less fine and less durable.

Marketing.—Saris manufactured are sold within a radius of 30 to 40 miles. Demand for these saris is decreasing every day.

The method of disposal of produce is as below. The weaver (the Taglawala) sells to his "sowkar" (Koshti or some other caste) who sells it to commission agents of wholesale dealers. Weavers have to pay Rs. 2 per cent to these agents. It is said that the agents receive 1 per cent from the wholesale dealers. Weavers are paid after a month, but no interest is allowed them on the sums outstanding. Weavers do not generally sell their cloth to consumers direct. It is said that once an attempt was made to sell direct to consumers in some big centres like Pandharkawada, but it failed as the prices offered by people were lower than those paid by commission agents.

Finance.—The need for credit facilities is felt at two stages (1) for the purchase of yarn and (2) for marketing. About a lakh of rupees is borrowed by these men every year. The maximum individual loan is about Rs. 5,000. Rates of interest vary from 12 annas to Re. 1 per cent per mensem. About 80 per cent of the weavers are indebted. It is said that their caste rules demand heavy expenditure on ceremonies, and as they cannot work throughout the year and as they can do nothing else during the slack season, they run into debts.

Efforts at amelioration.—The industry is in a precarious condition here and can survive only by strenuous efforts. Local initiative is lacking. People stated that a shop on company basis was tried at Nagpur and failed. They did not adopt co-operative method of selling. There is scope for this method as some of the weavers seemed to prosper at the cost of others on the Tagla system. If poor weavers combined and started a shop of their own on co-operative basis, there is a chance of success. Finance is needed for the purchase of yarn and for increasing the staying power of the small weavers. The fly shuttle loom gives a large output, but for want of a good market it has been discarded. The improved loom propaganda must be accompanied by a contemporaneous arrangement to see that the increased output finds a ready market and that the weavers must also be told that this labour saving contrivance is to his advantage as it will either add to his income or save his time and give him more leisure.

**Interview with Seth Khushalchand of Khaddar Karyalaya, Chanda,
on the 15th October 1929.**

PRESENT.

1. Mr. R. N. Banerjee, Esq., I.C.S., *Vice-Chairman*.
2. Rao Bahadur K. V. Brahma, C.I.E., M.B.E.
3. Mr. P. D. Pundlik, M.L.C.

We examined Seth Khushalchand, in charge of the Chanda Khaddar, Karyalaya, Branch of the All-India Spinning Association, and he gives us the following information :—

Khaddar spinning and weaving take place at five centres Chanda, Saoli, Pamburna, Bembala and Sindewahi, the number of charkhas being 32, 600, 150, 200 and 150, respectively. One charkha is run by one woman. The number of weavers is as follows :—Chanda 10, Saoli, 25, Bembala 5, Pamburna 8 and Sindewahi 4. The number of spinners is 32 at Chanda, 500 at Saoni, 150 at Pamburna, 200 at Bembala and 150 at Sindewahi.

The carders, spinners and weavers are paid daily wages, the rates being 4 annas per seer for carding, 12 annas to Rs. 3 per seer for spinning according to counts (12 annas for thread up to 8 to 10 counts, Rs.3 for 24 to 30 counts) and the rate of weaving is 3 annas per yard, breadth being 36 inches. The stuff produced is coating at Chanda and dhotis, turbans and shirting in other centres. These five are the most important khaddar-producing centres for the Maharashtra Congress block (extending from Poona to Gondia). There are only two other producing centres, one at Kinhi in the Bhandara district and one in Khandesh. One man from Baroda has been recently appointed for developing dyeing and printing of khaddar. He is an honorary worker.

There are about 20 selling centres (Bhandar) in the Maharashtra block. Orders from the selling centres are received through the head office at Wardha and indents are supplied direct from the producing centres by the two paid employees of the Congress Committee.

The process of financing is as follows :—

The head office at Wardha places a certain advance at the disposal of the Chanda organization. The total amount of cotton required for producing khaddar is locally purchased within a period of two weeks. Cotton to the value of Rs. 20,000 is generally purchased every year. This amount is sent by the central body to a local treasurer and the local khaddar workers draw up this amount when they purchase cotton. The ginning is generally done by the local people and the cotton is distributed by the local workers to the spinners who are paid their wages weekly on their outturn, a fresh supply of cotton being given to them for the next week. Similarly, the yarn is distributed to the weavers who are paid weekly on their outturn of cloth. Accounts are closed every six months, April to September and October to March, and the Auditor of the Central Committee comes and checks them twice. The Central Committee also sends advances from time to time for defraying the cost of spinning, weaving and freight on

cloth to the selling centres. Cash remittances are brought from time to time by a sort of travelling agent of the Committee to the Chanda centre.

Every spinner earns Rs. 4 to Rs. 6 per month and every weaver Rs. 22 to Rs. 25 per month. Carders earn 6 annas to 8 annas per day, each carder generally carding at least two seers a day. The spinners are mostly women, and they do this work in their spare time. The weavers are whole-time workers. The carders work about 7 to 8 hours a day and are practically whole-time workers. This work started in 1921 and slowed down in 1922, but has been going on regularly since 1923 when Seth Khushalchand took over the management. It was in 1925 that the local Committee was taken over by the All-India Committee. Up to 1925 the total output used to be sold locally. The four centres outside Chanda town came into existence in 1925 when the All-India Committee took over the work. At first the entire output had to be sent to them; but during the last six months local sales have been permitted. The annual output now is of the value of Rs.50,000 to Rs.60,000, out of which stuff worth Rs. 10,000 is sold locally, Chanda town alone consuming stuff worth Rs. 6,000. The municipality gives a grant of Rs. 500 annually to the local Committee.

The spinners are professional people, but they had stopped their work some 15 years back and are now being utilized by the committee. They earn at least 2 annas a day. The weavers are professional people and have the advantage of earning a steady income at full rates without having to undergo any inconvenience regarding finance. The selling centres in the Central Provinces and Berar are Akola, Amraoti, Raipur, Wardha, Chanda, Nagpur, Gondia, and Itarsi. The total cost is worked out by adding the cost of cotton and cost of carding, spinning and weaving. To the total made up of these items, 1 anna 6 pies per rupee is added by way of supervision charges on the establishment in the Chanda district and to make allowance for market fluctuations, damage, etc. An anna per rupee is added for meeting the cost of the establishment of the selling centres. The rate thus arrived at is the standard rate at which the stuff is sold at every centre in the block.

It should be noted that the initial capital of the All-India Committee has been received as a grant free of any interest and to this extent there is a non-commercial element in all these transactions.

**Note on Weaving Industry at Saoli in the Chanda district,
dated the 16th October 1929.**

Saoli is a village about 37 miles from Chanda on the Gar-chiroli road. Weavers here are of three kinds, (1) the Salewar caste Hindu weavers, (2) silk weavers and (3) Mahar weavers.

Khadi Karyalaya Saoli.—The village is a khaddar manufacturing centre working under the guidance of the All-India Spinners' and Weavers' Association. The method employed is to supply cotton to spinners and to pay them a fixed rate of wages per seer of yarn bought according to the count. Yarn is similarly supplied to weavers and cloth woven is paid for at a fixed wage per yard. The Mahar weavers find this a better system as they get a steady income for their efforts and the Association is thinking of expanding it into the interior. The spinners and weavers feel that the marketing problem is solved for them and they are content with the standard wage and the weaving rate is 3 annas per yard of a piece of cloth of 36 inches width and the spinning rate is 12 annas to Rs. 3 per seer according to count spun. The man who is paid 12 annas generally spins between 8 to 10 counts and the man who spins between 24 to 30 gets Rs. 3 per seer.

The Karyalaya produces mostly white cloth. Weaving is done to designs supplied. Prices do not of course compare with the mill-made cloth. But the lesson to be drawn from the Karyalaya activities is that the lot of weavers would improve if efforts at marketing are made. They again all want the facility of a shop which will buy their stuff or at least advance them sufficient amount against their goods to enable them to carry on their business.

About 60 families of Salewar Koshtis work about 100 looms. On enquiry as to why they do not use fly shuttle, they say that separate threads of different colour cannot be used in the weft on the fly shuttle. There are only two or three fly shuttle sleys. Only cotton *lugdas* are produced without any silk borders. Six *lugdas* per loom per month are the average outturn. Prices of *lugdas* vary from Rs. 2-12-0 to Rs. 4 per piece. The count used generally is 20. There are three local dealers in yarn. Sometimes coloured yarn is imported from Nagpur and other places, while a certain amount of local dyeing is also done. Buying yarn in cash is the rarest exception. Practically all the koshtis buy yarn on credit. The usual cash rate is Rs. 9 per *pura*, while the credit rate varies from Rs. 9-4-0 to Rs. 9-8-0 per *pura*. Rs. 9-4-0 appears to be the general credit rate, but it is raised in the case of the poorer weavers, presumably because of the greater risk taken. Assuming that one weaver, his wife and occasionally one child work at a sari, the monthly outturn is six saris per loom. About two years ago petty wholesalers used to come to the village and buy the cloth. This has stopped because of the larger use of mill-made cloth and greater output due to the spread of fly shuttle elsewhere. Formerly, the cloth of this village used to find a wide market in the Wun tract, but the Wun demand is less now and the output is consumed mostly locally. The

average income per loom thus comes to Rs. 6 or Rs. 7 per month. The cost of production of one *lugda* (six muthas of yarn) is about Rs. 2-4-0. These six muthas also yield three or four blouse (*khans*) pieces. *Lugda* sells for Rs. 2-12-0 and the *khans* bring about 9 annas. This is how on a monthly outturn of six *ludgas* the income is Rs. 6 or Rs. 7.

All sales are made in cash in the bazar. The yarn dealer is paid out of the proceeds two weeks to one month after the purchase of the yarn. If repayment is not made after a month, interest is charged on the cost of the yarn. Rate of interest is half an anna per rupee per month, but if the case goes to Court, the yarn dealer charges Rs. 2 per cent per month. A small percentage of the yarn dealers' bills remain unpaid, because the weaver has to defray his family expenses out of the proceeds of the cloth. Out of 60 families, 50 or 55 are indebted to local sowkars as they have to borrow money for other domestic purposes. Weaving does not bring them sufficient income for meeting all domestic requirements, including ceremonies.

Total annual sales work out to about Rs. 22,000. The Tagla system does not exist in this village. Two Rangaris have been brought by two of the local yarn dealers for the purpose of dyeing the yarn locally. The great need appears to be of marketing facilities. If all the stuff produced by them can be readily sold, then the local weavers can also produce more and increase their earnings.

Silk weavers.—There are only three families of spinners and weavers of *tasur* silk in this village. Money is borrowed at Rs. 2 per cent per month for buying kosa cocoons. The silk yarn is also sold at Rs. 12 per punja at Nagpur and other places. The produce is sold at Chanda and Wani. There are six or seven spinners who sell yarn only. 1,500 cocoons yield sufficient yarn for two pieces (thans) of shirting, 8 yards long and 14 girah breadth. It takes a month for a husband and wife to produce these 2 pieces. The industry is in a moribund condition.

Mahar weavers.—About 150 families of Mahars work about 100 looms. All turn out *lugdas*. Only three looms weave dhotis. The average outturn per loom per month is eight *lugdas* or three dhotis (16 yards). Purchase of yarn is done in the same way as the Koshtis. Credit rates are the same. 20 muthas of 20 counts are required for four *lugdas* of 15½ by 2½ cubits. The average price of a *lugda* is Rs. 3-12-0. About 75 per cent of the output of every week is sold in the week. About 20 looms weave khadi for the Chanda Khaddar Karyalaya. A family of four works at one loom and produces eight saris, net income from which comes to Rs. 12. They have no supplementary occupation. They have therefore to borrow money also for their ordinary expenses. There are fluctuations in their trade and one cannot say that each loom brings in a steady income of Rs. 12 per month.

Note on weaving industry at Drug, dated the 5th November 1929.

There are 30 or 35 families of weavers, of whom 12 or 13 do weaving. There are 15 or 16 looms in operation, of which 10 have fly shuttle. There are 3 or 4 yarn dealers. The yarn is imported from Nagpur. The count generally used is 20. The goods produced are mostly saris wanted for local consumption. Dyed (red) yarn for border is also bought readymade from the bazar. The cost of yarn, including border (Anchhi), is Rs. 2-8-0 per sari. Its sale price is Rs. 3. Husband and wife work and produce one sari in two days. 12 to 15 saris per month are produced. Annas four per *pura* are charged extra if it is bought on credit. The yarn dealer's bills are paid within eight days. Interest is charged if the bills remain unpaid for more than a month at the rate of Re. 1-8-0 per cent per month (3 pies per rupee per month, *i.e.*, Re. 1-9-0 per cent per month). We enquired of one Devah, son of Sheru, Koshti, who is still plying the old hand loom, and he said that his monthly outturn is from 12 to 15 saris. Each sari is a piece of 13 cubits \times 2½ cubits and its present day bazar price is Rs. 3. The cost of the raw material is estimated at Rs. 2-8-0 by the man, but at Rs. 2 by Mr. Sundaram (of the textile branch of the Central Provinces department of industries). This gives him a monthly income of only Rs. 6 according to him, but of Rs. 12 to 15 according to Mr. Sundaram. We think Mr. Sundaram's estimate of the margin is nearer the correct figure than the man's as his weekly expenditure on rice alone is estimated by him to be Rs. 2 for a family of four persons.

Saris are sold to the consumers direct in the local bazars. No dhotis are produced as only mill made dhotis are used. The handloom made saris are preferred, because of their greater durability. The goods produced by every weaver are generally sold on two or three bazar days.

One woman requires three saris every year. Some weavers complain that the improved fly shuttle is not so popular, because of the over-production of fabrics which do not find a ready market.

We also examined Pachkaor, son of Dayaram, working on an improved fly shuttle loom. Four persons work on one loom. This man takes yarn as advance and makes over the finished goods to the man who advances the yarn. If the weaver had his own yarn, he would earn up to 14 annas per sari. This appears to be like the Tagal system of Chanda. He produces about 18 cubits of sari per day and the monthly outturn at this rate comes to 30 to 32 saris (thanas), each 18 cubits. His monthly income is thus Rs. 15 to Rs. 18. If the yarn is provided at the market rate of Rs. 7-8-0 to Rs. 8 per *pura*, which they are allowed to pay for the yarn in a month, they will be able to earn 2 annas to 3 annas per sari more. He has been using one fly shuttle for the last four years. According to him the quality of the sari produced on the fly shuttle is not in any way inferior to that produced on old looms.

The old loom costs about Rs. 2 and the new loom Rs. 10-8-0. The old loom is more lasting and requires less repairs than the new loom.

Note on brass-workers of Raipur, dated the 6th November 1929.

There are 30 brass workers. They manufacture gund, parat and ganj. Metal sheets are purchased locally from dealers who import it from Bombay and Calcutta. There are two systems of work in vogue. One is known as the Kachha (wage) system and the other as Jujhan (weight for weight or equal weight) system. In the former the artisan works for wages on metal pieces supplied to him and in the latter metal pieces are weighed against finished products and the profits or wages of the artisan are paid at a settled rate. Jujhan is of two kinds—ready jujhan and deferred jujhan. In the former the artisan delivers his ready-made articles and takes metal sheets of the same weight instead and in the latter the artisan delivers the articles 10 or 15 days later when he has manufactured them out of the metal supplied to him. The rate of ready jujhan is higher than that of deferred jujhan as the trader has not to wait for meeting the demand of his customers nor has he to keep his capital locked for a time. We are told that a maund of brass metal costs Rs. 20-0-0 and five gunds are made out of it. One maund of finished goods is sold at Rs. 24 to Rs. 25. The cost of working on this is Rs. 2-8-0 and the profit to the artisan is Re. 1-8-0 to Rs. 2 per maund.

The articles manufactured are consumed mostly locally and are sold both to wholesale dealers and consumers. The total annual sales would come to more than a lakh of rupees. Sales begin from (Aghan) December-January and go on till May-June. Sales to wholesale dealers by the producers are generally for cash. The total output is always sold by the end of the year.

Fresh page plan.

Kosa silk weaving.—We visited the market and kosa silk weavers in the afternoon. Cocoons are obtained mostly from Chaibasa near Chakradharpur. Local growth does not yield adequate supply. Some of the local varieties yield glossy thread, but the quality available is small and is absorbed by the weavers round about and Chaibasa still continues to be the ruling market for the supply of cocoons. Kosa silk cloth is the peculiarity of Bilaspur and has not the competition of mills to contend with; and the industry deserves encouragement, and if properly supported, would have a bright future. A piece of turban (12' x 1½') is sold for Rs. 6 and the cost price is said to be Rs. 2 per piece. We were struck by the intelligence of kosa silk weavers, and if steps are taken to organize their trade, the industry can compete even with Assam and China silk on equal terms. There are about 100 looms working here. Some of them are improved fly shuttle and others of old pattern.

Finance.—Weavers have to pay Re. 1-9-0 interest on their out-standings, i.e., a pice per rupee per month. This is common in Chhattisgarh. Supplies are obtained mostly on credit. Some of the better Koshtas act as bankers to others and some even buy the goods manufactured by others. There is no difficulty in the disposal of goods. A small trader who is also a weaver whom we met in the bazar is an enterprising fellow and he exports pieces

to the northern and western districts of the province and supplies orders even from Assam. Financial aid for buying cocoons, and organized efforts backed by finance for disposal of cloth would make these weavers more prosperous. Champa is another marketing centre for the goods, but conditions being the same as at Bilaspur we did not visit that place.

Note on Raipur weavers, dated the 6th November 1929.

Momins.—There are 50 families of Momins and about 40 to 50 fly shuttle sleys are working. They get yarn from local dealers who are about three or four in number and import the stuff from Nagpur. Hussain Ali complains that artificial silk is sold for Rs. 2-10-0 per lb. by the local dealers, although it can be had for Re. 1-10-0 per lb. at Nagpur. They manufacture both coloured and plain saris, patals and lungis. Bills for yarn are to be paid within a month after which interest is charged at the rate of Re. 1-4-0 per cent per month. Cash rates are 2 annas to 4 annas less than credit rates. Similarly, in the case of cotton yarn the credit rate is 5 annas to 6 annas per *pura* of 10 lbs. higher than the cash rate. The count used is generally No. 20 of the Model and Empress Mills. Majority of the weavers buy yarn on credit.

The dimensions of a sari are 15 cubits by 2½ cubits, and the market price is Rs. 2-8-0 to Rs. 2-12-0. The cost of yarn required for one sari is about Re. 1-14-0 to Rs. 2. The preparation of the warp for 14 saris takes two days, while they weave one sari per day on fly shuttle. Monthly outturn of saris per month comes to 26 to 28. Three members of the family work at each loom. Most of the Momin weavers seem to have three to five looms per family. The improved sleys replaced the older ones about eight years ago. According to them the outturn of these sleys is 75 per cent more, *i.e.*, they finish one sari by about 3 o'clock, while on the old loom they had to work till late in the night for one sari. The saris are sold to the Berari people who have settled in Chhattisgarh. Lungis are mostly locally consumed. There is no local wholesale purchaser and the finished goods are disposed of in the local markets and also markets of Bilaspur and Champa and other important markets. The weavers sell the articles to wholesale dealers. There used to be one wholesale purchaser at Raipur, but he is no more and the marketing has become more costly at present. No system of advances of yarn on agreement of the articles being sold to the money-lenders exists at present. The total output is generally sold, although with some difficulty. Occasionally saris are pledged and advances are taken. They also say that saris of Sholapur mills have displaced the handloom saris and the demand is now less. Mill-made saris like the ones prepared by weavers are sold for Re. 1-2-0 to Re. 1-14-0 per piece. The saris made on the fly shuttle are finer and quite as durable, if not more, as the saris on the old looms. There used to be a larger number of Momins, but on account of the depression in business many have shifted to Kamptee where the marketing facilities are better. They had two co-operative societies of weavers, but both failed. Report of the Circle Auditor, Raipur, is attached showing how and why the societies failed.

Koshtas of Raipur.—We examined Manohar Koshta of Raipur. There are about 100 families of Koshtas, having about 150 to 250 fly shuttles. According to him there are some 100 families of weavers doing business. The number of looms would be 100 to 125. The credit rates and cash rates of yarn seem to

be the same, but if bills are paid after a month, interest is charged at the rate of 3 pies per rupee per month. The dimensions of a sari are 13 cubits by 2½ cubits. The price per sari is Rs. 2-6-0. One *pura* of yarn is required for five saris. The cost of the production of one sari will be about Re. 1-14-0. On an average four persons work at each loom. The monthly output per loom is about 30 saris. The output is generally disposed of in local markets partly to consumers directly and partly to wholesale middlemen. Profit, including wages per sari, comes to 8 annas to 9 annas.

Cheap credit to purchase raw material and marketing facilities are the two requirements of the weavers here as elsewhere.

A brief history of the failure of the co-operative societies of Momins No. 109, dated the 12th November 1913, of Handipara Momins Industrial Society and No. 157, dated the 10th November 1915, Tatyapara Momins Society in the Raipur town, by Mr. G. R. Buldeo, Circle Auditor, Co-operative Societies, Raipur, dated the 6th November 1929.

Both the societies were organized within the period from November 1913 to November 1915 when the war broke out. The membership of both the societies increased up to the year 1918 when it was 15 in both the societies. The maximum loan of the Central Bank, Raipur, reached Rs. 4,706 against society No. 105 and Rs. 1,716 against society No. 157 on the 1st July 1918. The repayments began to dwindle from that time and awards were obtained against both the societies on the following dates:—

(1) Society No. 105 for Rs. 4,179 on 28th August 1920.

Both the societies were then brought under liquidation on the resolution of the societies, the former in 1924-25 and the latter in 1922-23. In the former society appropriations from the reserve fund had to be sanctioned, while the latter society recovered all dues from the society members and the balance of reserve fund of the former society and the full reserve fund of the latter society was returned to the society members for the repairs of the masjid.

From the account books and the audit notes of the societies I found that the societies fared well during the war time. With the cessation of war and the revival of the foreign imports the trade of the Momins got a serious set back and their power of repayments came to the lowest ebb as the margin of profit in their trade was much diminished and for sometime they worked practically at a loss due to the reasons that their finished goods were manufactured and dyes were purchased when the prices were at the highest pitch and the goods sold when the prices showed a downward tendency as the foreign as well as the Indian mill cloth competed with the hand-made cloth of the Momins. The trade equilibrium was much upset and the Momins were the first to face the competition and had to give way to it.

It was for want of credit organization to help them in storing their manufactured goods when they actually worked at a loss that they could not hold out, and the local Banias took the chance to exploit the Momins. Materials for trade were sold to them at the highest rate and their finished goods purchased at the lowest price. The need for credit organization and purchase and sale organization was most badly felt to save the Momins.

The credit organization of the co-operative societies was too weak to do them any good, as the Raipur Central Bank only once gave out the loan, and fixed kist on the system of the agricultural credit societies. The Momins wanted credit facilities on current account system as their borrowings and repayments extended throughout the year. They had therefore to resort to local Banias who offered them credit on current account system.

The illiteracy and extravagance of the Momins made them easy prey of the local Banias.

The education in principles of thrift and co-operation was not forthcoming and the prosperity of the Momins-only made them more extravagant and they spent everything they earned.

In short the causes of the failure of Momins' societies are :

- (1) Fluctuation in trade during the war, which the Momins could not adjust to their advantage for want of education.
- (2) Credit organization specially suited to the needs of the Momins who needed current account credit system, was wanting.
- (3) Want of organization for purchase and sale of their goods.
- (4) Credit facilities for storing their finished goods, to enable them to tide over the slump in their trade, were not forthcoming.
- (5) Last but not the least is their illiteracy and ignorance in principles and practice of co-operation.

Interviews with Bidi Merchants of Gondia, dated the
9th November 1929.

PRESENT :

1. R. N. Banerji, Esq., I.C.S.—*Vice Chairman.*
2. Rao Bahadur K. V. Brahma, C.I.E., M.B.E.
3. Mr. P. D. Pundlik, M.L.C.

1. *M. A. Jikaria.*—Nanji, Mahar, is the agent and is paid Rs. 16 per month for supervising the factory. This firm has four factories in all with about 125 workers, women predominating. These four factories started work about three months ago. The one factory inspected in Kurwa line turns out about 20,000 to 22,000 bidis daily, the average outturn per worker being 1,000. Each worker is paid 7 annas per thousand bidis. Ten grown up girls and two small girls with two more girls inside the factory and seven men were working. Tobacco is bought from Poona and other places. Tendu leaves are bought locally from forest contractors. One seer of tobacco is sufficient for producing 3,100 to 3,200 bidis. The bidis are exported to Madras.

2. *Ramahisan Ramnath.*—Bidis are prepared at four places at Gondia. About 60 to 70 workers are employed in these four places. Wages paid vary from 6 annas to 7 annas per thousand according to the size of the bidis. The workers belong to Gondia and surrounding villages within a radius of three miles. The bidi trade has flourished at Gondia, because of its being a central railway station where leaves and tobacco can be imported easily. This position of Gondia is specially due to its accessibility to forests of Balaghat, Chanda, Rajnandgaon, etc. The manufacturers generally take contract of forests for collecting tendu leaves in the surrounding villages. The leaves are collected through local labour. One bundle generally contains 50 leaves and the wages for collection are generally 5 annas to 6 annas per 100 bundles. Leaves sell at Gondia at the rate of Rs. 7 to Rs. 10 per thousand bundles according to the demand. Leaves are also exported to places like Calcutta, Poona, Nasik, Bhopal, Bombay, etc. Tobacco is produced in India in places like Sangli, Poona, Nivani (Belgaum district) and so on. This firm purchases its tobacco at Kamptee at the rate of Rs. 30 to Rs. 40 per maund. Tobacco is cut into pieces at the exporting centres. The average outturn per seer of tobacco is 3,000 bidis. This firm exports bidis to Berar and Muzzafarpur in Bihar. Mohanlal Hargovind, a local manufacturer, has a sort of monopoly of local market for the disposal of his produce. The wholesale rate of bidis is 14 annas to Re. 1-1-0 per 1,000 F. O. R. Generally one ordinary leaf is sufficient for producing one bidi, larger leaves yielding cover for two. The cost of production for 1,000 bidis is as below :—

				Rs.	s.	p.
Leaves	...	...	...	0	2	6
Tobacco	...	...	...	0	3	6
Labour	...	...	...	0	6	6

add also charges for packing and freight and house rent and staff. The average net profit per thousand bidis works out at 1 anna. The Gondia factories of this firm produces about 75,000 bidis per day. Work goes on throughout the month except on four bazar days.

3. *Mohanlal Hargovind*.—There are 90 workers, including men, women, girls and boys in this factory. This firm has 10 other factories in various parts of Gondia tahsil, each factory employs 32 to 35 workers. The local rate of leaves is said to be Rs. 10 per 1,000 bundles, each bundle containing about 50 leaves. One leaf is sufficient generally for one bidi. Tobacco is imported mostly from Gujrat, Nipani in the Belgaum district, Poonā and Sangli. The local rate of tobacco is Rs. 30 to Rs. 40 per standard maund. Cost of production per 1,000 bidis—

	Rs.	as	p.
Leaves	...	0	2 6
Tobacco	...	0	6 0
Labour	...	0	7 0
Overhead charges	...	0	2 0
Packing, etc.	...	0	2 0
Total	...	1	3 6

The sale price per 1,000 bidis is Re. 1-4-0. Net profit thus comes to 6 pies. Average outturn per month in the 11 shops comes to 2½ lakhs bidis. Average working days per month are 25. The produce is disposed of in the Central Provinces markets. There is a complaint that the wholesale purchasers do not pay their bills and get themselves declared insolvent.

Nearly 80 to 90 per cent of workers are Mahars.

4. *Mulji Sikka and Company*.—Mulji Sikka is the biggest merchant of bidi in Gondia. He has taken lease of forests for tendu leaves in the Chanda, Bhandara and Bilaspur districts, for which he pays about Rs. 30,000 annually. He states that Nipani, in the Belgaum district, produces tobacco which is stronger and has a better flavour than the Central Provinces tobacco. He has more than 200 factories in villages of the Gondia tahsil and the average daily outturn is 50 lakhs. The bidis are sent to the head office in Calcutta. This manufacturing firm was started 14 years ago. At present it is run by five partners.

Note on Shri Onama Glass Works, Gondia, dated the 10th November 1929.

Raw materials.	Proportion of each.	Place of indent.
1	2	3
	Seers.	
Sand ...	50	Allahabad.
Soda ...	20	Bombay.
Lime ...	5	Katni.

The staff consists of the following :—

Weekly labourers	...	...	21
Monthly labourers	...	...	70
		Total	91

These are—

24	...	Men.
28	...	Women.
39	...	Children (under 20 years).
		30 boys (5 under 12 years).
		9 girls (6 under 12 years).
Total	...	91
		9 Supervising staff.
Total	...	100

Attempts made to use Central Provinces sand were unsuccessful. First class Jharia coal is used. Attempts to use Central Provinces coal have failed, because it does not give as much heat as is required. Japanese crucibles are used. Six expellers are used. The process consists of melting, blowing, inflating, reheating in glory-hole furnace. Blowers are paid from Rs. 20 to Rs. 60 and boys (ordinary blowers) Rs. 20 per month. The females are paid Rs. 8 to Rs. 9 per month. The boys start as pipe-makers. They become full fledged blowers in about three to four years time. Pipe-makers get Rs. 8 to Rs. 10. The workers are recruited locally and from the surrounding villages. Four or five blowers brought from Poona in the beginning, have trained the staff. The work started in November 1921. As the melting takes 16 hours, the factory has to work at night, otherwise the factory works in day time only. Mahars are not employed, because pipes come in contact with lips in the process of blowing. The next process is chipping, which is done by women getting Rs. 9 to Rs. 10 per month. No deductions for breakages are made from the wages. About 75 tons of coal are used per month. The next process of grinding is done by women, who are paid Rs. 9 to Rs. 12 per month. The women employed on wrapping work are paid 4 annas per day. These are usually new recruits. Finished goods are exported to all

the Central Provinces and Berar markets up to Sambalpur and not much to the northern districts which buy more from the United Provinces factories. The entire produce is sold within a reasonable time. In quality the goods are 60 per cent of Deitz, but on a par with Japanese stuff. Retail price of Deitz globe is 3 annas to 4 annas, which is practically the same as that of Japanese and German stuff. As the margin of profit at this price is greater, retail-sellers can reduce the retail rates. Share capital is 6½ lakhs of rupees. Capital invested is rupees one lakh, 10 thousand. No arrangements for sickness and maternity benefits and housing exist. There has been no loss since 1929. Income-tax was proposed last year on Rs. 2,800. The quality of goods is inferior due to old furnace. Gas furnace could not be provided being more costly. Average sales per year come to Rs. 50,000 to Rs. 60,000. The total value of orders registered year before last was Rs. 96,000. Mr. Pandit, the Managing Proprietor, received training after his B. Sc. at Talegaon, Gujrat. The highest paid employee is the blowing supervisor who gets Rs. 65 per month. The immediate requirement of the company is a capital of Rs. 25,000 only for putting up more up-to-date furnaces and other improvements.

Note on a Lac Factory at Gondia, dated the 10th November 1929.

It is owned by Seth Ishardas Agarwala and Company. Stick lac is bought at Gondia by various forest contractors of the districts of Balaghat, Seoni and Bhandara. Purchase price per standard maund is Rs. 35 at present. The first process is to separate dust from lac. Women are employed to do this and are paid 4 to 5 annas per day. The next process is grinding for separating the stick from lac, which is also done by women on a hand-driven grinding machine. This factory has three grinding machines. The ground lac is then washed. The cleaned stuff is called chauri "seed lac". *Hartal* paint is put into the chauri in order to give it yellow colour. Then starts the process of making shellac. The chauri is put inside a cloth tube specially made for the purpose. This tube filled with chauri is twisted round a furnace with a mild fire and the melted chauri is wrung out of the tube. The shellac comes out in a liquid form which is placed on a round long jar with boiling water inside it for making it into a thin sheet. This sheet is then held against the fire for further expansion, so that it may become transparent and the fact of its being devoid of impurities may be made clear. This shellac sheet thus produced is called Chapda. The wages paid per day are Re. 1-8-0 to the smelter, Re. 1-4-0 to the men who prepare the sheet and 6 annas to the men who turn the cloth tubes. There are 31 furnaces each requiring three men. Number of women working is 100, and that of men at the furnace 100. All are recruited locally and from surrounding villages, when the factory is working. The plates are broken into bits and exported in sacks. The lac is exported to Calcutta, each bag containing 1 maund and 10 seers. The Calcutta importer exports it to America and it is not used in the country. The present price per maund is Rs. 75.

One maund of stick lac yields about half a maund of shellac. The cost of producing one maund of shellac is as follows. Two maunds of stick lac is worth Rs. 64 and other expenditure including railway freight, is Rs. 15. According to the firm, the cost comes to Rs. 10, including interest at 1 per cent per month. Supplementary cost for preparing shellac and the railway freight per maund is Rs. 15. The annual produce of shellac is 5,000 maunds. The amount of income-tax paid last year was Rs. 1,200 on Rs. 22,000. The firm has at times to borrow at 12 annas per cent per month. The loans are generally taken for three months. Advances are received from the Calcutta merchants against goods to be supplied later on. Advances are made up to 80 per cent of the goods supplied.

They purchase stick lac cash from the contractors. The large contractors are Gafoor Muhammad and Nawab Niazuddin Khan, Zamindar of Khujji (in Drug), who has also an estate in the district of Balaghat. For example, this year this firm bought lac worth Rs. 65,000 from Nawab Niazuddin Khan. The only difficulty of which the firm complains is that formerly the rate of interest on loans used to be 7 annas 9 pies but now it has gone up to 12 annas per cent.

In the grinding room the dust nuisance is very acute. The dust lac is bought by Messrs. Angelo Brothers and is also exported to Germany as they can separate the lac from it with their improved machinery. There are four grinding machines. The water in which stick lac is washed used to be formerly made into a sheet and sold at the rate of Rs. 4 per maund for purposes of making dyes. This trade in by-products is not now paying and has stopped. The workers in the washing department get 7 annas 6 pies per maund of seed lac cleaned by them. The waste product remaining behind in the cloth tubes is also melted and made into cakes. This is sold at the rate of Rs. 30 per maund to Angelo Brothers. Last year 6,000 maunds of shellac was sold in Calcutta. The lac is sold in the market and the bargain is often struck under the cover of a piece of cloth. The large dealers sell direct to the shellac-makers, but the small scale dealers often to Adatyas who give them advances and thus act as middlemen.

Ramnath Kishanlal is one of the biggest adatyas. Interest is charged on advances to lac collectors from the mofussil at the rate of 12 annas per cent per month. Amount of lac sold by this firm last year was 20 thousand maunds. Chauri is sold in Calcutta at Rs. 60 per maund and shellac at Rs. 76 per maund. One maund of chauri yields about 30 seeds of shellac. Rate of interest paid on advances from the Calcutta importer is 12 annas per cent per month. The rate of discounting hundis locally varies from 2 annas to 4 annas per cent. The joint business of this firm with his brother went on for six or seven years, but this firm has now started separate business. The complaint of higher interest is repeated.

Note on bell metal industry at Drug.

PRESENT :

1. R. N. Banerji, Esq., I.C.S.—*Vice-Chairman.*
2. Rao Bahadur K. V. Brahma, C.I.E., M.B.E.—*Member.*
3. P. D. Pundlik, Esq., M.L.C.—*Member.*

Drug, dated the 4th November 1929.

We visited Drug on the 4th November 1929 and studied the bell metal industry that is carried on there. People in Chhattisgarh use bell metal for domestic purposes and that is what creates the demand. Three vessels are in demand the lota, a jug of round shape for holding water, thali (tray) and bowl-like basin. The last is generally used for containing *बासी* or rice gruel which every family wants for its early morning breakfast. Bell metal dispenses with the necessity of tinning and is also considered somewhat more auspicious than brass or copper.

2. Bell metal alloy is prepared locally. The variety known as phul kansa is made of 100 tolas copper and 27 tolas of tin for an alloy of 127 tolas. Copper is purchased from Poona where copper sheet is used for vessels used in that part of the country and cuttings that are left over are purchased by bell metal manufacturers at Drug. Tin is generally purchased from Bombay or Calcutta as rates permit.

3. We enquired of Labhwasa Ramcharansao who is the biggest manufacturer of bell metal and brass wares here. He has a factory at Drug where he makes lotas. He manufactures the bell metal alloy himself and also purchases the alloy from other local manufacturers in the town and for this kind of purchases there are two systems in vogue. One is known as the (kacha) *कच्चा* system and the other *जुझन* (Jujhan). Under the first system the small manufacturer gets copper and tin from a bigger man like Labhwasa, e.g., a maund of both (=16 seers) and makes his own alloy and prepares vessels according to the orders of the suppliers of copper and tin and is under an agreement to sell the vessels at a stated rate. The latter system implies that a manufacturer of pots brings them ready made for sale to the bigger merchant and the latter undertakes to purchase them at a stated rate. Under both the systems the small man has to sell at a lower price.

Outturn at Drug last year was worth Rs. 41,000 (Rs. 16,000 *लेटर*, Rs. 25,000 bell metal alloy either sold as alloy or used for other kinds of vessels). This gentleman has five other manufacturing factories of his own, viz., at Rajim, Champa, Sambalpur, Dhamba and Pusaur (Raigarh State). He gets *thalis* made at one centre and other things at other centres and in that way he seems to have organised his business on economic lines. He has five other centres for sale of manufactured goods. His total sales at all the centres aggregated to 9½ lakhs last year. His sales at Drug itself amounted to Rs. 15,000 last year. He does not get much of outside financial help. But he is supported by his

adatyas in Poona and Calcutta who give him credit for a month at a time. He has to pay from $7\frac{1}{2}$ to 12 per cent interest per annum on balances outstanding against him.

System of sales.—Sales for cash in this district are very small. Our enquiries show that big merchants sell to small itinerant traders on credit. Goods are purchased mostly from Diwali (October) onwards and sales are effected in villages from October onward till May. Villagers begin to pay the bills for articles purchased after Fag, i.e., Holi, which eventually falls in the middle of March. The reason is stated to be that the agriculturists dispose of their crops by then and they have cash on hand. The itinerant traders have thus to give credit for four to six months and have to ask for credit from his big merchant. The metal industry is thus closely linked up with agricultural finance. The itinerant trader has to pay interest at 1 per cent per month. These small traders have a double charge to bear. The rate for credit sales is higher than that for cash sales, e.g., if a maund of bell metal goods is sold for Rs. 37-8-0 in cash, they are sold for Rs. 38 on credit and the small man has also to pay interest. This burden naturally falls on the agriculturists.

5. *Extent of the industry at present.*—There are in all three big manufacturers here. The small metal manufacturers number about 30 in this place. Generally, two men form a group of workers and carry on the moulding, polishing and finishing the article for the market. Their number was larger some years ago, but some of them have fallen in bad times and have now taken to service. The industry is, however, still flourishing though competition of outside manufacturers is being felt. Bankura goods from Bengal have captured part of the market here as they sell at cheaper rates. The local rate for *lotas* here is said to be Rs. 2-8-0 per seer (=2 lbs) whereas Bankura wares are offered at Re. 1-12-0 a seer. Local dealers ascribe this to the inferiority of the Bankura metal and to the reduction of their manufacturing costs by labour saving appliances. But the firm of Labhwasa is alive to the situation and is exploring possibilities of reducing the cost of production.

6. *Financial aspect of the question.*—The richer men are in need of finance for increasing their output for which they say there is demand and for introducing machinery and labour saving appliances. The firm of Labhwasa has obtained finance from the Allahabad Bank so far on the lines of advance against goods stocked in the godown of the bank, but it feels that the system of advance is not suitable as the bank is not prepared to give it the long-term credit that it wants owing to the peculiar system of sales on credit all along. The smaller men need financial assistance more for purchase of raw material than for anything else. We questioned one Judaman Timora who is a small but well-to-do manufacturer and he told us that sales on credit are now so ingrained in the people that it is next to impossible to get it altered and consequently there is a necessity for financial assistance to traders. We came across a small family of two men who turn out not only the usual *lotas* made here, but have specialised in

lamps (stands of brass with the oil-can and arrangements for turning it into a wall lamp) and flower pots. This family of two men make an income of Rs. 30 or Rs. 40 a month. The small artisan generally sells to the big local dealers and when the family can afford, he goes out to villages and fairs to sell his wares. Sales in villages are on credit as already stated. A family of two, we learnt, could turn out from 300 to 350 *lotas* in a year (a working period of ten months). The profits of a family are thus Rs. 30. The woman of the family cannot assist as the processes are laborious.

7. *Future of the industry.*—The industry cannot survive long unless labour saving machinery is introduced early and the cost of production in every stage of the bell metal manufacture reduced,

APPENDIX H.

Summary of the reports received from the District and Sessions Judges, Central Provinces and Berar, on the working of the Usurious Loans Act and the Provincial Insolvency Act.

I.—USURIOUS LOANS ACT.

The District Judge, Jubbulpore, reports that the provisions of the Act and its very existence are not yet widely known and even the pleaders take little advantage of it. Difficulty is often felt in applying the Act in deciding what is a fair rate of interest, as no limit has been fixed. Besides this there are many ways in which the crafty creditor conceals the true nature of the interest and the debtor has not the knowledge, courage, or the means of revealing the exorbitant nature of the transaction. The Small Cause Court Judge, Jubbulpore, advocates the applicability of the rule of *Damdapat*. One of the Judges at Jubbulpore points out that if the Act were applied too freely it might hamper the facilities of debtors for getting loans when required without security. The District Judge reports that on the whole the Act is not much used and is not an easy one to apply.

2. The District Judge, Saugor, reports that the provisions are working satisfactorily. According to him the causes of failures to utilise the Act are—

- (i) that in *ex parte* cases it is difficult to grant any relief as the Courts are unable to hold whether the interest is excessive;
- (ii) that in cases of compromise the defendants are generally reluctant to give out the true facts;
- (iii) that the Act has not received wide circulation; and
- (iv) that the cases of hard and unconscionable rates of interest are not frequent. The District Judge further reports that some Courts deal with cases of high interest under section 74 of the Contract Act and the Courts advocate the rule of *Damdapat*.

3. In the Nimar district the Act is now freely being used and relief has been granted in several cases. The Raipur District Judge reports that much use has not been made in his district and the reason for this is that most of the cases to which the Act applies also fall within the scope of section 74 of the Contract Act and adequate relief is granted thereunder. Besides this most of the litigants do not understand the provisions of the Act and frequently fail to give the Court sufficient information to enable them to grant relief under the Act.

4. In the Amraoti district substantial relief has been given in some cases. The Act was not, however, applied to all the cases to which it could be applied. Debtors through their ignorance do not raise the necessary pleas, and the creditors generally clothe the transactions in such a way that it is not possible to find out the real rate of interest or the nature of the transaction. There is, however, a growing tendency to apply the Act in such cases,

In several cases the rule of *Damdapat* gives substantial relief. The District Judge further reports that in some cases the creditors too, of their own accord, reduced the stipulated excessive rates of interest to normal rate. The District Judge recommends that the provisions of the Act should be made applicable to suits for the recovery of lease money in respect of agricultural lands also.

5. In Akola somewhat more extensive use is being made of the provisions of the Act than before. The District Judge, however, does not think that the Act will ever be widely applied. The reason is that ignorant debtors are often not in a position to establish the circumstances under which recourse can be had to the Act and even their pleaders prefer to have resort to the provisions of section 74 of the Contract Act.

6. The general opinion among the Sub-Judges at Buldana is that the provisions of the Act are too vague and that unless a rate of interest is fixed as the maximum, no relief can be adequately given. The District Judge, however, is of opinion that it is necessary to keep the provisions of the Act sufficiently elastic so that the question whether any rate is excessive may be determined with reference to the local circumstances, the absence or presence of security, and the past dealings, etc. The District Judge rightly points out that, as the law regarding penalty and unfair bargains has been settled for several years, the creditors are careful so to word the documents as to make it practically impossible for the Court to take any action *suo motu*. The debtor finds it difficult to satisfy the court that, the interest is excessive and the transaction substantially unfair and hence he relies more on the provisions of section 74 of the Contract Act.

7. The Additional District Judge, Nagpur, reports that the changes made in the Act in 1926 have not in any way solved the difficulty of the practical application of the Act. The reasons why the Courts find it difficult to apply the provisions to particular cases are (1) that the term "excessive and substantially unfair" are relative terms. Debtors find it difficult to establish that the transaction was substantially unfair. Moreover the prevailing rate of interest which has been considered to be the reasonable rate is in itself too high; (2) that the debtors as a rule are ignorant and cannot look to their own interest and the money-lenders thus get an upper hand; and (3) that the Court have very little time to devote to such cases. The Additional District Judge suggests that these difficulties can be removed by fixing a certain rate of interest as reasonable and by introducing the rule of *Damdapat*.

8. In Bhandara the provisions of the Act are fully given effect to in all cases where the Court has reason to believe that the rate of interest is excessive and the transaction is substantially unfair. In the Mofussil, where the Bar is not strong, full advantage is not taken of it. The District Judge, Wardha, reports that the debtors do not take much advantage of the provisions of the Act. Occupancy holdings being unattachable debtors are not under a necessity of raising any plea. This is also because they are not either fully aware of the provisions of the Act, or because they think that the pleas would not be substantial. When the pleas are raised, the courts are not slow to thresh them out and give the debtors the advantage of the provisions of the Act.

9. In Hoshangabad, courts pay due attention to the provisions of the Act with the result that claims for interest are often substantially reduced. The District Judge, Chhindwara, reports that benefit of the provisions is given to the debtors although the main difficulty experienced by the Courts is that in many cases relief cannot be given as the debtors, due to their ignorance, fail to prove that the interest was excessive and the transactions substantially unfair. The Courts acted *suo motu*, but the number of such cases is not large.

II.—PROVINCIAL INSOLVENCY ACT.

10. The District Judge, Jubbulpore, reports that the Act is working well. The provisions are generally fairly well-known and debtors are fully alive to the advantage it affords them. The District Judge, however, remarks that the insolvency work is increasing year by year. The District Judge, Saugor, reports that the instructions contained in this office letter Nos. 2976 and 6770, dated the 11th June 1926 and 28th September 1927, respectively, are working satisfactorily and that the Act is working well and no amendment thereof appears necessary at present.

11. In the Nimar district most of the applications came from the debtors though creditors also have now become alive to the necessity of protecting their interest. The Act secures advantages both to the debtor and the creditor. There is a complaint that the assets of the insolvents are not readily available for distribution as the Courts take a long time to dispose of them. In Raipur the working of the Act seems on the whole to be satisfactory, although the provisions are imperfectly understood by the people. Most of the applications are made by the tenants and the debtors seek relief under the Act very readily. Applications are often unnecessarily contested. Cases of fraudulent transfers are reported to be very rare.

12. In Amraoti experience shows that the really oppressed debtors get full benefit of the Act. There are still some that do not seek the help of the Court, because it lowers them in society and reduces their credit in the market. Unscrupulous debtors can be classed in two classes—agricultural class and the trading class. Both fraudulently transfer their properties, but the property of the former class becomes, in the long run, available for distribution to creditors, while that of the other class is not, as the creditors do not generally resort to penal action and spend their money on it. The District Judge therefore advocates the appointment of an official corresponding to the official receiver under the English Bankruptcy Act.

13. In the Akola district number of petitions both by debtors and creditors still continues to be large and the volume of insolvency work at Akola headquarters is such as to absorb most of the time of one Court. The disposals of applications under sections 53 and 54 occupy a disproportionate amount of the Judge's time and lead to many appeals. The District Judge therefore advocates the appointment of an agency for bringing fraudulent debtors to book. On the whole, the Act has worked much more

systematically and effectively than in the past. Quite a number of dishonest debtors have taken advantage of it to suit their own ends and the District Judge suggests that the administration of the Act should be kept in the hands of experienced Judges and official receivers. He would also favour the institution of a purely insolvency Court at Akola.

14. The District Judge, Buldana, reports that the provisions of the Act appear to have become widely known and though the Act is mainly availed of by debtors, creditors also resort to the provisions of the Act. The Insolvency work is rapidly increasing. Most of the debtors are really unable to pay and hence they seek the help of the Court for evading arrest and attachment in execution of decrees. On the whole, the Act is working satisfactorily in spite of the prejudice that it is a statute which tends to put a premium on the dishonesty of debtors. No case seems to have arisen during the year in which the penal provision of chapter IV of the Act had to be made use of.

15. The Additional District Judge, Nagpur, says that the practical application of the Act has been found to be helpful in giving relief to honest debtors. The number of petitions by debtors has much increased and this shows that the Act has been properly availed of by those who stand in need of it. Some difficulties are still noticed in the administration of the Act, section 10 (1) provides conditions on which a debtor may make a petition and one of them is that he must be unable to pay up his debts. There is no such corresponding provision in section 9 and the creditor is not required to show that the debtor is unable to pay the debts. In the case of debtors "inability to pay the debts" should be clearly defined as the expression is capable of being misunderstood as it can mean "either inability to pay, instantly" or "inability to pay in course of time". Another difficulty is that a large number of tenants are successfully able to defeat the creditors as there is no provision for availing of the agricultural fields to raise money and this difficulty can be met by making suitable provision either in the Act itself or in the rules framed under section 79 of the Act so as to provide that debtors should mention in their petitions the income from their fields. The question of appointment of official receivers on the lines of the English Bankruptcy Law should also be taken up. In the present Act there is no provision for penalising a debtor who is given conditional discharge on payment of a certain sum and who fails to carry out the order. The insolvency work has much increased and a whole-time Judge is necessary. The Act should be administered by trained Judges.

16. In Bhandara district litigants often have recourse to bogus and fraudulent dispositions of property and they make free use of the provisions of the Act. The economic conditions have much changed and in Berar lands are gradually passing from the hands of actual cultivators, while this is not the case in the Central Provinces. The insolvency work has much increased and it is desirable to increase the limit from Rs. 500 for the operation of

the Act. A further restriction on the right to apply for insolvency should be devised by incorporating in the Act that the Applicants should deposit a certain percentage of the debts.

17. In Wardha the Act is working well, both in the interests of the creditors and the debtors. The District Judge says that a provision in the Tenancy Law as well as in the Civil Procedure Code should be made for appointment of a receiver in the case of occupancy tenants and a suitable provision should also be made in the Provincial Insolvency Act as well. This provision would raise the credit of the debtors and lower the rates of interest. The District Judge is further of opinion that the period for an order of discharge in the case of occupancy tenants should be raised to one year so as to enable them to pay off the debts.

18. The District Judge, Hoshangabad, reports that so far as non-agriculturists are concerned, the provisions and the working of the Act are such that neither creditors nor debtors should have reasonable grounds for complaint. As regards agriculturists, the condition of labourers has immensely improved and it is doubtful whether it is necessary to protect all occupancy tenants. In Chhindwara it is only petty traders and agriculturists who resort to the Insolvency Courts and it is only when an agriculturist is reduced to extreme poverty that he resorts to the Insolvency Courts.

Report by Mr. D. V. Pandit, Additional District and Sessions Judge, Nagpur, on the working of the Usurious Loans Act and the Provincial Insolvency Act.

REPORT ON THE WORKING OF THE USURIOUS LOANS ACT, 1918.

Before we proceed to give any opinion on the working of the Usurious Loans Act, it is necessary to examine briefly the circumstances which led to the introduction of this legislation in 1918. As far back as 1774 A.D., the matter regarding interest was regulated, in India, by an Act known as Regulating Act 13 Geo. III (section 63), which fixed the maximum rate of interest to be awarded to the creditors, at 12 per cent per annum. With the improved state of affairs, it was found difficult to submit to the Usury Law and in 1855 the Usurious Loans Repeal Act was passed which allowed the Courts to freely carry out contracts of interest between the parties in the same way in which any other contract could be enforced. This introduction of the Usurious Loans Repeal Act was taken advantage of by the unscrupulous money-lenders and the result was that any rate of interest was got inserted in the agreements from the debtor and the Courts were made a sort of machinery to give effect to this unfair and unconscionable transaction. This tendency of the creditors had to be checked by making necessary changes in the Contract Act and by providing other remedies in cases of contracts entered into under undue influence and coercion. The matter of giving relief in cases of excessive or unconscionable bargains was thus restricted to cases covered by the provisions of the Contract Act, sections 16 and 19-A, and the Courts found themselves incapable of giving any relief unless the cases strictly came within the purview of

the above two sections. With a view to give additional powers to the Courts in checking this tendency of its influence, the present Act was passed in the year 1918 and in course of time it was found that the Act as it was then framed was defective in certain respects and the same was amended in the year 1926, when the Act was almost in its state of infancy. The changes that were introduced in 1926 by applying the law to redemption suits and by extending the period of 12 years in place of 6 years for opening the last transaction has not really solved the difficulty in the practical application of the Act which the trial Courts always found in applying the provisions to particular cases. The reasons for this may briefly be stated as under:—

(1) The term 'excessive interest' used in section 3 (I-A) and the term 'substantially unfair' used in the same section are relative terms and it is difficult to define those terms so as to make them of general application; (2) the general ignorance of the debtor class in the matter of following the provisions of the Act; and (3) want of time required for elaborate inquiry to find out the details of the transactions between the parties within the last 12 years as the application of this provision can be of greater help in small cause suits.

2. As regards the first point, the terms "excessive" and "substantially unfair", being relative terms, are very difficult in application to particular cases as what may be excessive in one case may not be excessive in another and the legislature has asked the Courts to decide the question of giving relief in any particular case after considering both the things, *viz.*, whether the interest is excessive and whether the transaction is substantially unfair. In some cases it may be possible to grant relief only if the interest is so excessive as to create alarm at the very first hearing of the case, and in such cases transactions may be of themselves considered to be substantially unfair. Unless, therefore, the circumstances both attendant and antecedent are examined this difficulty of revising the transaction between the parties and of refusing the amount of interest as excessive will be present before Court, and even after doing that and examining all the circumstances of the case the Court has to determine what rate of interest is reasonable in that particular case. The prevailing rate of interest in these Courts and which is sanctioned by the highest authority being already high, the entire inquiry on the two points mentioned above would be fruitless if any relief is given in the matter of interest which is inconsistent with the pronouncement of the highest tribunal. It need not be pointed out that 24 per cent per annum has been considered to be a reasonable rate of interest in these provinces and it is difficult to reconcile these two positions.

3. As regards the second point, the debtors, as a rule, are ignorant and are incapable of keeping that vigilant eye over their own transactions which is expected of them if they are to get proper relief under this law. Hardly any plea under the Act is taken and experience has shown that even if pleas are taken, sufficient material that is required for successfully meeting with this plea does not come forward before the Court for proper

decision in the light of the various details which are required to be gone into. The money-lending class has always an upper hand in Civil Courts and is capable of meeting the required situation, and this is the undue effect of the law which has solely introduced that view of granting relief to the debtors and in the absence of any proper evidence on behalf of the debtors, the Courts find it difficult to give any relief although it is really open to the debtors. Cases are not infrequent in which it is found that the final transaction makes recital of consideration having been paid in cash although the transaction is as old as anything. All these circumstances make the application of the Act in favour of the debtors almost impossible.

4. The time spent in going through all these details is not altogether a negligible factor in such cases, and the Courts who have to deal with the cases have very little time to allot to such cases.

5. The defects could be overcome by either fixing a certain rate of interest as reasonable rate of interest and any rate of interest should be considered as excessive and the transaction substantially unfair or by introducing the law of *Damdapat* in the Act, and thirdly by making the provision for penalizing the creditors in cases of false recital in the documents by which the old transactions are intentionally shown as cash transactions. I am quite aware that these remedial measures will work a little hardship on the creditors, but the very object of the Act was to curtail the freedom of contracts which carried the state of affairs beyond reasonable control and any further control of the nature suggested will not work hardship on the creditors.

REPORT ON THE WORKING OF THE PROVINCIAL INSOLVENCY ACT.

1. The Provincial Insolvency Act with its amendments has now reached a stage when its practical application has been found to be helpful in giving the necessary relief to the honest debtors, but there are certain important drawbacks which have to be filled in before the Act can be said to be completely useful in the matter of administration of the Insolvency Law. A review of the previous figures will show that the insolvency petitions have now greatly increased in number, which means that the debtors are now making use of the protection afforded to them by the law. Within the first five years of the introduction of this law, the number of petitions presented by the debtors amounted to about 100 per year and the next five years show a tremendous increase in such petitions so that during the last year the number of petitions had gone to more than 300. This means that either the last five years were particularly bad or that the Act has been now probably availed of by those who stand in need of it. The number of petitions by the creditors is bound to be small as compared with the petitions presented by the debtors. The number of discharged insolvents was not more than 25 per cent and this shows that the number of honest debtors is pretty good. Some difficulties are still noticed in the administration of the Act and they may be stated as under:

(1) Section 10 (1) of the Insolvency Act provides conditions on which a debtor may make a petition and one of them is that

he must be unable to pay up his debts. There is no such corresponding provision in the case of a petitioning creditor under section 9 and if the creditor proves the three things mentioned in section 9, he is entitled to get an order of adjudication against the debtor, without showing that the debtor is unable to pay the debts. It must be understood that the cases in which the petitions for insolvency came from the creditors have to be treated on altogether different lines from those filed by the debtors and in some cases, injustice is likely to be done to the debtors and this situation is likely to be met with by the addition of a similar provision regarding the inability of the debtor to pay the debts as in section 10 of the Act. In the case of debtor's application, the term "inability to pay the debts" should be defined as it has been found by experience that the term is capable of being misunderstood. The question that arises in determining whether the debtor is or is not able to pay the debt is whether his ability to pay at once or his ability to pay the debt in course of time should be considered. In the former case, the scope of enquiry will be very limited and in the latter case, every petition is likely to be unsuccessful and thus, it is really difficult to determine the question of the debtor's ability to pay or otherwise. It appears that the reasonable way to look at the question is to determine whether he is immediately able to pay the debts or not; and if the term is defined in this light, the working of the Act will be made easy. A great difficulty is felt in these provinces, particularly on this point as a large number of the debtors are agriculturists who have a large area of occupancy land in their possession, and in their case although it may be said that though the debtor possesses non-transferable property to a considerable extent, he is unable to pay the debt immediately, but at the same time, to allow such debtors to get free from the operation of the Act, would also be unjust, and therefore, there is necessity to define the term as stated above.

2. Another difficulty that is found is that a large number of tenants are successfully able to defeat the creditors as there is no provision for availing of the agricultural fields to raise money out of these fields as no receivers can be appointed with respect to that property. This difficulty can be met by making suitable provisions either in the Act itself, or by the rules framed under section 79 of the Act, providing for the debtors to mention in their petition the income from their fields and other particulars that would determine the status of the tenant, and to utilize the income of the fields for payment of debts.

3. The question of appointing official receivers on the lines suggested by the Bengal Chamber of Commerce must be taken seriously into consideration to bring to justice, the fraudulent acts of the debtors, for which there is no scope in the Act as it is at present framed, and in my opinion, this system should be tried, at least in some districts in which the insolvency work is very heavy. In my opinion, there are some centres where there will be ample work for a salaried officer to work, and unless this is done, the Act cannot give that relief to the honest creditors which they should have in such cases.

4. It has been found that in some cases a debtor who is given conditional discharge on payment of a certain sum annually for the satisfaction of creditors disobeys this order; there is no provision in the Act for penalizing the debtor if he does not carry out this order. It is not possible to annul the adjudication on this ground alone as there is no provision for it and the debtor can very easily disobey the order of the Court.

5. Lastly, it has been found that a great delay in disposal of cases occurs on account of the congestion of the work and in some cases dividends, which should be promptly distributed amongst the creditors, are delayed for a long time. In a place like Nagpur, the insolvency work has grown considerably large and some arrangement to give a whole-time judge for this work or at least a judge who can devote a great portion of the day for that work will be welcome. Necessity is also felt in the matter of having specially trained judges to do this work as many important questions of commerce and business dealings arise, at least in places like Nagpur.

APPENDIX J-1 to J-17.

DISTRICT NOTES.

J-1.—BERAR COTTON ZONE.

1. "The Province of Berar," or the "Hyderabad Assigned Districts", as it was once variously known, has formed since 1903 a separate division administered by a Commissioner under the Central Provinces Government.

The area, which has certain homogeneous characteristics is divided at present into four districts Amraoti, Akola, Buldana and Yeotmal.

Berar stretches up to the north on to a branch of the Satpura Range known as the Gawilgarh Hills to touch the districts of Nimar and Betul of the Nerbudda Division of the Central Provinces, while to the south it continues up over the Ajanta Plateau to the borders of the Hyderabad State. It is bounded on the west by the East Khandesh district of the Bombay Presidency and on the east by the districts of Wardha and Chanda of the Nagpur Division of the Central Provinces.

2. The total area of Berar in acres is 11,373,597 divided up as follows:—

	Acres.
Forest, grass reserve and pastures	... 2,133,517
Free grazing land	... 390,426
Village communal land	... 77,106
Unculturable land, including village areas	... 201,667
Waste land available for cultivation and assessed to revenue.	... 44,302
Land occupied for cultivation	... 8,300,244
	Rs.
Total land revenue	... 99,47,574

The total land revenue represents an all round average of Re. 1-3-4 per acre. The total cropped area is 6,922,079 acres or 83 per cent of the area occupied for cultivation.

3. The four districts of Berar are divided into 22 taluqs. The total population of Berar at last census was 3,075,316 of whom 2,621,742 or 85.2 per cent resided in rural areas.

We have compiled the vital statistics of births and deaths since last census which indicate the following increase in population since then:—

	Per cent.
Amraoti	... + 9
Akola	... + 9
Buldana	... + 13
Yeotmal	... + 12

We have thus increased the figures of last census throughout by these percentages in estimating the present population.

The total rural population is made up as follows :—

Population.	Districts.				For Berar as a whole.
	Amraoti.	Akola.	Buldana.	Yeotmal.	
1	2	3	4	5	6
Belonging to the land holding cultivating class—					
Total ...	276,738	324,332	336,117	268,933	1,206,120
Families ...	55,347	64,866	67,223	53,787	241,223
Belonging to the farm servants and agricultural labourers class.—					
Total ...	326,839	306,467	238,193	331,764	1,203,363
Families ...	65,368	61,293	57,639	66,353	240,653
Others—					
Total ...	85,709	82,803	70,909	40,956	280,377
Families ...	17,141	16,561	15,982	28,191	77,875
Grand Total—					
Total ...	689,286	713,602	645,219	641,653	2,689,760
Families ...	137,859	142,720	129,043	128,331	537,953
Number of villages ...	1,800	1,734	1,364	1,802	6,700

There are in all 6,700 villages.

5. The statistics of the average village are then as follows :—

1	Districts.				For Berar as a whole.
	Amraoti.	Akola.	Bul'dana.	Yeotmal.	
	2	3	4	5	6
Belonging to the land holding cultivating class—					
Total ...	153	187	247	149	180
Families ...	30	37	49	29	36
Belonging to the farm servants and agricultural labourers class—					
Total ...	182	177	175	184	180
Families ...	36	35	35	37	36
Others—					
Total ...	48	49	59	78	58
Families ...	10	10	12	16	12
Grand Total—					
Total ...	383	413	481	411	418
Families ...	76	82	90	82	83
Total occupied area in acres	1,834,231	2,217,624	1,948,790	2,299,599	8,300,244
Total cropped area ...	1,648,918	1,902,934	1,636,818	1,733,409	6,922,079
Size of average holding—	Acres.	Acres.	Acres.	Acres.	Acres.
(a) Occupied area ...	32	34	29	40	34
(b) Cropped ...	29	29	24	32	28

The area of the average village is as follows :—

District.	Area under	
	Occupation.	Crop.
1	2	3
	Acres.	Crop.
Amraoti ...	1,019	918
Akola ...	1,280	1,191
Bul'dana ...	1,429	1,214
Yeotmal ...	1,277	963
Average for Division ...	1,224	1,033

6. *Land tenure.*—The system of land tenure in Berar has already been described in detail in Chapter II of the report.

Cultivating classes.—Throughout Berar, the Marathi Kuntb very greatly predominates although we find a small percentage of other castes in addition, while the comparatively large number of Muhammadans in Berar is due to the fact that Berar was for many years under Muhammadan rule.

7. Geographically Berar falls into three natural zones stretching from west to east :—

- (i) The Central valley of the Purna river, which is the most fertile part of Berar, containing the best black cotton soils for which Berar has always been famous. This is a very rich and fertile blackish clay and clay loam of great depth and very high capillarity. The general altitude of the Central valley is about 1,000 feet above sea level.
- (ii) The northern zone commencing at the northern border of the valley proper and stretching up, through the Melghat, on to the Satpura Hills to the north. The soils in this zone are lighter in texture and in colour, a brownish loam soil predominating interspersed again with pockets and valleys of rich clay loam. The general position, however, is undulating with a rapid rise to the summit of the hills, while in some places an elevation of over 3,000 feet is reached.
- (iii) The Upland Plateau of the Ajanta Hills to the south. These southern uplands are situated at an altitude varying between 1,400 and 2,000 feet. At the northern edge of the plateau there is in some places a rapid descent to the valley below, the plateau gradually sloping away to the south towards the Hyderabad State. On the plateau there are large stretches of good residual soil varying in quality between a rich clay loam and a lighter loam soil with the usual valleys and pockets of heavier deep soil.

8. *Climate.*—At one time, Berar was famous as the best wheat producing tract of the Deccan and has always had a considerable reputation for wealth and prosperity.

The statistics of rainfall however show that in recent years the rainfall has decreased particularly in the Central valley where the precipitation is usually considerably less than on the southern plateau and in the hills of the Melghat. The heaviest precipitation is usually in the south-east adjoining the Chanda district and the Wardha valley.

The rainfall in many recent years would not have sufficed even in the soils of the highest capillarity to produce good wheat crops in the Central valley, although these soils under optimum climatic conditions are capable of producing excellent winter crops.

The southern plateau, where the rainfall is usually more copious, is nowadays the tract where most of the wheat in Berar is produced. But, as a matter of fact, the area under wheat, as is described hereafter, has continued to fall.

9. *Fall in water table.*—As a result of the decrease in precipitation and of other causes, in the Central valley there has been a continuous and marked fall in the water table or level of the sub-soil water.

During the life time of many of the inhabitants, the general level is reported to have fallen in some places by 10 or 15 feet or even more. In consequence of the shrinkage of the sub-soil moisture, the chemical constituents of the heavier soils of the Purna Valley have affected the water-supply, the well water having becomes brackish in the tract known as the saline tract.

In Amraoti town itself, the continued fall in the water-supply, has given rise to great anxiety, necessitating special investigations into fresh sources of drinking water which have not up to now met with much success. It appears that the water table is now rapidly receding and some of the more pessimistic prognosticate the eventual desiccation of Berar into desert similar to the deserts of Sind and Rajputana. It would be outside the scope of our enquiry to pursue this interesting topic further.

10. The increasing demand for, and rise in prices of, cotton in the past have however to a great extent made up for the increasing difficulties in producing wheat, and have to a great degree obscured up to now the possible results of this increasing reduction in precipitation and in sub-soil moisture.

Cotton and juar fortunately require much less rain and moisture than many other crops and, in fact, in the heavier soils of the Berar Valley, cotton probably gives the heaviest yield when the rainfall is light, provided the distribution is favourable.

11. *Prices and cropping.*—The total area under cotton in 1886 was 1,420,139 acres or 26 per cent of the total cropped area.

The statement below exhibits the cropping in 1876-77, 1882-83, 1893-94, 1923-24 and in 1928-29 :—

Year.	Wheat.	Gram.	Juar.	Linseed.	Til.	Cotton.	Others.	Total.
1	2	3	4	5	6	7	8	9
1876-77	Acres. 537,831 8·39	Acres. 215,129 3·36	Acres. 2,251,678 35·11	Acres. 303,862 4·74	Acres. 132,987 2·08	Acres. 2,024,806 31·57	Acres. 847,268 14·75	Acres. 6,413,561 ...
1882-83	746,391 11·3	177,893 2·7	2,276,220 34·6	397,639 5·0	147,391 2·0	2,139,188 32·0	355,396 11·0	6,240,119 ...
1893-94	928,481 13·7	256,236 3·7	2,105,016 31·0	578,428 8·5	85,309 1·3	2,184,770 32·2	320,794 9·5	6,450,034 ...
1923-24	244,210 3·50	80,498 1·15	2,327,005 33·46	29,518 ·42	54,253 ·78	3,333,435 47·90	885,291 12·72	6,556,000 ...
1928-29	292,466	95,431	2,136,443	25,340	409,656	3,428,999	531,665	6,920,000

It will be seen that there has been a very great increase in the cotton area by over 50 per cent since 1893, while the wheat and gram area has continued to decline from 824,284 acres to 387,897 acres. In 1893-94 the area under wheat and gram exceeded 50 per cent of the area under cotton. In 1928-29 the wheat and

gram area together was approximately one-tenth of the area under cotton.

We attach a statement showing the prices of Berar cotton which is known in the Bombay market as Oomras from 1916 to 1928 per standard khandi of cleaned ginned cotton:—

	1916.	1917.	1918.	1919.	1920.	1921.	1922.	1923.	1924.	1925.	1926.	1927.	1928.
1	2	3	4	5	6	7	8	9	10	11	12	13	14
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
January ... { Highest	273	470	635	600	495	485	265	480	645	470	360	250	360
... { Lowest	250	365	595	510	450	335	220	430	570	440	330	230	345
February ... { Highest	262	380	660	640	460	380	245	490	615	465	350	290	336
... { Lowest	245	355	620	41	380	320	210	440	540	430	350	240	305
March ... { Highest	262	365	670	470	435	416	235	500	590	450	340	303	350
... { Lowest	252	345	665	380	380	340	160	430	530	450	310	280	340
April ... { Highest	257	370	740	470	415	420	270	480	580	440	325	295	350
... { Lowest	238	350	600	425	320	375	220	430	545	420	280	268	320
May ... { Highest	258	390	665	490	320	450	300	470	565	440	330	330	370
... { Lowest	240	320	610	395	260	390	245	420	545	360	275	290	335
June ... { Highest	260	450	635	515	300	480	315	480	585	440	325	330	385
... { Lowest	250	396	570	455	260	420	265	450	555	375	295	310	330
July ... { Highest	272	475	635	590	295	490	345	480	575	440	340	360	390
... { Lowest	258	425	615	495	205	430	275	435	545	400	310	320	320
August ... { Highest	308	465	...	530	240	485	390	460	570	430	340	410	330
... { Lowest	270	405	...	380	205	434	300	430	550	380	295	325	260
September... { Highest	310	420	...	410	290	495	525	490	560	410	335	420	290
... { Lowest	295	355	...	350	230	475	370	440	500	380	310	375	230
October ... { Highest	365	385	...	450	290	400	535	496	525	400	300	390	315
... { Lowest	305	360	...	380	235	355	365	470	490	340	300	330	270
November... { Highest	397	540	...	520	285	445	390	720	520	380	265	380	330
... { Lowest	350	370	...	425	225	380	300	485	490	320	205	340	280
December ... { Highest	420	398	...	505	270	445	495	715	500	315	250	350	330
... { Lowest	330	320	...	465	225	410	390	600	450	310	205	315	300

A reference to this statement will show that since 1916 the fluctuations in cotton prices have been marked and feverish, the rates sometimes varying by 30 per cent or more within a space of one month.

There was, however in spite of great fluctuations, a continued upward tendency until April 1918, when the price reached Rs. 740 per khandi of cleaned cotton in Bombay, equivalent to Rs. 250 per standard khandi of uncleaned kapas in the cotton markets of Berar.

Prices then fell, being round about Rs. 250 per khandi of cleaned cotton or about Rs. 85 per khandi of kapas during most of the season of 1920-21.

A rise then set in once more the prices varying between Rs. 350 and Rs. 500 during 1922-23 and soaring again to Rs. 720 in November 1923.

Prices then again began to fall, but for the most part kept well above Rs. 300 per khandi of cleaned cotton from 1926 to the end of 1928.

The price of cotton at the beginning of the cold weather of 1929, when our enquiries commenced, was about Rs. 280 to

Rs. 290 per khandi of cleaned ginned Oomras in Bombay equivalent to about Rs. 95 per khandi of kapas in the local markets of Berar. The price, however, fell very rapidly to below Rs. 60 per khandi of kapas in the Berar cotton markets and during March-April 1930 varied between Rs. 70 to Rs. 75. This is less than half the price prevailing in 1922-23 and less than one-third of the peak price. Since then prices have again fallen.

12. We have made the usual enquiry into agricultural indebtedness in Berar and have, in addition, made intensive economic enquiries in villages in each taluq of every district. We give below the position and the names of the villages where these intensive economic surveys were made :—

District	Tahsil.	Village.
Amraoti	Amraoti	Loni.
	Chandur	Mozri.
	Morsi	Sirkhed.
	Ellichpur	Assegaon.
	Daryapur	Kokarda.
Akola	Akola	Anvi-Mirzapur.
	Balapur	Karanja Ramzanpur.
	Akot	Adsul.
	Murtizapur	Belkhed.
	Mangrul	Poti.
	Basim	Chandas.
Buldana	Chikhli	Malgani.
	Mehkar	Ajni-Buzruk
	Malkapur	Dharangaon.
	Khamgaon	Lasur.
	Jalgaon	Manegaon.
Yeotmal	Yeotmal	Nandura Buzruk.
	Darwaha	Naigaon.
	Kelapur	Padha.
	Wun	Wagdhara.
	Pusad	Kupti.

In the course of our enquiry we have made the usual investigations (1) into the ordinary costs of maintenance, *i.e.*, for food and clothing of the average family of five persons, according to the ordinary standard of comfort prevailing, (2) into the costs of cultivation per acre of the various crops, (3) into the normal gross outturn of the different crops grown in Berar (4) into the size of holdings, (5) the amount of capital invested in gold and silver ornaments and (6) the distribution of indebtedness, etc., etc., and we have discussed these questions in the village enquiry notes and in the main body of the report.

13. *Costs of maintenance.*—We have examined in all the villages surveyed by us the individual estimates of each cultivator with regard to expenditure on the feeding and clothing of his family. These estimates may be said to vary enormously according to the tastes and standard of living of the individual cultivator.

As is explained hereafter, Berar is now suffering from the aftermath of the cotton boom, and those cultivators who after deducting the costs of cultivation may be obtaining some Rs. 400 net profits from their cultivation, were at the height of the cotton boom, though only half of their holding was under cotton, obtaining a net income of well over Rs. 1,000. This temporary increase in wealth and expansion of credit of necessity affected the standard of living, and although as is explained hereafter, the average Berari with that common sense and prudence for which he is famous, has on the whole weathered the financial crisis very well, there are still many cultivators who have not yet learned to adapt their expenditure to their reduced incomes, and generally, as is explained in the intensive enquiry notes, the estimates of cultivators of expenditure on maintenance is much higher than real necessity demands.

We give below, however, a detailed budget of the ordinary requirements of the ordinary cultivator's family according to the general standard of comfort at present prevailing. The staple food grain is juar which has always been a relatively cheap food grain and, as a matter of fact, living in Berar can be, when necessity compels, cheaper than in the wheat zone. The average expenditure according to the present standard of living is higher, as the average cultivator is not content to confine his diet to juar alone or his clothing to the ordinary minimum prevailing elsewhere.

Under these circumstances, we have endeavoured to strike the mean or to take a reasonable average estimate of food and clothing expenses; but it should be borne in mind that, whereas many cultivators may elect to spend more than this, many cultivators, owing to reduced incomes or other reasons, actually spend much less, while the cost of living of the ordinary agricultural labourer is probably well below Rs. 200 per annum.

Budget for the maintenance of an ordinary family of 5 persons per annum.

	Rs.	a.	p.
4 seers juar per diem at the average price of 12 seers per rupee.	120	0	0
10 kudos wheat	25	8	0
6 kudos rice	15	0	0
8 kuros dal	22	8	0
Sweet oil	15	0	0
Salt	2	0	0
Kerosene oil	8	0	0
Chillies and vegetables	15	0	0
Miscellaneous...	10	0	0
Total food expenses	233	0	0

It should be noted that this includes additional expenditure required for festivals and occasional visits of guests and costs of feasts. It should also be noted that the principal item, juar, is invariably produced by the cultivator in his own holding and is not purchased. We have, however, valued it at the normal wholesale price at which we have also valued the crop outturn,

Clothing expenses.

	Rs.	a.	p.
One coat...	4	0	0
Two pairs of dhotis	4	8	0
Two dupattas	3	0	0
Four kurtas ...	5	0	4
One pagote ...	4	0	0
One pair of shoes	2	8	0
Saris 2 to 4, say	12	0	0
Cholies	2	0	0
Children's clothing	15	0	0
Total clothing ...	52	0	0
Grand total ...	287	0	0

The poorer classes will confine their diet to juar and will do less entertaining and will cut down their costs of clothing, while the richer people may use larger quantities of the various articles and may substitute *ghi* for oil and may add sugar and milk, although in many cases *ghi* and milk are produced from the cultivators' own cattle.

14. *Costs of cultivation.*—The difficulty in estimating a fair average for the costs of cultivation is intensified in the cotton zone owing to the fact that cultivators invariably sow more than one crop in their holding, the area under juar and cotton being, as often as not, about equal. Although, therefore, individual cultivators are able to give an all round estimate of the total costs of cultivation of their mixed holding, they are not usually able to give a separate estimate for the costs of production of cotton alone, and it has taken us considerable time to separate the costs of cultivation of the individual crops, which is necessary for the purpose of estimating the total costs of cultivation in Berar as a whole.

The general opinion, however, everywhere expressed was that the cost of producing juar is not normally more than two-thirds of that of producing cotton, owing to the much less weeding required for juar and the heavy expenditure required on the picking of cotton, as we have explained in Chapter II of the report on the subject of cropping.

We have discussed this question in general detail in the individual village survey notes. The costs of cultivation will vary very greatly according to the amount of hired labour employed for the purpose. We have found instances where cultivators who employ the minimum of hired labour and who work themselves in their own holdings with their families, state that they do not spend more than Rs. 7 per acre on the cultivation of cotton; while we have found other gentlemen of unimpeachable veracity, who have explained to us that cotton cultivation costs them Rs. 25 per acre. These latter persons are largely absentees and others, who do not work in the field themselves and have to depend entirely upon hired labour for agricultural operations.

15. We give below a note explaining the average cost of cultivation of a mixed holding of 24 acres containing 16 acres of mixed cotton and tur and 8 acres of juar and mung, where all the weeding and cotton picking, etc., is done by hired labour

and where the cultivator owns a pair of bullocks and does the ploughing himself assisted by a hired pair of bullocks on certain occasions.

Costs of cultivating a mixed holding of 24 acres containing 16 acres of cotton and tur and 6 acres of juar and mung.

	Rs.	a.	p.
Depreciation on value of bullocks cost Rs. 160 life 8 years	20	0	0
Bullock feed—Cotton seed	34	0	0
<i>Preparatory Tillage.</i>			
Removal of parhatya, turtya, etc., at Re. 1 per acre	24	0	0
Hire of extra pair of bullocks to assist in the summer bakhari at Re. 1-8-0 per day for 8 days.	12	0	0
<i>Seed.</i>			
Cotton 12 lbs. per acre	9	0	0
Tur 2 pailies	1	12	0
Juar 4 pailies	1	4	0
Mung 2 pailies	0	8	0
Sowing charges price of extra pair of bullocks and a labourer—	12	0	0
<i>Weeding.</i>			
(1) for cotton Rs. 40	60	0	0
(2) for juar Rs. 20	0	0	0
Dervan	10	0	0
Watch for 4 months at Rs. 2	8	0	0
Cotton picking Re. 0-5-0 a maund—average (If cotton is 10 maunds to the acre: If 15 maunds Rs. 75.)	52	0	0
Tur cutting Rs. 3, juar cutting and threshing Rs. 15 (in addition to payments in kind).	18	0	0
Depreciation on implements, ropes, etc.	5	0	0
Manure once in 8 years	20	0	0
Cost for 24 acres of mixed crop	292	8	0
Cost per acre	12	4	0

This produces a total, on an average, of Rs. 12-4-0 per acre, excluding the rent. But actually many cultivators will do the hot weather cleaning of stubble and shrubs themselves with their own families, and will also do with their own families a considerable part of the weeding and cotton picking, etc., which reduces the cost of cultivation by at least Rs. 3-8-0 per acre.

16. For the purpose of our calculations we have estimated the ordinary average cost of cultivation excluding the rent, which forms a separate item, and excluding the costs of maintenance and food of the cultivator's family which also forms a separate item in our calculations, at Rs. 12 per acre actually cropped with cotton and Rs. 8 per acre cropped with juar. It will be remembered of course that in the more fertile portions of Berar adjoining the railway where the outturn is heavier and the wages of labour are possibly higher the costs of cultivation will be considerably more than in other areas, whereas a large number of cultivators do not manure their fields at all, while others spend more on manure, but obtain in result a much heavier outturn.

17. Rao Sahib Mahadaorao Deorao Deshmukh, a big Izardar and Jagirdhar of the Yeotmal district, who appeared before us as a witness, quoted from his own accounts to show

that his own expenses for cultivating 400 to 500 acres of mixed cotton and juar varied between Rs. 3,000 and Rs. 4,000 or considerably lower than the average taken by us.

18. We have also for the purposes of our calculations, separately estimated the cost of cultivating tur and mung-urad which are generally sown with cotton. We fully realize that in many cases cultivators will actually spend more than others on the costs of cultivation if they do not work themselves in their own fields; but as caution is our watchword and as we do not wish to run the risk of any kind of overestimation, we feel that the figures adopted by us are sufficiently high. If we were to adopt a higher figure the net profit from agriculture will of course be even less than they appear to be at present prices. We give below a statement showing our estimate of the costs of cultivation for each district and for Berar as a whole of all the crops produced therein.

BERAR.

Cost of cultivation of all crops.

Crops.	Amraoti.	Akola.	Buldana.	Yeotmal.	Berar.
1	2	3	4	5	6
	Rs.	Rs.	Rs.	Rs.	Rs.
Rice irrigated (Transplanted).	...	...	...	...	...
Rice unirrigated ...	...	300	...	...	300
Rice irrigated (Broadcast).	...	...	...	...	...
Rice unirrigated ...	41,951	1,13,256	29,736	95,520	2,80,463
Juar ...	33,09,117	49,16,256	32,81,712	36,25,884	1,51,32,567
Juar and arhar ...	...	...	...	540	540
Kodo, kutki and bajra.	51,573	52,848	2,17,352	41,051	36,864
Wheat ...	7,77,972	9,90,444	8,80,836	5,19,700	31,68,952
Wheat and gram	...	...	...	...	...
Arhar, urad, mung, etc.	7,27,592	7,90,090	6,25,536	10,31,582	1,08,04,900
Gram ...	1,20,256	1,69,256	2,04,218	1,53,112	7,46,842
Teora and bajra ...	14,340	51,144	20,862	11,285	97,631
Masur ...	15,264	16,860	5,040	768	37,832
Other cereals ...	36,510	21,372	1,56,696	24,750	1,39,328
Til ...	61,788	48,600	49,632	1,30,740	2,90,660
Linseed ...	28,086	34,662	20,064	66,168	1,48,980
Linseed and gram ...	...	...	...	...	...
Other oilseeds ...	55,092	1,20,744	3,19,182	32,724	5,27,742
Spices ...	1,37,280	1,12,410	1,48,500	99,660	4,97,850
Sugarcane ...	7,840	27,760	48,240	23,680	1,07,520
Cotton ...	1,15,75,707	1,24,43,798	87,08,364	85,49,640	4,12,77,506
Others ...	81,894	66,265	49,935	1,09,722	3,07,816
Garden produce ...	1,23,780	2,18,700	87,620	66,740	4,96,840
Total ...	1,71,86,032	2,01,94,772	1,48,53,525	1,45,83,306	6,68,17,635
Average cost of cultivation per acre.	Rs. a p. 10 6 0	Rs. a p. 10 8 0	Rs. a p. 9 0 0	Rs. a p. 8 4 0	Rs. a p. 9 8 0

19. *Gross outturn.*—Just as we found in our enquiries great variations in the costs of cultivation, so too we have found great variations in the normal outturn of crops in different parts of Berar.

In some of the fertile villages we found that one standard khandi of cotton per acre was usually received in many fields (*vide* Dharangaon near Malkapur). The present value of land in that village after the fall in prices of cotton was found by examination of leases, and was admitted, to be over Rs. 600 per acre, while the cultivators stated that at the height of the boom, the ordinary value of land had gone as high as Rs. 2,000 per acre.

Elsewhere we found that the ordinary outturn of cotton was not more than one-fourth of a khandi which means under 200 lbs. per acre cotton.

The standard outturns, according to the Government estimate for a normal crop in each district as a whole, based on numerous experiments over a number of years, are as follows :—

District.	Government standard outturn of	
	Cotton.	Juar.
1	2	3
	Lbs.	Lbs.
Amraoti	320	700
Akola	320	700
Buldana	280	700
Yeotmal	270	700

20. According to the suggestion of Mr. Namdeo Rao Patel, M.L.C. (witness No. 46), a practical cultivator and legal practitioner of many years' standing, we have applied as a cross-check an examination of the total number of bales of cleaned cotton pressed in Berar in the year 1928-29. Mr. Namdeo Rao Patil estimated that 10 per cent of the total cotton brought into the markets of Berar might be imported from Hyderabad and elsewhere.

We consider this to be a very liberal estimate. On the other hand, a certain amount of cotton is consumed in the local cotton mills for private consumption and for home-made cloth, etc., while we also found that a considerable amount of cotton produced on the border land in Berar was taken for sale to the markets of Arvi, etc., outside Berar.

We feel, therefore, that, if we make an allowance of 10 per cent for imports from outside Berar, we should be on safe ground if we set this off against an allowance of 5 per cent for internal

consumption and 5 per cent for the uncleaned kapas taken by road to the markets outside Berar.

21. In 1928-29, the total number of bales of cotton pressed in Berar was 1,005,312. One bale of 382 lbs. of ginned cotton, according to the ordinary percentage, represents about 1,100 lbs. of uncleaned kapas, which is to say that the 1,005,313 bales cleaned cotton pressed was equivalent to 1,105,843,200 lbs. of uncleaned unginned kapas. This implies an average all round outturn of cotton in that year for the whole of Berar of 323 lbs. per acre. This is actually a figure substantially above the Government estimates of outturn, but as we are throughout most anxious to avoid the risk of any kind of overestimation, we feel, under these circumstances, that we shall be on safe ground if we adopt the Government's estimates of standard outturns in the four districts, which after all have been based upon very careful enquiries spread over a number of years.

The outturn of juar also varies greatly in different parts of Berar, the variations being possibly even greater than those of cotton. The ordinary outturn is said to be about 700 lbs. per acre.

22. *Weights and measures.*—We may note before leaving the question of outturns that the local measures vary in a most extraordinary manner from village to village, from tract to tract and from district to district. The measure of kapas varies, the khandi of kapas being sometimes of 20 and sometimes of 28 maunds, while the maund is sometimes of 14, sometimes of 15 and sometimes of 20 seers. These differences in measurement which have been carefully considered by us in each village survey should be borne in mind in reading our notes on these economic surveys.

Fortunately a weights and measures bill has recently been passed into Law by the local Legislative Council which, upon application, will necessitate the introduction of standard weights and measures.

23. We give below the value of the total outturn of the cropped area in each district and in Berar as a whole. In valuing the crop outturn we have taken the normal wholesale price which is the average of the prices prevailing in recent years for all crops, except for cotton. Having regard to the extreme fluctuations in the price of cotton, we have thought it safer to adopt, for the purposes of valuation, the price of March 1930 which approximated to Rs. 75 per standard khandi of 392 seers of kapas.

24. We have already discussed in Chapter II of the report the cropping of wheat, the costs of cultivation of which are less owing to the fact that no weeding or picking is required, the only costs being ploughing and sowing and harvesting and the seed; but the seed of course is a much more expensive item than the cotton or juar seed.

In Berar, where wheat is sown with a tiphan, the amount of seed sown is considerably less than in the north of the province; but on the other hand we have borne in mind that the normal price of wheat in Berar is much higher than in the north of the

province and we have, therefore, not taken a figure for the costs of cultivation substantially different from that adopted for the wheat zone proper.

Our village enquiries indicated a fairly heavy outturn of wheat where it is grown; but we have thought it safer to adopt, for the purposes of calculation, the Government estimate of the normal outturn of 500 lbs. which is the same as that of Wardha, Nagpur, etc., but which is considerably less than the outturn in the north of the province.

Owing to the much shorter cold weather, the wheat crop has less time for growth and reaches a more or less stunted maturity at least one month earlier than in the wheat zone.

25. *Gross value of all kinds of crops.*

BÉRAR.

Value of gross outturn of all crops.

Crops.	Amraoti.	Akola.	Buldana.	Yeotmal.	Berar.
1	2	3	4	5	6
	Rs.	Rs.	Rs.	Rs.	Rs.
Rice irrigated (transplanted).	...	...	...	...	...
Rice unirrigated	...	1,000	...	...	1,000
Rice irrigated (broadcast).	...	...	...	...	...
Rice unirrigated (broadcast).	1,29,080	3,77,520	99,120	3,18,400	9,24,120
Juar	14,181,930	20,894,086	16,408,660	18,129,420	6,96,14,096
Juar and arhar	...	...	...	2,250	2,250
Kodon kutki and baira.	2,06,292	2,62,624	7,67,732	1,91,758	14,28,406
Wheat	24,63,578	28,88,795	25,69,105	18,18,950	97,40,428
Wheat and gram	...	...	...	...	...
Arhar, urad, mung	34,88,716	39,51,000	27,10,656	49,03,522	1,50,53,894
Gram	4,50,960	5,28,925	7,58,524	5,74,170	23,25,579
Teora and batra	59,750	1,70,480	86,925	58,682	3,75,837
Masur	76,320	84,300	23,520	3,840	1,87,980
Other cereals	1,52,125	86,050	6,52,900	1,03,125	9,94,200
Til	2,57,450	2,71,600	2,15,072	6,10,120	13,54,242
Linseed, cereals	1,21,706	1,61,756	93,632	3,08,784	6,85,878
Linseed	...	...	...	...	...
Other oilseeds	2,29,550	5,03,100	13,82,622	1,36,350	22,51,622
Spices	5,49,120	3,74,700	4,95,000	3,65,200	17,84,020
Sugarcane	19,600	69,400	1,20,600	59,200	2,68,800
Cotton	2,84,94,048	2,87,16,450	2,03,19,516	1,70,99,280	9,45,29,294
Others	3,41,225	3,31,325	2,49,675	4,57,175	13,79,400
Garden produce	3,71,340	2,28,700	2,62,860	2,00,220	10,63,120
Total	5,12,92,790	5,99,01,811	47,21,519	4,53,20,446	20,37,30,166
Average value of gross outturn per acre.	31	31	Rs. a. p. 28 8 0	26	29

26. *Marketing.*—We allow 5 per cent deduction from the market value of the gross outturn to allow for the losses incurred in marketing as explained in Chapter VII of the main report.

27. The result per acre for each district after this deduction then is—

		Per cropped acre.	
		Rs. a. p.	
Amraoti	29 8 0
Akola	29 8 0
Buldana	27 0 0
Yeotmal	24 10 0

28. These figures refer to the net cropped area only. But there are always considerable areas in the occupation of cultivators which are not actually sown although assessment is paid on them. The total occupied area is 8,300,244 acres although only 6,922,079 acres or 83 per cent are actually cropped. If we deduct the costs of cultivation and of marketing from the value of the gross outturns, we get, therefore, the following balance per occupied acre (when cotton sells at Rs. 75 per khandi):—

		Rs. a. p.	
Amraoti	17 2 3
Akola	16 2 3
Buldana	14 3 3
Yeotmal	13 6 0

We have explained in the report that these figures are considerably lower than those of the average profits from rice cultivation in the rice zone.

29. *Assessment.*—In addition, the cultivators are required to pay the land revenue assessment which represents the following rate per acre for the four districts and for Berar as a whole:—

District,	Total occupied area.	Total demand.	Average per acre.
1	2	3	4
		Rs.	
Amraoti	1,834,231	30,60,776	1 10 0
Akola	2,217,624	31,29,966	1 6 6
Buldana	1,948,790	25,50,522	1 4 11
Yeotmal	2,299,599	12,06,310	0 8 5
For Berar as a whole	8,300,244	99,47,574	1 3 2

30. We can now proceed to consider the average income and expenses of the average Berar cultivator. We have already given above the areas of the average holding for each district, while

the subsequent statements have shown the average costs of cultivation per acre of the whole areas cropped under all kinds of crops and the average value of the gross crop outturn under all kinds of crop per acre.

We have discussed the question of the average holding in Chapter II of the report. There are undoubtedly many cultivators with holdings less than 20 acres while some have very large holdings. We are dealing here with the average only.

31. Applying these average acreage figures to the average holding in each district, we obtain the following results:—

District.	Area of average holding.		Details of expenditure.				Normal value of average gross crop outturn.	Marketing at 5 per cent.	Surplus for agriculture
	Occupied area.	Cropped area.	Revenue.	Costs of cultivation.	Costs of maintenance.	Total expenditure.			
1	2	3	4	5	6	7	8	9	10
			Rs. a.	Rs. a.	Rs.	Rs. a.	Rs. a.	Rs.	Rs.
Amraoti ...	32	29	56 0	304 8	287	647 8	899 0	45	206
Akola ...	34	29	43 0	304 8	287	634 8	899 0	45	219
Buldana ...	29	24	38 0	216 0	287	541 0	684 0	33	110
Yeotmal ...	40	32	22 8	272 0	287	565 8	832 0	41	209
Average for Berar as a whole.	34	28	33 4	266 0	287	626 4	813 12	40	187

The surplus of the cultivator with a holding below the all round average will of course be less.

32. *Subsidiary income.*—Before leaving this interesting topic, it is necessary, in order that the picture may be reasonably complete, to consider briefly the other income from subsidiary sources which the cultivators of Berar obtain.

33. We have, in our economic surveys, examined the cultivators with regard to their individual income from these subsidiary sources and, in the main body of the report, have exhibited the results. The sources of subsidiary income are many and various. In the first instance, as is explained in the report, although in the costs of cultivation we have allowed for the annual capital depreciation on the price of bullocks, as a matter of fact a large number of cultivators in Berar breed their own cattle and do not buy bullocks, while practically all the cattle in Berar are bred in Berar, so that those who purchase cattle purchase them from other cultivators. Cattle-breeding is, therefore, a very important source of income.

34. The total number of cattle in Berar at present is—

Bullocks	...	...	834,577
Cows	...	...	586,968
buffaloes	...	...	22,623
He-She-buffaloes	...	...	231,216
Others including calves	...	...	1,008,832

which, if we value at the moderate prices of

			Rs.
Bullocks	...	...	50 each.
Cows	...	...	20 "
He He-buffaloes	...	...	50 "
She-buffaloes	...	...	80 "
Others including calves	...	...	15 "

represent a total value of Rs. 7,21,96,120. As the normal life of cattle is about ten years, we may assume that cattle of a total value of one-tenth of the total existing value, or Rs. 72,19,612, are produced every year in Berar, which represents Rs. 14 per family of all persons residing in rural areas, including cultivators and agricultural labourers and others.

35. In addition many of the bigger cultivators finance their poorer brethren and a considerable portion of the interest charges forms part of the subsidiary incomes of those bigger men.

36. Carting is also an important subsidiary industry. A large number of smaller men earn substantial wages in carting agricultural and other produce to the wholesale markets, while in the areas adjoining forests and grass lands, good incomes can be obtained by carting firewood, grass, etc., to those places where they are in demand.

37. In addition, very many of the smaller cultivators supplement their income from their small holdings by agricultural labour in the holdings of others.

38. While quite a number of persons migrate to the towns in the cotton season and earn a good income there in gins, presses and in miscellaneous employment in the market towns for several months of the year. Weaving, oil pressing, shop-keeping, etc., etc., are other subsidiary employment.

39. As is explained in the main body of the report, the Total income from subsidiary sources in the villages economically surveyed by us represents the following averages per cultivating family according to the cultivator's own statements:—

Statement for Berar of subsidiary income.

District.	Families examined.	Total non-agricultural income.	Per family.
1	2	3	4
Amraoti	750	Rs. 1,65,205	Rs. 220
Ahola	519	96,604	186
Buldana	639	1,09,038	171
Yeotmal	146	16,758	115

We shall then be on very safe ground, if we assume that the average income per cultivating family from these subsidiary sources cannot be less than Rs. 50 per annum, although it is probably much greater.

Some will obtain much more; there is no doubt that all, if they desire, can at least earn this amount; while those who earn less will be those who, through natural ineptitude, or owing to substantial incomes, do not care to supplement their incomes from these sources.

40. It will be seen that in a normal year with cotton at the price of Rs. 75 per khandi, the ordinary surplus of cultivation with the average holding from agriculture in the four districts would be as follows:—

District,	Surplus.
	Rs. a. p.
Amraoti	206 8 0
Akola	219 1 0
Buldana	110 0 0
Yeotmal	209 8 0
Total for Berar	187 8 0

When cotton was at Rs. 125 per khandi the balance of the average agriculturist was much greater. At peak prices, however, when khandis were selling at Rs. 250 per khandi, the income increased as follows:—

	Rs.
Amraoti	1,023
Akola	824
Buldana	572
Yeotmal	733

Since this note was written cotton has fallen to Rs. 50 per khandi. At this price the surplus will be insignificant.

41. We have explained in Chapters II and IV the many other expenses which the cultivator has to meet from this net balance, i.e., marriages, interest charges, debts, etc., etc.

42. *Land values.*—It now becomes possible to consider the financial position of Berar in its true perspective. Our enquiries show that at the peak of the cotton boom the value of land was probably three times what it is today. Prices are probably still falling; but our enquiries show, at present, rates varying between Rs. 50 per acre in the inferior and more backward tracts and Rs. 300 to Rs. 400 per acre in the best part of the Purna valley, the highest average price which came to our notice being Rs. 612 per acre in Dharangaon village. We shall be on very safe ground, therefore, if we estimate the all round average value of the occupied area in Berar at Rs. 100 per acre. If there is a rise in the price of cotton in the future, land values will of course increase. At Rs. 100 per acre the value of the total occupied area comes to Rs. 83,00,24,400.

43. We also made in each village surveyed by us enquiries into the amount of gold and silver ornaments in the possession

of cultivators. The total value according to their own statements represents the following averages per family :—

	Rs.
Amraoti	207
Akola	263
Buldana	171
Yeotmal	359

44. *Indebtedness, sources of finance and credit facilities required.*—In Chapter I of the report the methods adopted by us for estimating the volume and distribution of indebtedness throughout the province and in Berar are explained.

We have examined in detail the individual indebtedness of 72,830 persons spread all over the division, and have applied the usual calculations based on the resulting multiples for working out the total agricultural indebtedness. The results are as follows :—

	Rs.
Total secured and unsecured debts of Berar as a whole.	15 10,92,784
Total debt secured by mortgage	9,31,08,854
Total unsecured debts	5,85,03,930
	Acres.
Total area mortgaged	1,367,130
Total occupied area	8,300,244
Percentage of occupied area mortgaged	16 per cent.
Total number of families of cultivators	241,223
Number of kabsjedars who have mortgaged their land.	77,483
Percentage of kabsjedars who have mortgaged land	32 per cent.
Percentage of kabsjedars free from debt	45 per cent.
Percentage, according to our economic surveys, who are indebted beyond hope of redemption.	4 per cent.
Percentage heavily indebted who might be freed by amortisation of their debts with long term loans at a reasonable rate of interest.	25 per cent.
	Rs.
Average debt per family	626
Average debt per acre	18
Average value of land per acre	100
Multiple of the assessment which the debt represents.	17
Average amount of mortgage debt per acre of land mortgaged.	69

45. We have already explained in the main body of the report that on an average about 40 per cent of the sum required for the cost of cultivation is annually taken on short-term seasonal advances repayable at harvest; the total costs of cultivation are estimated at Rs. 7,39,26,635, 40 per cent of which will represent Rs. 2,95,70,650.

We have already explained in the main body of the report that it may be confidently assumed that this sum at least is repaid at harvest, and we should be perfectly justified in reducing the total indebtedness disclosed at the time of our enquiry by this amount as our enquiry was made before the harvest was completed (*vide* Chapter IV of the report).

46. We have pointed out already that 55 per cent of the kabsjedars only are indebted, of whom 4 per cent are hopelessly indebted and 25 per cent more or less heavily indebted, leaving

a balance of 27 per cent whose principal debts, at the time of our enquiry, were the short-term seasonal advances which they had taken for financing their agricultural operations.

47. The purposes for which individual debtors alleged that these debts have been incurred are as follows:—

	Per cent.
1. Repayment of earlier debts	... 33.1
2. Marriage and ceremonials	... 13.6
3. Maintenance and household expenditure	... 4.5
4. Payment of land revenue	... 0.3
5. Cultivation expenses, seed, manure, etc.	... 21.58
6. Purchase of improved implements	... 0.2
7. Sinking of well, and agricultural improvement	... 4.8
8. Purchase of land	... 18.5
9. Litigation	... 2.8
10. House building and business	... 4.4

48. It will be seen that the four main purposes for which loans were taken were (1) for repayment of earlier debts, (2) for the purchase of land, (3) for cultivation expenses and (4) for marriages and other ceremonies.

In fact the repayment of earlier debts and the purchase of land account for more than 50 per cent of the total debt. With regard to item 5, "Cultivation expenses", it is not necessary to add anything to what has already been stated. This item covers the ordinary short-term loans which are annually taken for financing agricultural operations by a large number of cultivators, who have a permanent cash credit with their sowkars taking advances from time to time as they require them and making repayments after their crops have been marketed.

49. Item No. 1, "Repayment of earlier debts", is shown by our intensive economic surveys to include a considerable amount of debt incurred for the taking of land on lease at high rent-rates, which subsequently could not be paid, also for marriages and ceremonials with a certain percentage of old inherited debt. But a very large proportion of the debt, both for the purchase of land, for marriages and ceremonials and for the repayment of earlier debt, dates from the period of the cotton boom.

50. *The boom period.*—We have explained above that when prices were fluctuating wildly from month to month with a continuously upward tendency, the cultivator's net income was varying between Rs. 300 and Rs. 1,200. The continued upward tendency created the natural impression in men's minds that land was a profitable investment; and land values rose. There was a natural scramble for land and many persons not only invested their savings in the purchase of land at high prices, but also borrowed money for making what at that time appeared to be a very safe and remunerative investment. There followed all those inevitable results which arise from a sudden and temporary increase in wealth and expansion of credit.

The wages of labour rose and with it the cost of cultivation. The general standard of living rose also.

51. Fifteen years ago, although antiquated taxis occasionally plied for hire, a motor car was a comparatively rare thing in Berar. But now even in the wayside villages there will be numerous well built and comfortable motor omnibuses on the stand, and on any of the main roads in Berar you will find numberless motor buses carrying a full load of passengers from one village to another.

We have not thought it necessary, in the short time at our disposal, to take a census of the motor buses in Berar; but the figure will probably run into thousands.

The cultivator who previously was contented to walk on foot from one place to another or to go in his damni of trotting bullocks to the next town, will now sit on the road side and hold up his hand to stop any motor car even that of private persons or of Government officials, in the hope that it is a taxi cab which will convey him to his destination.

In our enquiries at Akot; for instance, we were informed that cultivators living only two miles away from Akot town would now ride in a motor car rather than walk to Akot.

52. All over the world and in all ages, the newly rich have found no difficulty in spending their money, and as no adequate facilities existed or exist, as has been explained in Chapter XVI of our report, for the accumulation of savings by capital investment, the purchase of land was after all the most natural object to which surplus funds would be diverted.

53. *Stories of the boom period. Results of the absence of adequate investment facilities or habit of investment.*—We have heard all sorts of stories about the way in which money was spent in that period of unprecedented prosperity. It will perhaps be almost correct to state that more money was poured into the lap of the Berari in that period than he knew how to make use of. Had a thrift campaign with proper investment facilities been undertaken in that period a sum possibly totalling 50 crores of rupees might have been put by in capital investment. As it was, money was spent on the purchase of motor cars and on marriages and other ceremonies carried out on a lavish scale.

We have been told of many instances where cultivators purchased silver plated yokes for the country bullock damnis and velvet embroidered upholstery and some even had silver covered spokes for their wheels, while in extreme cases silver is said to have been substituted for the iron tyres. Some took to whisky, champagne and other foreign liquors. So we have been told.

There is a natural temptation to exaggeration in describing the conditions which then prevailed and this must be discounted. But there is no doubt that a very large sum of money was squandered on purposes which now seem entirely useless, although they may have added to temporary enjoyment.

54. Those then who invested their surplus in land may be said to have been among the relatively wiser members of the community. Prices continued to fluctuate. They fell rapidly, but they rose again, and as the fall and rise in the price of agricultural produce had no apparent connection with the amount of the crop outturn, the price in one instance being the highest in a year of bumper harvest, the cultivators in Berar, who cannot be expected to appreciate the influence of world factors, were only confirmed in their hopes that prices, even when they fell, would continue to rise again. It was, therefore, almost impossible for them to adjust their expenditure to their varying incomes and, if all these circumstances be carefully weighed, we think that a fair-minded person will agree that the Beraris on the whole have weathered this crisis wonderfully well.

It is also, we think, true that this boom, like all other temporary and sudden accretions of wealth of the kind, has possibly in the long run done more harm than good to those persons who were affected by it.

55. The boom days have now gone, and we have returned more or less to pre-war prices: but it will of necessity take some time for the local cultivator to realize the future before him.

It was during the period of these wide fluctuations that most of these debts were incurred, in the hope which was ever springing in the human breast whenever a temporary rise in prices occurred, that the same high prices and the same boom years would come again. But unfortunately, for the last two years the crop outturns have been relatively poor, while prices have continued to fall. We have to deal now with the situation as it now presents itself.

56. We have heard opinions expressed in some quarters that the limit of indebtedness of the Indian cultivator is simply the degree of his credit, and that improved credit facilities result only in increased indebtedness. The history of Berar in recent years at least gives the lie to this opinion.

We find that, in spite of this unprecedented crisis only 4 per cent of the total body of cultivators are indebted beyond hope of redemption, while only 25 per cent are what can be considered heavily indebted, having regard to present land values. It is true that they bear a substantial portion of the total burden of debt, but we feel also that they cannot be considered to be themselves entirely responsible for the misfortune which has come upon them through influences outside their control.

It is no good crying over spilt milk, nor lamenting the mistakes of the past. It seems, however, to be urgently necessary to start a thrift campaign with the least possible delay and to provide proper facilities for savings and investment in the future.

It is impossible to foretell the future, and it is possible though not probable, that boom years may come again. And we

should now forestall the future in such a manner as to make it unnecessary for surplus earnings to be squandered in a similar manner again, that is to say, we should at least make it possible for the surplus earnings in good years to be invested in a suitable manner.

57. It also appears to us to be urgently necessary to start a land mortgage bank for amortizing the debts of those persons who, without some assistance through the means of long-term loans at low rates of interest, are likely to lose their land. It is true that only one-sixth of the total land in Berar is at present mortgaged; but it may be equally true that nearly all that land and more land in addition will pass out of the hands of the pre-

58. *Sources of finance.*—There remains the question of the existing debts bearing high rates of interest.

58. *Sources of finance.*—There remains the question of the sources of finance. The sources from which the existing total amount of debts were raised are as follows:—

	Per cent.
1. Mahajan	92.3
2. Co-operative Bank	5.6
3. Landlord	1.5
4. Government	0.6

59. *Government.*—Government in the present case comes last and least. Throughout our enquiries in Berar, both in the villages and during the period when we were recording evidence, we were urged to press for the extension of Government taccavi operations in Berar. We consider the position of the co-operative societies below; but we may state here that there is a large and influential body of opinion that the co-operative credit societies, as formed and managed in the past, have been little or nothing more than mere borrowing groups; and that, if the sole object of the co-operative credit movement is to create borrowing groups, it would be far better for Government to take over the existing amount of deposits with the Central Banks at the present rate of interest, and to use that money for making taccavi advances on joint liability as is done at present.

We feel that it is perhaps difficult to make out a strong case for the wide extension of taccavi operations in Berar, until it becomes possible for Government to finance the requirements of the cultivators, particularly its own raiyats in the raiyatwari villages, in the more backward tracts of the Central Provinces. We do not propose, therefore, to say more upon the subject beyond pointing out the smallness of the part which Government plays in the financing of agriculture in Berar.

60. *Co-operative credit societies.*—There are in Berar 11 Central Banks with 726 societies. Out of the total number of

241,223 kabjedars in Berar there are in all 10,947 members of co-operative credit societies, that is to say, a little more than 4 per cent of the kabjedars are members of these societies.

These persons hold between them 233,067 acres of land on Rs. 3,19,193 assessment, *i.e.*, they hold roughly 2 per cent of the total occupied area in Berar.

They owe in all Rs. 84,78,554 to the societies, while, from the statements of those societies who have supplied us with the figures of the outside indebtedness of their members, it appears that these persons also owe Rs. 39,67,967 to other persons. 43 of the societies have not supplied us with the figures of the outside indebtedness of members. The total outside indebtedness of members of societies must exceed forty lakhs of rupees. The available figures, however, indicate that the total debt of members of co-operative societies is at least Rs. 1,24,46,511 or about 8 per cent of the total debt in Berar, although they themselves amount to only 4 per cent of the total number of land-holders and hold only 2 per cent of the total occupied area.

Their average debt amounts to Rs. 1,137 per member or Rs. 53 per acre, which at our estimate of Rs. 100 per acre as the present average land value, amounts to 53 per cent of the value of the land which they hold. It also amounts to 38 times the land revenue assessment, that is to say, that their average debt exceeds 50 per cent of the value of the land which they hold, whereas the all round average debt of the cultivators is only 17 per cent. We have discussed the co-operative movement in Chapter XI and we do not think that there is any need to comment further upon the operations of the co-operative credit movement in Berar.

The average rate of interest charged by the Central Banks to their societies is 9 per cent who in their turn charge 12 per cent to members of the society unless owing to the accumulation of the society's reserve, the rate charged to societies has been reduced to 7 or 8 per cent as has occurred in some cases which are relatively rare. In these cases, the interest charged to members has been reduced to 10 or 11 per cent.

Having regard to the fact that the kabjedars in Berar have full rights of transfer in their land, it would appear that 12 per cent is a high rate of interest to charge on the joint and unlimited liability of persons holding in addition valuable rights in land, although this rate may possibly not seem excessive in the case of the occupancy tenantry of the Central Provinces, who have no transferable rights in their land and who are therefore not likely to be able to borrow money on their individual security at so low a rate.

61. *Mahajan*.—By far the most important sources of agricultural credit is, however, the mahajan or money-lender.

Our enquiries show that the amount advanced by brokers and dalals, etc., is relatively small. The general belief that they

advance large sums on condition that the borrowers should sell their produce through them, has little foundation in fact, and our enquiries showed that though some brokers and adatyas do make advances to their clients when the crop is standing and their clients sell their produce through them, they do so not because there is any sort of obligation, but because the personal relations between them and the broker are such as to make it natural, not only for the broker to advance money, but also for the cultivators to sell their produce through him.

62. A certain amount of money is advanced by big money-lenders in the towns, particularly on mortgages for larger amounts. But by far the most important credit agency is the ordinary village money-lender, many of whose financial operations do not exceed a total sum of 10 to 15 thousand rupees. There are often two or three or even more men of this class in each large village.

At least 50 per cent of the cultivators have permanent cash credits with these mahajans and they take advances for their agricultural operations as they require them, repaying at harvest. Sometimes they also take advances for food and clothing in the interim before the coming of the harvest. In a normal year the amount borrowed is usually repaid in full, and in a bad year less is repaid while in a good year the arrears of bad years are largely paid off.

But as a general rule a small balance generally remains in favour of the money-lender through the personal wish of both parties. The money-lender on his part considers it unlucky to close an account. On the other hand, the cultivator prefers to keep a small balance due to his mahajan, and to keep his account open so as to secure the facilities which an old client obtains whenever he may require to take advances.

In many villages we found that the rate of interest charged to new clients was considerably higher than that charged to old.

63. In addition to these short-term loans, cultivators from time to time take loans of larger sums for the purchase of cattle and for marriage expenses, etc., while in rare cases, particularly at the time of the cotton boom, very substantial sums were taken which approximate to what is known in ordinary parlance as a long-term loan.

Actually, however, the period fixed for repayment is rarely more than three years. In the first instance most loans are granted on the simple account book entry or simple money bond or acknowledgment of the debtor.

We have found many instances of this in our intensive village enquiries, and we were informed by the mahajans that they do not as a rule insist on mortgages until the debt, through some reason or another, has swollen to such proportions, as to make it desirable to have some collateral security.

Where cultivators have full rights of transfer in their land and their land is readily attachable in the execution of a decree, there is no such great need for the execution of a mortgage on the property, unless the debtor is beginning to become heavily indebted and has borrowed from several different persons.

A certain number of small people, such as agricultural labourers and others, who have no tangible security, borrow money on the security of their ornaments which they pledge.

64. *Causes of the relatively high rate of interest.*—The ordinary rates of interest in Berar seem to be unduly high at present, having regard to the excellent credit which the ordinary cultivator can offer.

Mr. F. C. Turner, C.I.E., I.C.S., who was for many years Commissioner of Berar, stated before us as a witness that he believed one of the main causes of the high rates of interest was the relative inadequacy of the supply of money at periods when it was most in demand. In the period of the cotton boom there was a very high demand for money, particularly when the cultivators borrowed large sums for the purchase of land, and with the fall in land values and of cotton prices, money-lenders are experiencing great difficulty in recovering their outstanding debts, and much of their capital is now locked up in these debts.

It is almost certain that one of the reasons for the relatively high rates of interest is the shortage of ready capital and the large amount of money locked up in outstanding loans.

It was further stated to us by a number of money-lenders that when the co-operative credit bank charged 12 per cent on joint and unlimited liability, there was no reason why the indigenous money-lenders should not charge a little more than 12 per cent on the individual security of a single borrower. There is much truth in this argument and it seems doubtful whether the co-operative credit banks in Berar have done much, or could do much to reduce the rate of interest on debts by charging 12 per cent on joint and unlimited liability.

65. The variations in the rate of interest between secured and unsecured debts are not so marked as in the Central Provinces, and this is undoubtedly due to the fact that the cultivators have full rights of transfer in their land and even those who have not mortgaged their property have considerable security to offer. But the ordinary rate on mortgaged loans nowadays is 15 per cent to 18 per cent compared with an average of about 9 to 12 per cent in the Central Provinces, while 18 per cent is commonly charged on ordinary simple loans though 24 per cent is not unusual, particularly for small sums.

66. In conclusion, it appears to us that Berar and the rest of the cotton zone have reached a degree of development both in their general economy and in their system of exchange much more advanced than that of many parts of the Central Provinces, but that their financial arrangements and credit facilities have not kept pace with this development.

It is true that the joint stock banks and the Imperial Bank of India play a considerable part in financing commerce and the internal movement of commodities, and by advances and cash credit to big merchants in the towns also indirectly finance agriculture though to a small degree. Taken as a whole, the financial arrangements for commerce and for marketing have reached a fairly well developed stage, but the financing of agriculture has lagged behind.

It appears to us to be most necessary to re-organize the credit facilities for agriculture on modern lines at the earliest possible date.

67. The standard of education in Berar is considerably higher than elsewhere in the province, but up to now no steps have been taken to give education in commerce or in modern business methods, and when any action is taken for giving commercial training either in the Vernacular or in the Higher stages, a beginning should, we feel, be made in Berar and in the cotton zone.

68. An intensive thrift campaign and education of the cultivators in the advantages of investment should also be taken in hand with the least possible delay; but no campaign of this kind will serve any purpose until adequate facilities for investment are provided. This subject is discussed in Chapters XV and XVI of the report.

69. It is not necessary to say much about the need for a land mortgage bank. We feel that the creation of a land mortgage bank and the amortization of many of the debts which have now assumed large proportions would operate to return to the indigenous money-lenders a large amount of the capital which is now locked up in these debts and would do more than anything else to relieve the present financial stringency, and would eventually result in a lower rate of interest.

For the short-term loans there appears to be no reason why the indigenous banker should not continue to be the chief credit agency as heretofore.

The measures necessary for the re-organization of the co-operative credit institutions upon better lines are discussed in the main body of the report.

70. *Communications.*—The total length of metalled road in Berar is 1,319 miles, while the length of all roads is 1,508 miles. Several important places are still unserved by metalled roads and there is room for expansion and development. In many places rivers are unbridged, even on the main routes of communication. The construction of necessary roads and bridges will be of the greatest benefit to the agriculture and trade of this tract.

One of the striking features of recent years in Berar has been the very rapid expansion of motor-borne traffic on the roads. Still this traffic is mainly confined to the carrying of passengers, but some big cultivators and traders have also begun to avail themselves of this very convenient means of transport for their produce to railhead markets.

Berar cannot be said to be adequately served by railway. There is a large programme of new railway construction in hand in Berar. When the Hiwarkhed-Akot-Akola-Basim-Hingoli line is constructed, large and rich cotton tracts will be brought near the railway resulting in increased trade and the advancement of the agriculturist.

Markets.—We have discussed the markets of Berar in Chapter VII of the report and in separate notes on the subject.

Statement showing the economic condition of members of the Co-operative Credit Societies in Berar supplied by the Berar Co-operative Institute.

Number of Central Banks.	Number of societies under the Central Banks.	Number of members.	Area held by them in acres.	Assessment paid by them.	Debts.			Incidence of debt per		
					From societies.	From others.	Total.	Member.	Acre.	Times Land Rev- enue.
1	2	3	4	5	6	7	8	9	10	11
			Acres.	Rs.	Rs.	Rs.	Rs.			
11	726	10,947	2,33,067	3,19,193	84,78,544	39,67,967	1,24,46,511	1,137	53	38

NOTE—Figures in column 7 are incomplete, 43 societies did not disclose amount of debts taken from other agencies.

Since the above was written there has been a further marked fall in prices. At the prices now prevailing the net profits of agriculture and incomes of agriculturists must be at least 25 per cent less than our estimates which were based on a rate of Rs. 75 per khandi of raw cotton.

APPENDIX J-II.

COTTON ZONE.

NOTE ON NAGPUR DISTRICT.

1. *Description.*—The Nagpur district lies round the capital of the Central Provinces and has an area of 3,834 square miles. It has been included by us in the cotton zone; but this district lies at the eastern end of that zone and large part of it is devoted to the cultivation of other crops as well, the main cotton tract being to the west.

2. *Population.*—The total population of the district at the last census was 792,521 of which 145,193 resided in Nagpur city and 647,328 or 81.7 per cent was returned as residing in rural area.

Since census the vital statistics show an all round increase in population by 11 per cent and in estimating the present position we have therefore increased all numbers by this percentage.

3. *Area.*—There are 514 square miles of Government forest. The total village area is 2,124,206 acres which is divided up among 1,931 malguzari and 8 ryotwari villages, the average area and population of the average village in this district being 1,096 and 453 respectively. Of this area, 1,636,740 acres were actually occupied for cultivation and 1,329,801 acres were under crop in 1927-28, which gives an average occupied area of 844 acres, and average cropped area of 685 acres per average village.

4. *History.*—The history of this district is of some importance. It starts with the visit of Bakht Buland to Delhi in the reign of Aurangzeb when he accepted the Moghul Emperor's overlordship and embraced Islam, and in imitation of what he saw on his travels, set about developing his territories by encouraging the immigration of good cultivators from outside. The western portion of the district towards Berar had been developed for a much longer period. Bakht Buland brought down cultivators from Upper India and the Hindustani races still show in their language, appearance and customs their foreign origin. The Raghvis, the Lodhis and the Kirars, the three chief up country castes, are scattered in colonies right across the centre of the district north of the capital. The prevailing caste in the district however is the Maratha Kunbi.

5. *Malguzars.*—At the last census the number of land-holding families resident in the district was 2,073, although the actual number of shares of villages recorded at last settlement was 8,286. In this district, however, as in Bhandara and Balaghat, there are a number of big absentee landlords.

6. *Cultivators.*—The total number of persons recorded as belonging to the resident rent-paying cultivating class is 220,245

which would indicate 44,049 families of rent-paying cultivators of five persons.

7. *Holdings*.—The total occupied area is 1,636,740 acres, of which 270,260 acres are held in the landlords' home-farm and 1,366,480 acres are held in tenancy right and the average area per cultivator family in this district is 30 acres of which 24 acres are under crops. But the holdings vary very much in size, some of the larger tenants possessing considerable areas of land, while there are also an appreciable number of nominal tenants who hold small areas often little more than back-gardens and who support themselves mainly by agricultural labour.

We have made the usual intensive surveys of the following villages :—

Mathni	...	...	Nagpur tahsil (Appendix E-XXII).
Pachgaon	...	...	Umrer tahsil (Appendix E-XXIII).
Ridhora	...	...	Katol tahsil (Appendix E-XXIV).
Malegaon	...	...	Saoner tahsil (Appendix E-XXV).

The distribution of holdings in these villages is explained in the following statement. But this includes the bari holders and other nominal tenants :—

District and village.	Below 5 acres.	From 6 to 10 acres.	From 11 to 15 acres.	From 16 to 20 acres.	From 21 to 25 acres.	From 26 to 30 acres.	From 31 to 40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
<i>Nagpur district.</i>									
Mathni	7	8	8	2	2	3	4	4	38
Pachgaon	25	18	15	7	10	3	9	10	97
Ridhora	51	32	20	17	9	9	8	11	157
Malegaon	25	18	15	7	3	3	9	10	90
Total	108	76	58	33	24	18	30	35	382

8. *Cropping*.—The district is divided into five tahsils, Nagpur, surrounding the headquarters: Katol to the west: Saoner to the north-west: Ramtek to the north-east; and Umrer to the south and south-east.

The Katol, Saoner and the western portion of the Nagpur tahsil are the principal cotton-producing areas of the district. Juar is grown in all parts of the district. Towards the east, as the rice zone is approached, rice begins to be important, while in the Umrer tahsil particularly there are considerable areas of good rabi soils where wheat and rabi crops are grown in addition to a certain amount of cotton. The soil varies between a very rich clay and clay loam of considerable depth to a shallower loam soil merging into sandy soil in the rice areas. It will be seen that the district is heterogenous producing a wide variety of cropping.

9. *Towns.*—The city of Nagpur dwarfs its immediate environs into insignificance. Here the Empress Cotton Mills, the Model Mills and other substantial industrial concerns provide ample employment at good wages to large numbers. In addition there are good cotton markets at Katol, Saoner and some other places. At Ramtek, the pan (betel leaf) industry is of considerable importance, while in Umrer, a town of a population of over 20,000, there are a large number of weavers. This latter industry is now, however, finding difficulty in competing with machine-made goods.

10. *Communications.*—The communications of the district are much above the average, the main line from Bombay to Calcutta crosses from west to east, while the new lines from Nagpur to Itarsi, Nagpur to Nagbhir and Nagpur to Chhindwara pass through the north and southern portions of the district. There is also a net work of first class roads converging upon Nagpur city, with the usual cart tracks from village to village providing easy communication to all parts of the district. The cultivators of this district are more favourably situated than those of many others, as regards communications and marketing facilities.

The marketing question is considered in greater detail in Chapter VII.

11. *Costs of maintenance.*—The average cost of food and clothing of the average cultivating family varies largely in a heterogenous district of this kind. In the jungly areas towards the Satpuras to the north, where the Gond tenants predominate, the actual expenditure in grain and cash on this purpose will probably not exceed Rs. 150 per annum, while elsewhere in the more developed tracts, the figure would be nearer Rs. 250. We shall be on safe ground if we estimate that on the average the equivalent of Rs. 225 in cash and grain is required for the food and clothing of the ordinary cultivator's family of five persons according to the ordinary standard prevailing, although of course some persons may elect to spend more, while others may be compelled to spend less.

12. *Costs of cultivation.*—The costs of cultivation also vary considerably in different parts of the district. The following statement exhibits the cropping and our estimate of the average

costs of producing the crops of the district at present prices prevailing:—

Crop.	Area.	Cost per acre.	Total cost.
1	2	3	4
	Acres-	Rs.	Rs.
Rice transplanted irrigated	16,280	14	2,27,920
Rice transplanted unirrigated	7,764	13	1,00,932
Rice broadcast irrigated	395	14	5,530
Rice broadcast unirrigated	2,137	12	25,644
Juar	306,766	7	21,47,362
Juar and Arhar	195,742	7	13,70,194
Kodo, kutki and bajra	1,016	3	3,048
Wheat	203,637	12	24,43,644
Wheat and gram	415	10	4,150
Arhar, urad and mung	34,633	7	2,42,431
Gram	15,461	8	1,23,688
Teora and Batra	26,059	7	1,82,413
Masur	1,349	7	9,443
Other Cereals	4,506	6	27,036
Til	38,277	6	2,29,662
Linseed	71,843	7	5,02,901
Other oilseeds	4,111	6	24,665
Spices	11,644	15	1,79,660
Sugarcane	206	80	16,480
Cotton	344,526	10	34,45,260
Others	31,171	6	1,87,026
Garden produce	11,864	20	2,37,380
Total	1,329,802		1,17,36,470

The average holding of the average family is 30 acres as stated above. In this district the area of fallow land is relatively small and in the average holding, out of 30 acres, 24 acres would be under crop in ordinary years. In the backward tracts, of course, the fallow area would be greater, while in the more developed areas nearly the whole occupied area would be cultivated from year to year.

According to the above estimate, the all round cost of producing all kinds of crops in the district per net-cropped acre averages Rs. 9. In the cotton tracts of Katol and Saoner, the costs will be considerably higher, while in the kodon-kutki and juar areas they will be considerably less; but we are at present concerned with a consideration of the district as a whole.

13. *Gross outturn.*—In the same manner, we have estimated the value of the gross outturn in a normal year, according to normal prices, after carefully considering the opinions of cultivators as to outturns in our intensive village enquiries and after

other investigations. The following statement shows the results of our calculations :—

Crop.	Area.	Value of crop per acre.	Total value.
1	2	3	4
	Acres.	Rs.	Rs.
Rice transplanted irrigated	16,280	66	10,74,480
Rice transplanted unirrigated	7,764	38	2,95,032
Rice broadcast irrigated	395	60	23,700
Rice broadcast unirrigated	2,137	37	79,069
Juar	306,766	28	85,89,448
Juar and arhar	195,742	26	50,89,292
Kodo, kutki and bajra	1,016	11	11,176
Wheat	203,637	34	69,24,658
Wheat and gram	415	33	13,695
Arhar, urad and mung	34,633	30	10,38,990
Gram	15,461	32	4,94,752
Teora and batra	26,059	25	6,51,475
Masur	1,349	26	35,074
Other cereals	4,506	25	1,12,650
Til	38,277	35	13,39,695
Linseed	71,843	32	22,98,976
Other oilseeds	4,111	30	1,23,330
Spices	11,644	45	5,23,980
Sugarcane	206	200	41,200
Cotton	344,526	28	96,46,728
Others	31,171	25	7,79,275
Garden produce	11,864	75	8,89,800
Total	13,29,802		4,00,76,445

That is to say, the value at normal prices of the gross outturn in a normal year per cropped acre would be Rs. 30. Here, as elsewhere, throughout the cotton zone we have, owing to extreme fluctuations in the price of cotton, thought it safer to adopt the price of Rs. 75 per standard khandi of 392 seers of cotton for the purposes of our calculation rather than the average price over a number of years, as prices in previous years were much higher. During four months up to March 1930, as has been stated elsewhere, the price of the standard khandi of cotton has fallen from Rs. 100 to Rs. 60 and has now halted somewhere near Rs. 75 per khandi.

14. *Marketing*.—A considerable portion of the crop is marketed and therefore, although communications are above the average, we may allow 5 per cent deduction for marketing as is explained in Chapter VII.

15. *Net income*.—The total area occupied for cultivation as distinguished from the net-cropped area in any year is 1,636,740 acres. After deducting the costs of cultivation and marketing the average net income per acre occupied is, therefore, Rs. 15-10-0.

16. *Rent*.—In addition there is the rent. Rents vary greatly according to the quality of the soil, but the all round acreage rent-rate per acre for the district as a whole is Rs. 1-7-0 or Rs. 43 per average holding of 30 acres.

17. *Net balance*.—That is to say, that after deducting the total more or less necessary expenditure of the average cultivating family for food and clothing, for costs of agriculture and for rent the surplus in the average holding would be Rs. 201.

N. B.—Since this was written the price of cotton has again fallen substantially reducing the surplus available.

18. *Subsidiary income*.—In addition, there are the usual sources of subsidiary income. Many of the large tenants do some money-lending as well as agriculture, while the existence of the large city of Nagpur has created a very heavy demand for forest produce, fuel, etc., which provides ample employment and substantial income to the dwellers in the neighbourhood of forests in the district. Carting provides also an important source of income. We have discussed these questions in our notes on the villages which we have surveyed and more need not be written here. In these villages the total subsidiary income represented an average of Rs. 20 per family as is explained in the notes concerned.

19. *Sources of finance and indebtedness*.—We have applied the usual sampling method with the following results:—

	Per cent.
Percentage of malguzars indebted ...	39
Percentage of malguzars not indebted ...	61
Multiple of the land revenue which the total malguzari debt in the areas surveyed represents.	7
Percentage of cultivators indebted ...	76
Percentage of cultivators not indebted ...	24
Multiple of rent which the total debt of—	
1. Malik-makbuzas ...	17
2. Absolute-occupancy tenants ...	11
3. Occupancy tenants ...	7

Applying these figures to the district as a whole, the following figures are obtained:—

		Rs.
Total malguzari debt ...	...	95,56,421
Total land revenue ...	...	13,65,307
	Rent.	Debt.
	Rs.	Rs.
Total rent and debt of—		
1. Malik-makbuzas ...	2,20,352	37,45,984
2. Absolute-occupancy tenants ...	4,35,362	47,88,982
3. Occupancy tenants ...	12,75,245	89,26,715
Total of 1 to 3 ...	...	1,74,61,681
Total debt for the district as a whole ...	19,30,959	=2,70,18,132

20. *Malguzars' debts*.—During the last three years 174 shares of malguzari villages have been transferred at prices averaging 33 times the land revenue. The total malguzari land revenue of the district is Rs. 13,65,307. We can, therefore, assume that the value of the landed property of the malguzars in this district is

not less than Rs. 4,50,55,131. Their total indebtedness represents 21 per cent of this sum. In addition many of the malguzars in this district have large incomes from money-lending and, as usual, hold house property, cattle, jewellery, and other moveable properties.

21. *Cultivators' debts.*—We have examined the distribution of debt in our village surveys. The result is tabulated in the following statement:—

Total debt in villages surveyed by us.	Percentage of hopelessly indebted persons.	Debts owed by them.		Percentage free from debt.	Debts on others.	
		Amount.	Percentage of the total.		Amount.	Percentage of the total.
1	2	3	4	5	6	7
Rs.		Rs.			Rs.	
1,45,072	4	24,050	16.5	26.5	1,21,022	83.5

22. The purposes for which all the agricultural debts were incurred are explained below:—

	Percent.
Payment of earlier debts	27.1
Marriage and ceremonials	14.1
Maintenance and household expenses	14.5
Payment of revenue or arrears of rent	4.2
Agricultural expenses	22.8
Field embankments and land improvements	2.2
Purchase of property	6.4
Litigation	6.00
Business, etc	2.3

23. The total capital debt may be compared with the value of the gross outturn in a normal year which is Rs. 4,00,76,445 and with the normal net profits from agriculture, excluding the costs of food and clothing of the cultivators which is Rs. 1,84,28,950. A large portion of the debt is in the cotton tracts of Katol and Saoner where the land is still of a high value and where the cultivators, as elsewhere, have taken time to adapt their expenditure to their reduced income after the cotton boom.

24. At last settlement, the Settlement Officer wrote as follows with regard to the indebtedness of the district:—

“ It is a habit of the tenants to exaggerate their debts before the settlement staff in the hope of obtaining leniency of assessment. It is, however, entirely inaccurate and erroneous to talk of the poor cultivator, weighed down by a burden of debts. About half are, on their own showing, either free from debt or owe only inconsiderable sums. The remaining half fall into two almost equal classes, those

with unproductive and those with productive debts, the former found in greater numbers in the south and east of the district and the latter in north and west. However, the rôle of the agent of the absentee money-lending *malguzar*, the man who is content with little pay and big commission and some money-lending on his own account is still too prominent and much of the freedom of the *Katol* tenants in the west of the district from foolish debts may be attributed to the fact that the Nagpur money-lenders are scantily represented in the proprietary body and consequently the tenants have much less temptation to borrow. Where the money-lender's tout is ubiquitous and all conditions tend to sloth, it is natural that unproductive debts should be fairly common.

"That so much debt for the buying of land exists is due, as is explained below, to the almost complete stagnation of rents which has existed since the beginning of the British administration. Inability, owing to a failure of the season, to pay in full a high sub-rent or to repay the *sowkar* from whom the money for the sub-rent was borrowed is also a fairly common source of indebtedness.

"In addition to foolish and unproductive debts, a third kind exists which falls into quite a different category. Many men keep a small running account with the banker which they can easily close if they wanted to but never do. The interest on this is a sort of insurance money to guarantee that when the cultivator really needs money he may get it from the *sowkar*, but, if the *sowkar* and *malguzar* are one, as is often the case, this interest is a source of profit which the Settlement Department takes no notice of in determining the assets of the village.

"It is surprising also to find how many men are at one and the same time both debtors and creditors. It may be that a substantial cultivator has a certain amount of money-lending and has sudden need of ready cash. He naturally prefers to borrow it at 6 to 12 per cent instead of upsetting his own investments at 18 to 24 per cent.

"Grain lending, about which Sir R. Craddock had to say many hard things, has much declined, and is now almost confined to *Umrer* and portions of *Ramtek*. The strictures of last settlement had the desired effect of awaking some of the biggest grain lenders to the doings of their underlings who made their commission out of the tenant, both when the grain left the *malguzar's* barns and when it returned, and it is sometimes said that one reason why the business has declined is that the *malguzar* thinks that in cash dealings the agent has less scope for commission.

Some of the grain borrowing must be described as a purely business deal. It is often because a substantial man, whether rightly or wrongly, considers it better to sell off his surplus stock, and to borrow grain when the price is highest and repay it with interest when the new crop is on the market and the price lowest and to put on the dealer, usually the *malguzar*, the risk of loss by fire or water."

25. These interesting remarks were recorded by Mr. Dyer, C.I.E., I.C.S., in 1917 and much of what has been said applies in a greater or lesser degree to many parts of the province, particularly to the south. We have ourselves, in our village notes on Adyal and Sondar, animadverted in milder language on the injurious effects upon the tenantry of the big absentee money-lenders.

We have also found, in all developed parts of the province, that the taking of short-term seasonal loans for financing agricultural operations has become firmly established by custom, the tenants preferring to keep a running account with the sowkar most of which is paid off at harvest, as by this means they retain their connection with the local financier and can always be sure of getting money when they require it.

Our enquiries were made before the harvesting of the kharif crops and there is no doubt that a considerable portion of the debt disclosed at that time was made up of these short-term loans which, in the ordinary course of events, would be repaid at harvest. As our estimate of the total costs of producing the crop amounts to Rs. 1,17,36,470 and the requirements for food and clothing of cultivating families amounts to Rs. 99,11,025, producing a total sum of Rs. 2,16,47,495 per annum, and as possibly half and certainly one-third the total sum required for agricultural expenses is usually borrowed in this tract as seasonal loans, it is clear that the statement that a considerable portion of the debt now disclosed would ordinarily be repaid at harvest is correct.

26. Mr. Dyer's remarks about loans for the purchase of land and indebtedness resulting from taking land on high sub-rents have possibly now even greater force than they had when written. Since then the cotton boom has come and gone. During the period of high prices of cotton, there was a great scramble for land at the very high prices which then prevailed, while there was equal keenness to take land on annual sub-leases on sub-rents which now seem extraordinarily high, in the hope that the outturn would be good and that the prices would keep up. Throughout Berar and the cotton zone, we have found these two causes to be among the principal causes of the present indebtedness.

27. *Sources of finance.*—These debts were incurred from the following sources:—

	Rs.	Per cent.
Government taccavi ...	46,932	·61
Co-operative bank ...	3,96,475	1·04
Malguzara ...	79,70,339	28·05
Mahajan ...	1,86,04,356	70·30
	<u>2,70,18,102</u>	
Secured ...	67,54,525	25
Unsecured ...	2,02,63,577	75

28. There is a Co-operative Central Bank at Nagpur which, on the whole, is doing fairly well although there is still considerable room for improvement in the supervision and education of societies.

29. In this district, as in other districts adjoining, the big absentee money-lender is of considerable importance. It is not necessary to repeat what has been written elsewhere by us or by Mr. Dyer, the Settlement Officer. But there is no doubt that the absence of those personal relations, which are some of the redeeming features of the old indigenous rural sowkari system, makes the business of the absentee money-lender at times a source of economic danger to the cultivator. We are glad to find that many of these big indigenous bankers are now modernizing their methods of business and, if closer supervision of their local agents can be secured and more modern methods of business introduced, there is a wide scope of usefulness for them in the realm of agricultural finance.

30. The main needs of this district, as of the rest of the cotton zone, are of course, the creation of a land mortgage bank, for long-term business, the improvement of investment facilities and a campaign for stimulating the thrift and investment habit.

APPENDIX J-III.

RICE ZONE.

NOTE ON BHANDARA DISTRICT.

Description.—Although the Bhandara district falls more properly into the rice zone, it forms part of the Nagpur division, and its western border is only 26 miles from Nagpur town. It stretches to the east up to the borders of Chhattisgarh and is bounded on the north and south by the Balaghat and Ghanda districts, respectively.

The district, as a whole, is a fairly level plain divided up by certain low ranges of hills and crossed by the Wainganga river and its tributaries.

In the valleys of the rivers, rich black soil predominates and in other parts of the district a sandy loam and sandy clay loam are found eminently suited to the production of rice and, when irrigated or in a year of good rainfall, capable of producing excellent double crops.

One of the principal features of the district is the large number of excellent lakes and private tanks constructed many years ago for rice irrigation. In some cases, these tanks are of large area as in the case of Sondar (Appendix E-XXVIII), while in other villages, irrigation is effected from a number of smaller tanks as in Adyal (Appendix E-XXVI).

2. The total area of the district is now 3,623 square miles of which 533 square miles are Government reserved forests.

The total village area and the area actually occupied for cultivation is 1,966,844 acres and 1,018,160 acres, respectively, divided among 1,644 villages.

The average village area and area occupied for cultivation per village are 1,196 acres and 620 acres, respectively. A large portion of this area is double-cropped, the total double-cropped area being 228,202 acres, so that the actual gross area of crops slightly exceeds the total occupied area, an index of the relative intensiveness of the cultivation.

3. *Population.*—The total population of the district at the last census was shown as 717,747, of whom 676,558 resided in rural areas. The vital statistics indicate an all round increase in population since then by 10 per cent.

4. *Towns.*—Gondia on the Bengal-Nagpur Railway main line, junction for the Jubbulpore-Gondia Metre Gauge Railway, is a town rapidly growing in importance. We have recorded separate notes on the principal industries in this town and in Bhandara itself, which is the only other town in the district, and no more need be written on this subject.

5. *Rural population.*—The total population at present residing in rural areas would be 744,213. 12,908 persons were recorded as belonging to the landholding class at census and, as the average family consisted of five persons, this implies that there were 2,581 families of landlords then.

296,836 persons were recorded as belonging to the rent-paying cultivating class, which implies 59,397 cultivating families and 191,294 persons or 38,259 families belong to the farm servant and agricultural labourer class. The present figures would be—

	Families.
Rent-paying cultivators ...	65,304
Farm servants and agricultural labourers ...	42,084

6. *Holdings*.—Out of the total occupied area, 190,526 are included in the home-farm, giving an average of 114 acres of home-farm per village.

The remaining area divided between the rent-paying cultivators is 827,634 acres, which shows that for the district as a whole, the all round average area held per cultivating family of five persons is at present over 12 acres, of which the net-cropped area is about 10 acres. This is the average for the district as a whole; but in the more closely populated irrigated rice tracts, the cropping is much more close and a larger proportion of the area is double-cropped; while in the more hilly portions of the district, although the areas of new fallow are larger, the holdings are also bigger.

The distribution of holdings in the villages surveyed by us was as follows. But these figures include the holders of baris and petty areas as is explained in Chapter II of the report:—

District and village	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total
1	2	3	4	5	6	7	8	9	10
<i>Bhandara district.</i>									
Adyal ...	83	36	13	17	17	3	1	7	117
Katangi ...	38	31	14	11	3	4	1	1	103
Sonder ...	96	28	10	6	4	...	...	2	146
Total ...	217	95	37	34	24	7	2	10	426

7. *Crops*.—The cropping of the district in 1927-28 was as follows:—

	Acre.
Rice broadcast ...	113,467
Rice transplanted ...	367,078
Juar ...	76,882
Cotton ...	4,813
Kodon kutki ...	10,929
Til ...	9,155
Wheat and birra ...	102,650
Linseed ...	69,142
Others ...	281,454
Total ...	1,035,570

Of the total cropped area 228,202 acres were double-cropped. The net-cropped area was 807,368 acres.

It will be seen that rice is easily the most important crop.

8. *Irrigation.*—Rice cultivation has reached a very high standard in this and in the haveli portions of the adjoining Balaghat district. It will be seen that most of the rice is transplanted, while out of the total area under rice, 262,388 acres are classed as irrigated. The principal State Irrigation work in the district is the Wainganga canal.

The population of this district is recorded to be on the whole the most dense in the province. The system of rice plantation involves a considerable amount of labour which accounts for the relatively large number of agricultural labourers in the district.

9. *Intensive surveys.*—We have made the usual intensive economic surveys of typical villages in this district, viz., (1) Sondar, typical of the better soil irrigated rice tract of Sakoli tahsil and of the villages held by absentee landlords, (2) Adyal, a larger bazar village, typical of the rice cultivation of the district as a whole and of villages financed by big absentee money-lenders and (3) Katangi, typical of the villages in the closely populated haveli in the vicinity of Gondia town (Appendix E-XXVII).

10. *Cost of maintenance and clothing.*—Although some cultivators may elect to spend more and some may be compelled by poverty to spend less, our enquiries show that Rs. 200 is sufficient to feed and clothe the ordinary family of five persons in accordance with the ordinary standard of life of the district. Mahua and achar are very important free articles of diet in this district.

This question is dealt with in the village notes.

The agricultural labouring class will often not spend more than Rs. 10 to Rs. 12 per mensem, as their standard of living is not so high. The rates of wages vary considerably, being much higher in the vicinity of Gondia town than in more distant places like Sondar.

11. *Cost of cultivation.*—Our estimate of the average costs of producing the crop is given below. We are satisfied that the average figures which we have taken for the cost of producing each crop per acre fairly represent average expenses though the cultivators with small holdings who do not employ hired labour expend considerably less. On the other hand, those persons who elect to carry on their agricultural operations entirely with hired labour will spend slightly more, although the average expenditure for the district as a whole will certainly not be more than the present estimates.

12. *Gross outturn of crops.*—We have discussed this question in detail in our intensive enquiry notes. There is no doubt that the rice cultivation in this district has reached a very high

standard and that the outturn from rice in a normal year is relatively heavy. In addition, there is the income from the large double-cropped area.

13. The following statement shows the cost of producing and the value of the gross crop outturn in a normal year :—

Statement showing the crop outturn and cost of cultivation in the Bhandara district.

Crops.	Area.	Value per acre.	Total value of crop.	Cost of cultivation per acre.	Total cost of cultivation.
1	2	3	4	5	6
	Acres.	Rs.	Rs.	Rs.	Rs.
Rice transplanted and irrigated.	233,003	60	1,39,80,180	15	34,95,045
Rice unirrigated	134,075	44	58,99,300	12	16,08,900
Rice broadcast irrigated	29,385	52	15,28,020	13	3,72,005
Rice broadcast unirrigated.	84,082	37	31,08,034	11	9,24,902
Juar	56,422	17	9,59,174	6	3,38,532
Juar and arhar	23,870	20	4,77,400	6	1,73,220
Kodo, kutki and bajra	10,929	14	1,53,006	3	32,787
Wheat	191,901	36	36,68,436	11	11,20,911
Wheat and gram	1,081	33	35,673	9	9,729
Arhar, urad and moong	64,071	20	12,81,420	5	3,20,355
Gram	30,211	23	6,94,853	8	2,41,688
Teora and batra	135,569	15	20,33,535	5	6,77,845
Masur	632	20	12,640	6	3,792
Other cereals	24,379	20	4,87,580	6	1,46,274
Til	9,155	32	2,92,960	6	54,930
Linseed	68,994	22	15,17,648	6	4,13,964
Other oilseeds	1,534	20	30,680	6	7,204
Spices	9,088	40	3,63,520	15	1,36,320
Sugarcane	2,220	250	5,55,000	80	1,77,600
Cotton	4,813	14	67,382	6	28,878
Others	7,096	15	1,06,440	5	35,480
Garden produce	2,875	60	1,72,500	20	57,500
Linseed and gram	185	23	4,255	7	1,295
Total	1,035,570	...	3,74,29,636	...	1,03,79,156

14. *Marketing.*—Communications are fairly good, while, as holdings are not very large, the surplus amount of agricultural produce marketed is relatively small. For the expenses of marketing this surplus, a 5 per cent deduction of the value of the gross outturn will be ample as is explained in Chapter VII.

The net balance after deducting costs of producing the crop and the allowance for marketing is then Rs. 2,55,58,154.

15. *Net income per acre.*—The total area occupied for cultivation as distinguished from the area actually sown is given above.

The average net balance per occupied acre comes to Rs. 25-9-3. The net income to the average family holding 12 acres will be then equivalent to some Rs. 307.

Rent.

	Rs.	a.	p.	
1. All round average	...	1	4	0 per acre.
2. Average per family	...	15	0	0
3. Maintenance	...	200	0	0
Total of 2 and 3	...	215	0	0
Balance in a normal year	...	92	0	0

16. *Income of the average family.*—That is to say the average family with 12 acres of average land should have a surplus after defraying costs of maintenance and cultivation and rent of Rs. 92 in cash and grain.

17. *Subsidiary income.*—Our village enquiries have disclosed a considerable income from subsidiary employment. The small tenants with petty holdings supplement their income by doing agricultural labour in the fields of the larger cultivators while there is also a big income from carting and from the usual cattle-breeding and from *ghee* and from the exploitation of forest produce. In the villages surveyed by us, we found that, according to the tenants' own estimates the income from non-agricultural sources produced an average of Rs. 138 per family.

It would be impossible for us, in the time at our disposal, to give an accurate figure for the total income from these subsidiary sources in every village in the district. But it is most important to bear in mind that the income is undoubtedly large and that the ordinary cultivator has always subsidiary sources from which to increase his agricultural income if he desires to do so. Adyal (Appendix E-XXVI) gave some interesting information about the profits of carting.

18. *Sources of finance and indebtedness.*—We have applied our usual sampling method in this district and have examined in detail the individual debts of 4,652 cultivators spread all over the district. The results obtained are as follows:—

Percentage of malguzars indebted	...	49
Percentage of malguzars not indebted	...	51
Multiple of the land revenue which the total malguzari debt in the areas surveyed represent.		6
Percentage of cultivators indebted	...	45
Percentage of cultivators not indebted	...	55
Multiple of rent which the total debt of—		
1. Malik-makbuzas represents	...	12
2. Absolute-occupancy tenants represents	...	13
3. Occupancy tenants represents	...	12

Applying these figures to the district as a whole, the following results are obtained :—

		Rs.
Total malguzari debt	...	40,90,878
Total land revenue	...	6,81,813
	Rent.	Debt.
	Ks.	Rs.
Total rent and total debt of—		
1. Malik-makbuzas	79,572	10,34,436
2. Absolute-occupancy tenants	1,33,505	17,35,565
3. Occupancy tenants	8,03,725	96,44,700
Total cultivators' indebtedness for the district as a whole.	...	1,24,14,701
Total for the district (landlords' and cultivators').	...	1,65,05,579

As regards malguzars' indebtedness, Mr. Gordon, the Settlement Officer, wrote in 1921 as follows :—

"An attempt was made to compile the total debts of proprietors; but, owing to the inclusion of the same name several times over for the different villages held by one person, the figures are widely exaggerated and are now of no value."

19. *Indebtedness of tenants.*—The cash debts of the tenantry at last settlement were estimated at Rs. 91,97,623. In all 35 per cent were entirely free from debt, while 18 per cent owed above Rs. 200, 3 per cent owing over Rs. 500. Although the total amount of debt has slightly increased more than 45 per cent are now entirely free from debt against 35 per cent at settlement.

20. *Purposes of debts.*—The purposes for which these debts were incurred are as follows :—

	Rs.	Percent.
Payment of earlier debts	42,74,993	26·05
Marriage and ceremonials	22,19,508	13·75
Maintenance and household expenses	5,72,793	3·25
Payment of revenue or rent	24,55,179	4·95
Agricultural expenses	25,88,873	15·70
Field embankments and land improvements	34,49,921	21·00
Purchase of property	1,97,791	10·75
Litigation	7,46,521	4·55
Total	1,65,05,579	100
Secured	50,12,919	33
Unsecured	1,14,92,660	67

21. The sources from which they were borrowed are as follows :—

	Rs.	Per cent.
Landlord	68,00,266	41·2
Mahajan	95,23,763	57·7
Government	66,022	00·4
Co-operative	1,15,538	00·7
Total	1,65,05,579	100

In this district there are some large estates held by absentee landlords; but there is also a considerable number of big indi-

genous bankers who maintain agents in most parts of this district and who habitually lend out money and grain to the tenants on rather high rates of interest.

We have discussed the operations of these financiers in our village enquiry notes of Sondar and Adyal.

22. In this district, the taking of seasonal loans for financing agricultural operations is a custom of very long standing and we found in our enquiries, as explained elsewhere, that a large proportion of the debts were only seasonal short-term loans which would normally be repaid with the coming of the harvest which had not yet arrived when our enquiries were made. The "mahin khat" system is explained in the Sondar note.

23. *Indebtedness of malguzars.*—The zamindars only pay a quit rent, but the total malguzari kamil-jama of the district is Rs. 8,74,377.

Total value of malguzari and zamindari rights.—During the last three years 313 shares in malguzari villages were transferred at prices averaging 40 times the land revenue, and we shall therefore be on very safe ground in estimating the total value of the malguzari and zamindari rights at not less than Rs. 3,49,75,080. The total malguzari debt of Rs. 40,90,878 therefore represents 12 per cent only of the value of the landed property which these gentlemen hold.

Subsidiary income of malguzars.—In addition, many of them earn a considerable income from money-lending and often are owed much more than they owe. The malguzari body owe Rs. 40,90,878, but are owed Rs. 68,00,266.

Interest charges on malguzari debt.—Most of the malguzari debt is secured by mortgage and the average rate of interest approximates to 12 per cent, so that the total annual interest charges on the malguzari debt approximates to Rs. 7,36,358 as compared with the total recoverable land revenue of Rs. 6,81,813.

24. *Distribution of tenants' debt.*—In our intensive enquiries we found the following distribution of debts:—

Total debt in villages surveyed.	Percentage of hopelessly indebted cultivators.	Debts owned by them.		Percentage of the cultivators free from debts.	Debts of other cultivators.	
		Total amount.	Percentage of the total.		Total amount.	Percentage of the total.
1	2	3	4	5	6	7
Rs. 94,000	4.5	Rs. 37,107	39.0	30	Rs. 56,893	70.0

Not more than 4.5 per cent of the tenantry are hopelessly indebted, but the debts of these persons amount to 39 per cent of the whole,

At the other extreme are a certain percentage of persons entirely free from debt, and a large number of others whose debts are purely short-term agricultural advances. Between the two extremes, comes a certain body of persons who, though not indebted beyond their means, owe debts of a larger extent than could be repaid in one instalment with the coming of the harvest.

25. *Interest.*—The rates of interest in the villages financed by the big absentee money-lenders are usually high, with penal stipulations of higher rates of interest in cases of default, and it appears that defaults are not discouraged. The average interest on all debts secured and unsecured is about 20 per cent, so that the total annual interest charges on the tenantry amount to Rs. 29,79,528. The debt works out at Rs. 190 per cultivating family and the annual interest charges thereon to Rs. 38 against the average rent of Rs. 15.

Although, therefore, the capital of the debt, having regard to the general prosperity of the district owing to a succession of good years and the value of the agricultural produce, may not be thought such as to justify anxiety, it is clear that the interest charges must be a very heavy drain upon the agriculturists.

26. *Requirements.*—As regards the short-term loans, which are repaid at harvest, the existing financial arrangements would probably suffice with some slight modification; but for long-term loans, a land mortgage bank, if established, could do much to reduce the high interest charges and thereby increase the prosperity of the people and release them from certain injurious financial influences existing at present.

Our usual census of the gold and silver ornaments in the possession of cultivators according to their own statements shows an average of Rs. 92 per family in the villages intensively surveyed by us.

In this district an intensive campaign to encourage thrift and investment is required.

Here if proper training of the societies and proper supervision could be secured, the co-operative movement could do much to establish the financial independence of the tenantry on the lines explained in Chapter XI.

The volume of debt in Balaghat district adjoining is much less. This is largely due to the large areas of upland ryotwari in Balaghat, but is also undoubtedly due to absence of the influence of absentee money-lenders who are so important in Bhandara.

APPENDIX J-IV.
COTTON ZONE.

NOTE ON WARDHA DISTRICT.

The district of Wardha forms a triangle with its apex towards the north-west. The base rests on the Chanda district, the eastern side is bounded by Nagpur, while on the western side the river Wardha separates it from Berar. The northern apex of the district is more hilly, merging in spurs projecting from the Satpura hills. The district slopes away to the south. The typical soil is the rich clayloam popularly known as black cotton soil found throughout Berar.

2. Population.—The total population of the district was returned at the last census as 463,696 of whom 96.5 per cent resided in rural areas.

Vital statistics show a 11 per cent increase in population since then.

The total area of the district is 2,434 square miles only of which 1,182,641 acres are at present occupied for cultivation. The most important crops are cotton and juar.

Malguzars.—The malguzars are mostly Kunbis, Mahrathas, Brahmans and Marwaris. Tenants are mostly Kunbis, Brahmans, Telis, Malis and Gonds, while farm servants and field labourers would be either Mahars, Gonds, Kunbis or Telis. The Settlement Officer at last settlement said that it was remarkable what a large proportion of the field labourers and farm servants own tenancy rights in land. He stated that they preferred to make a little pocket money by letting out their fields and earn a living as ploughmen, farm foremen or even by casual labour.

The total number of persons actually supported by agriculture at census was 76 per cent of the total population divided up as follows :—

		Per cent.
Landlords	...	2
Tenants	...	28
Field labourers	...	32
Farm servants	...	12
Herdsmen	...	2

If we increase the census figures by 11 per cent, there must be at present 29,059 families of rent paying cultivators. The average area held per family then comes to 32 acres,

The distribution of land in the villages intensively surveyed by us was as follows :—

District and village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Tot l.	Size of the average holding.
1	2	3	4	5	6	7	8	9	10	11
<i>Wardha district.</i>										
Ellikelfi ...	8	6	6	1	...	2	2	4	29	
Wadner ...	8	11	15	13	13	12	11	32	115	
Bothli ...	1	3	7	5	3	5	4	10	38	
Total ...	17	20	28	19	16	19	17	46	182	29

But this includes the holders of baris, etc., etc.

3. *Costs of maintenance and clothing.*—The standard of living is not dissimilar to that in Berar adjoining. It is possible for a family of agricultural labourer to live on less than Rs. 200 a year; the average family of cultivators of five persons will normally require about Rs. 240 per annum for food and clothing according to local standards of comfort.

4. We have made the usual detailed calculations of the cost of producing the various crops. We have at the same time made

an estimate of the value of the ordinary gross outturn. These statements are explained in the following statement:—

Crop.	Area.	Value per acre.	Total value.	Cost per acre.	Total cost.
1	2	3	4	5	6
	Acres.	Rs.	Rs.	Rs.	Rs.
Rice transplanted irrigated	...	...	...	...	...
Rice transplanted unirrigated.	...	...	...	...	...
Rice broadcast irrigated	...	...	...	...	...
Rice unirrigated	2,043	29	59,247	7	14,301
Juar	266,853	33	88,06,149	8	21,34,824
Juar and arhar	59,811	30	17,94,330	7	4,18,677
Kodo, kutki and bajra	118	11	1,298	3	354
Wheat	113,817	31	35,28,327	11	12,51,987
Wheat and gram	384	29	11,136	10	3,840
Arhar, urad and mung	5,900	24	1,41,600	6	35,400
Gram	8,487	28	2,37,636	8	67,896
Teora and batra	2,583	20	51,660	6	15,498
Masur	311	25	7,775	6	1,866
Other cereals	731	22	16,082	5	3,655
Til	18,774	33	6,30,542	6	1,12,644
Linseed	21,466	31	6,65,446	6	1,28,796
Linseed and gram	16	28	448	7	112
Other oil seed	1,573	25	39,325	6	9,438
Spices	3,493	45	1,57,185	15	52,395
Sugarcane	109	200	21,800	80	8,720
Cotton	463,136	28	1,29,67,808	11	50,94,496
Others	57,061	20	11,41,220	6	3,42,360
Garden produce	3,003	60	1,80,180	20	60,060
Total	1,028,669	...	3,04,59,194	...	97,57,325

5. For the purposes of this calculation, we have taken what is known as the normal price or the average price during recent years for most of the products, but owing to the extreme variations in the price of cotton, we have thought it safer to base our valuation on the approximate prices ruling when this note was written which was Rs. 75 per standard khandi of 392 seers of uncleaned cotton. After deducting the costs of cultivation, the net profits from agriculture at these prices in an average year would be Rs. 2,07,01,869 which represents Rs. 20 per cropped acre.

6. *Marketing*.—But we should allow 5 per cent of the gross outturn for the expenses of marketing the portion of the produce actually sold.

The above figures are only for the actual cropped area. The total area occupied for cultivation is greater, *i.e.*, 1,182,641 acres, including fallows. The net income from the occupied area after deducting costs of cultivation and marketing would then be Rs. 16-12-6 per acre.

7. In addition rent has to be paid. The all round average rent-rate per acre in this district is Re. 1-3-0. Therefore the rent of an average holding would be Rs. 38.

8. The net income from the average holding of 32 acres would then average after deducting costs of marketing and cultivation Rs. 537. The expenses of maintenance and rent come to Rs. 278. Balance in a normal year from holding of 32 acres would be Rs. 259. But of course, though some cultivators have large holdings many have smaller areas of land. Since this was written the price of cotton has again fallen, substantially reducing this balance.

9. *Subsidiary income*.—There is a considerable income from carting, cattle-breeding and *ghee* industry, agricultural labour, etc., etc., while many of the substantial tenants earn a good income from money-lending. We made the usual intensive enquiries in—

1. Ellikeli, five miles from Wardha.
2. Wadner in the Hinganghat tahsil.
3. Bothali, typical of the upland tracts very similar to the Basim taluq of Berar.

In these villages much interesting information was collected and is recorded in the separate notes on the subject (Appendices E-XXIX, E-XXX and E-XXXI).

The income from subsidiary sources disclosed by the cultivators in those villages works out at an average of Rs. 398 per family. We can then safely assume that in a normal year for the district as a whole it cannot average less than Rs. 50 per family.

Debts and finance.—We have applied the usual sampling method in this district and have examined in detail debts of 2,181 families in various parts of the district. These enquiries produced the following results for the area surveyed :—

Percentage of malguzars—Indebted	...	52
Not indebted	...	48
Multiple of the land revenue which the total malguzari debt in the areas surveyed represents.		4½
Percentage of cultivators—Indebted	...	53
Not indebted	...	47

Multiple of rent which the total debt of—

(1) Malik-makbuzas represents	...	17
(2) Absolute-occupancy tenants represents	...	13
(3) Occupancy tenants represents	...	14

Applying these figures to the district as a whole, the results are as follows :—

		Rs.
Total malguzari debt	...	39,49,582
Total land revenue	...	8,17,329

	Rent.	Debt.	Total area.	Debt per acre.
1	2	3	4	5
	Rs.	Rs.	Acres.	Rs.
Total rent and total debt of—				
Malik-makbuzas	78,275	12,76,196	52,057	24
Absolute-occupancy tenants	2,11,165	25,23,660	1,54,124	17
Occupancy tenants	8,06,870	1,11,13,466	7,28,701	15

		Rs.
Total tenants' debt	...	1,49,13,322
Total agricultural indebtedness of the district as a whole.	...	1,88,62,904

		Rs.	Per cent.
Secured	...	31,47,030	16.6
Unsecured	...	1,57,15,874	83.4

At first sight, the total amount of debt appears to be very heavy : but the incidence of debt is in many respects similar to that of the rest of the cotton zone. The main causes of indebtedness are discussed in our village survey notes.

12. Sources of finance :—

		Rs.	Per cent.
Government	...	40,448	21
Co-operative credit	...	1,62,867	1.58
Landlord	...	31,68,967	16.8
Mahajan	...	1,54,90,622	82.13

The mahajan, as usual, is the principal source of finance.

13. The purposes for which these debts were incurred were as follows :—

	Purpose of debts.	Per cent.
1.	Payment of earlier debts	26.30
2.	Marriage and ceremonials	13.44
3.	Maintenance and household expenses	1.00
4.	Payment of revenues or rent	.32
5.	Agricultural expenses	27.60
6.	Field embankments and land improvements	13.14
7.	Purchase of property	12.06
8.	Litigation	4.00
9.	Purchase of improved implements	2.14

14. Wardha, like the rest of the cotton zone, is now suffering from the aftermath of the cotton boom. It will be remembered, as is explained elsewhere, that, although during four months the prices of uncleaned cotton per khandi have fallen from Rs. 100 to Rs. 60 and halted in March somewhere round about Rs. 75, at the height of the cotton boom the price rose to Rs. 250 per khandi, and at that period the cultivators' net profits from cotton cultivation were not less than four times what they are today.

15. Land has still a good substantial market value in this district, the all round average value being probably not less than Rs. 100 per acre, while the sub-letting value is also considerable. But during the cotton boom, the value of land was at least three times as much as it is at present and it is possible that, if there is no recovery in the prices of cotton the land values will fall still further. During this period all cotton cultivators were reaping handsome profits, and it is a common experience of history that booms of this nature often cause more harm than benefit to the persons affected by them. At the time of the cotton boom, a number of persons borrowed money for investment in land at high prices, and this might at the time have appeared to have been a sound and profitable investment. By the fall in land values, several tenants are left with debts exceeding the value of the land which they purchased. Many of them also, through a natural spirit of optimism, have continued to hope for a return of high prices and for good seasons. Unfortunately, however, several of the years have been poor, while prices continued to fall and a number of the cultivators in consequence have not immediately adapted their expenditure and style of living to their reduced incomes.

16. Our village enquiries show, however, that not more than 5 per cent of the cultivators are now involved in debt beyond hope of redemption. The distribution is as follows:—

Total debts in villages surveyed.	Percentage of hopelessly indebted.	Debt they owe.		Percentage free from debt.	Debt owed by cultivators indebted moderately.	
		Amount.	Percentage of total.		Amount.	Percentage of total.
1	2	3	4	5	6	7
Rs. 2,56,786	5	Rs. 1,74,473	68	42.5	Rs. 82,313	32

The burden of debt on the 5 per cent hopelessly indebted is extremely heavy. The matter is discussed in detail in the village notes. But if these figures are typical of the district, they would

indicate that 68 per cent of the total debt is borne by this unfortunate 5 per cent while 42.5 per cent are free from debt and 52.5 per cent bear only 32 per cent of the total debt. The average debt upon this 52½ would then be some Rs. 320 per family or Rs. 10 per acre only.

17. The capital amount of debt which amounts to Rs. 1,88,62,904 can be compared with the present value of the gross outturn at present prices. The value of land which cultivators hold in the district at Rs. 100 per acre would be Rs. 10,31,04,200. It will therefore be correct to say that on the whole, the cultivators of this district, as elsewhere throughout the cotton zone, have through their good sense weathered this crisis remarkably well.

18. Unfortunately the rates of interest are very high, interest on secured debts approximating to 15 per cent, while on unsecured debts, the average is round about 24 per cent, so that the total annual interest charges at present must cause a very heavy drain upon the agriculture of the district: and unless some facilities can be provided for amortizing the larger debts by long term loans at a low rate of interest, it seems probable that a considerable number of the debts will prove to be beyond the present paying capacity of the debtors. One of the principal needs of this district, as of the rest of the cotton zone, is the creation of a land mortgage bank for advancing long-term loans at low rates of interest.

19. At the same time, it must be borne in mind, as has been brought out very clearly from our intensive enquiries, that a large number of the tenants habitually take short-term loans or seasonal advances for financing their agricultural operations which are ordinarily annually repaid at the time of harvest and as our enquiries were carried out before the cotton crop had been harvested, it is certain that an appreciable portion of the total capital debt, as is explained in the intensive enquiry notes and in Chapter IV of the report, is made up purely of seasonal short-term loans for the expenses of agriculture. These will ordinarily be repaid at harvest and, in fact, in estimating the net profits from agriculture, that portion of the debt which consists of these agricultural loans has already been included in the annual costs of cultivation.

20. As usual, we enquired into the habit of keeping gold and silver ornaments in the villages surveyed by us; the cultivators' statements showed the average value of these ornaments possessed by them was Rs. 160 per family as is explained in Chapter XVI of the report. An intensive investment campaign and improved investment facilities are required.

APPENDIX J-V.

RICE ZONE.

NOTE ON CHANDA DISTRICT.

1. The Chanda district, which is in area the second largest district in the Central Provinces, forms a heterogenous pear shaped area in the extreme south of the Central Provinces. Its total area is 9,312 square miles. On the north it touches the Wardha, Nagpur and Bhandara districts. On the west it is bounded by the Wardha district, the Yeotmal district of Berar and by His Exalted Highness the Nizam's dominions, on the east it marches with the Drug district of Chhattisgarh and the Feudatory State of Bastar, while at its southern apex it touches the Upper Godavari district of the Madras Presidency.

Soils are generally sandy, but considerable areas of good clay loam soil occur which in the Warora tahsil to the west of the district merge into the rich "black cotton" soil of the Wardha valley and Berar.

2. There are large areas of hill and jungle. The reserved Government forest divided into two forest divisions covers 2,511 square miles. To the east and south there are 16 zamindaris of varying sizes, the largest, Ahiri covering nearly 3,000 square miles in area. Much of the zamindari areas consist of hill and jungle. They are with one or two exceptions situated far off from the railway and are populated mostly by aboriginals of whom most are pure forest dwellers among the most primitive members of society in the Central Provinces.

The total area of the zamindaris is 2,620,538 acres including reserved zamindari forests. Of this total area only 137,115 acres are occupied for cultivation and only 80,000 acres are normally cropped.

The dwellers in these areas live their simple lives cut off from civilization, the ordinary clothing of both males and females among the Madia Gonds, who predominate, being little more than a loin cloth.

There are 946 villages in these zamindaris.

3. There are in addition 1,588 malguzari and 383 ryotwari villages in the district.

The total areas occupied for cultivation and under crop in the district in 1927-28 were 1,311,020 acres and 957,569 acres, respectively, giving an average of 449 acres occupied and 328 acres cropped per village in the Chanda district.

4. *Population.*—The total population of the district at last census was returned as 660,630 persons, of whom 610,267 were returned as residing in rural areas. Since the census a compilation of the vital statistics shows an all round increase in population by 9 per cent. We have increased all census figures accordingly in estimating present numbers. The average population

per village at present would, therefore, be 265. The headquarter town of the district, Chanda, with a population of 22,981, and Warora, a tahsil headquarter, with a population of 8,808, and with an old established cotton-market, are the only two towns in the district.

5. *Communications.*—With the completion of the railway in Nizam's dominions from Ballarshah to Warangal, a through railway line now runs from Wardha through the Warora tahsil to Chanda town, passing after a further 10 miles distance out of the district of Ballarshah, continuing at a distance of some 40 miles parallel to, but outside, the western border of the district, to Madras to the south. The railway stations beyond Ballarshah are, however, not yet linked up by I class roads with the district. A narrow gauge branch of the Bengal-Nagpur Railway line also runs north-east from Chanda some 65 miles to Nagbhir in the north of the district. From there two branch lines continue to Nagpur and Gondia, respectively. There is a heavy export traffic of timber, fuel, oilseeds, cotton, food grains, etc., by these railways. There are good I class roads from Chanda to Nagpur, to Warora, to Sironcha, 130 miles south and to Garchiroli to the east of the district. There is the usual net work of cart-tracks, and although distances are long, the district may now be said to have very fair communications outside the jungle or hill areas. But owing to long distances and the very backward condition of many areas we have allowed in this district 10 per cent for marketing as is explained in Chapter VII.

6. The district is divided into five tahsils. The Brahmपुरi tahsil to the north, the Garchiroli tahsil to the east and the central Chanda tahsil, have much in common with Chhattisgarh and rice is easily the most important crop, although considerable areas are also under ringni juar, etc.

7. The Warora tahsil on the western border adjoining Wardha and Berar, although containing sandy soil to the north-east has much similarity with Berar. Owing to the heavier rainfall, however, the rich soils of this tahsil are as equally suited to wheat as to cotton. For this reason, although cotton and juar are very important here, the area under wheat is proportionately greater than in Berar.

8. The Sironcha tahsil to the south consists very largely of jungle and contains the Ahiri zamindari. In the extreme south, however, in the valley of the Pranhita and Godavari rivers occurs a fertile belt of alluvial soil, where very good crops of a local variety of juar are obtained in addition to rice. The southern portion of the district where Telegu is the common language has much in common with Madras. In other parts of the district, excluding the eastern border where Hindi is spoken, Marathi is the common language.

9. The principal castes are Kunbis and other Hindu cultivating castes in the open country with a large number of Gonds and other aboriginals in the more backward tract.

It is difficult to get a correct idea of the income and expenditure of aboriginals, because they are by natural instinct hunters and skilled snares of wild animals in the jungle. They usually prefer to support themselves by forest labour and by forest products than by agriculture. It is obviously impossible to estimate the amount of maintenance which they obtain from hunting game and from extraction of forest product.

10. *Cropping*.—The cropping in 1927-28 was as follows :—

Crop.	Area.
Rice transplanted	164,029
Rice broadcast	121,778
Juar	214,517
Cotton	94,262
Kodo kutki	6,396
Til	72,225
Wheat	67,800
Linseed	50,665
Others	165,897
Total	957,569

There are still considerable areas of good culturable land in this district available for colonization, but up to now attempts to colonize from outside have not met with much success.

11. There are three large State Irrigation works, Asola-Menda, Ghorajhiri and Naleshwar, constructed at considerable expense after the famines of 1896 and 1900. These works command a large area, some of which has not yet, however, been brought under cultivation.

In the closely cultivated and developed rice-producing parts of the district, that is to say, in most of the Brahmपुरi tahsil and in the eastern portion of the Warora tahsil and in a large part of the Chanda tahsil private tanks abound.

Chanda town was at one time the capital of the Gond dynasty, and is of some historical interest. The Gond rajas by a wise policy of grants of land and sanads, etc., did much to encourage the construction of village irrigation tanks. We have not the space or the time to dilate upon this interesting subject further. But it is important to note that 27,157 acres are at present classed as irrigated from private tanks. In addition to the area actually classed as irrigated considerable other areas usually obtain some watering from these tanks in years of normal rainfall.

12. Transplantation of rice is largely practised in the better parts of the district. On the whole, the district is still sparsely populated, and in the season of transplantation of rice there are often complaints of the inadequate supply of agricultural labour. It is quite certain that agricultural labourers in this district are capable of raising a substantial livelihood. They earn on an average at least Rs. 25 per annum from other sources as well, as is explained in the village notes.

13. *Average holding.*—The following statement shows the division of holdings in the villages intensively surveyed by us. Included, however, as separate holding are the baris and tiny holdings of persons who while paying a nominal rent are really agricultural labourers by profession. We have discussed this question in Chapter II. In the more backward tracts the holdings are far larger :—

District and village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
<i>Chanda district.</i>									
Rajgarh ...	89	21	19	16	9	6	5	14	179
Belgata ...	12	4	5	2	1	2	1	4	31
Nandori ...	16	32	31	23	22	16	10	25	175
Kitadi ...	2	6	5	3	2	...	1	2	21
Nagram ...	67	19	9	5	10	10	7	2	129
Kurkheda ...	14	8	2	2	...	1	1	...	28
Total ...	200	90	71	51	44	35	25	47	563

The total number of persons belonging to the rent-paying cultivating class is 284,875. That is to say, there are 56,975 families of cultivators, the average family being of five persons. The total area held in tenancy and ryotwari right is 1,177,096 acres, so that for the district as a whole the average holding per family of five persons of genuine cultivators is 20 acres of which 14 acres are usually under crop.

14. *Costs of maintenance.*—In the cotton area of the Warora tahsil, where the standard of living is high, the cost of maintenance does not appear to be much less than in those prevailing in the adjoining Wardha district. Staple foods here are rice, juar and wheat. A family of five persons in the Warora tahsil would be able to feed and clothe themselves and live according to the standard of living or comfort prevailing in this district on the equivalent of Rs. 250 in cash and grain.

In the more backward tracts the annual expenses under this head would be less. Actually money is rarely used as an instrument of exchange in these tracts, practically all payments being made in kind. Mahua abounds in such quantities that much of it is wasted and forms a very important article of diet for a large portion of the year.

But throughout our enquiries we convert grain expenditure into its cash equivalent for purposes of calculation. For the district as a whole, including the northern Brahmपुरi tahsil which corresponds to Nagpur district conditions and the Warora tahsil, we estimate the cash equivalent of the expenditure of the average family at Rs. 200.

This is of course largely a theoretical figure. In the backward tracts grain is the chief article expended.

15. *Cost of cultivation.*—Costs of cultivation in a large heterogeneous area must of necessity vary very greatly. In those rice tracts where agriculture is more or less on intensive character and is carried on with a good deal of manure, the costs including rice transplantation are relatively high, and may in some double cropped areas where soil is manured be not less than Rs. 20 per acre. In many other parts the cultivators breed their own small cattle, and work in their own fields and practically have no expenses to incur, but the expenditure of seed, which as a matter of fact they do not purchase, but reserve from the previous year's harvest or borrow for the season.

We have considered all these questions with great care before drawing up our estimate for the cost of producing the crops of the district, which is given below :—

Crops	Area under crop.	Cost of cultivation per acre.	Total cost of cultivation.
1	2	3	4
	Acres.	Rs.	Rs.
Rice transplanted irrigated	140,977	14	19,73,678
Rice transplanted unirrigated	23,052	12	2,76,624
Rice broadcast irrigated	24,929	13	3,24,077
Rice unirrigated	96,849	11	10,65,339
Juar	214,517	6	12,87,102
Kodokutki bajra	6,396	2	12,792
Wheat	67,346	11	7,40,806
Wheat and gram	534	9	4,806
Arhar, urad and mung	22,277	7	1,55,939
Gram	19,634	8	1,57,072
Teora and batra	45,451	5	2,27,255
Masur	408	6	2,448
Other cereals	22,758	6	4,36,548
Til	72,225	6	4,33,350
Linseed	50,665	7	3,54,655
Linseed and gram	83	7	581
Other oil seeds	4,140	6	24,840
Spices	11,263	15	1,68,945
Sugarcane	2,685	80	2,14,194
Cotton	94,262	9	8,48,358
Others	10,333	6	59,998
Garden produce	2,043	20	40,860
Juar and arhar	24,742	7	1,73,194
Total	957,569	...	89,82,067
Area double cropped	56,154	...	...
Net cropped area	901,415	...	...

16. *Profit of agriculture.*—Outturns must of necessity vary greatly. There is a very heavy outturn from manured irrigated and transplanted rice, which will probably be more than double the normal outturns from lighter unirrigated and unmanured tracts.

17. *Intensive village surveys.*—We have made intensive surveys in six villages: Kurkhera in the extreme north-east of the district, a zamindari village, Rajgarh and Belghata in the Chanda tahsil, typical of the cultivation and economics of that area, Kitadi, a ryotwari village in the Brahmapuri tahsil, typical of the tract irrigated from State tanks and Nagram in the extreme southern corner of the district and the province, 2 miles beyond Sironcha and 130 miles from Chanda Khas, at the junction of the Godavari and Pranhita rivers. This village is typical of the alluvial tract of Sironcha tahsil. The remaining village is Nanduri in the Warora cotton and juar belt, some 3 miles east of Warora Khas, typical of this rich tract. The results of our enquiries are contained in the separate village notes (Appendices No. E-XXXII to XXXVII).

18. We give below our estimate of the value of the gross outturn of crops in a normal year at normal prices:—

Crops.	Area under crop.	Value of outturn per acre.	Total value of outturn.
1	2	3	4
	Acres.	Rs.	Rs.
Rice transplanted irrigated	140,977	60	84,58,620
Rice transplanted unirrigated	23,052	36	8,29,872
Rice broadcast irrigated	24,929	52	12,96,308
Rice unirrigated	96,849	33	31,96,017
Juar	2,14,517	20	53,62,925
Kodo, kutki and bajra	6,396	6	38,376
Wheat	67,346	38	25,91,802
Wheat and gram	534	34	18,156
Arhar, urad and mung	22,277	22	5,56,925
Gram	19,634	30	5,89,020
Teora and batra	45,451	15	6,81,765
Masur	408	20	8,160
Other cereals	22,758	20	5,68,950
Til	72,225	20	14,44,500
Linseed	50,665	27	13,67,955
Linseed and gram	83	28	2,324
Other oil seeds	4,140	25	1,03,500
Spices	11,263	45	5,06,835
Sugarcane	2,685	200	5,37,000
Cotton	94,262	25	23,56,550
Others	10,333	20	2,06,660
Garden produce	2,043	65	1,32,795
Juar and arhar	24,742	20	6,18,550
Total	957,569	...	3,12,73,565
Area double cropped	56,154	...	...
Net cropped area	901,415	...	...

The gross outturns like the costs of cultivation vary very greatly in different parts of the district according to the cropping and character of agriculture and position of the tract concerned.

19. *Marketing*.—In this district we should allow 10 per cent deduction for the loss in marketing the portion of the crop sold owing to long distances and poorer communications as is explained in Chapter VII.

20. That is to say, the average budget of a family of five persons in this district is as follows:—

Outturn of 20 acres after deducting costs of cultivation and marketing Rs. 289. Rent Rs. 14. Maintenance Rs. 200. Balance Rs. 75. These are of course averages only and present the cash equivalent of grain at the local normal prices.

We explain in Chapter II of the report the other necessary expenses which have to be incurred out of the balance.

21. *Subsidiary income*.—There is a considerable income from other sources. There are, as usual, the nominal tenants who have quite small holdings and who habitually depend more upon income from other sources than upon that from their own cultivation. We have, as usual, allowed for the capital depreciation on the price of bullocks in the costs of cultivation, but as a matter of fact, practically all the cattle used for cultivation are bred inside the district. A large number of tenants breed their own cattle and do not include the capital depreciation on the cost of cattle in their cultivating expenses, while there are many others who obtain a substantial income from the breeding and sale of cattle to those cultivators who purchase.

A large amount of timber grass, fuel and forest produce is extracted from this district, and many persons earn a substantial income from forest labour and from carting. There are also important coal mines at Ballarshah and Ghugus, which employ a large amount of labour. The larger tenants of course as usual often do some money-lending to their poorer brethren and obtain a good income therefrom. We do not propose in this brief survey of an area of some 10 thousand square miles to attempt to give a detailed estimate of the total annual income obtained from these subsidiary sources, but there is no doubt that the income is considerable.

There are a large number of Mahras and weavers in the district, and quite a large number of cultivators supplement their agricultural income by spinning and weaving in their spare time. The All-India Spinning Association are doing their best to stimulate this cottage industry, with regard to which our separate note is attached. On the whole, therefore, cultivators in this district should obtain in a normal year a substantial surplus for other expenses.

22. On the other hand, it must be remembered that the variations in crop outturn in a district of this kind must be very great. The seasons for several years past have been favourable to rice cultivation, which is the principal crop in the district, but in 1925-26

the vagaries of the monsoon caused great damage in the cotton and juar tracts, necessitating the suspension of a considerable amount of land revenue, and some relief by the distribution of extra taccavi. The net income from agriculture in this district is bound therefore to vary very greatly.

23. *Debts and sources of finance.*—We have, as usual, applied the sampling method and in this district have examined the individual indebtedness of 7,189 persons in 187 villages spread all over the district, including the zamindaris. The results for the district as a whole are as follows:—

Malguzari debt Rs. 15,80,296 or three times the land revenue.

During the last three years 161 shares of malguzari villages have been transferred at prices averaging 24 times the total land revenue. The total land revenue of the district is Rs. 4,78,062. We can, therefore, safely assume that the total value of the landed property held by the malguzars in this district is Rs. 1,14,73,488. Their total debts then represent 12½ per cent of the value of landed property. In addition they, as usual, hold house property, cattle, jewellery and other movable property, while many of them as is explained hereafter earn a substantial income from the financing their tenantry. In the surveyed areas 52 per cent of malguzars were entirely free from debt.

24. The total tenants' indebtedness in the surveyed areas produce:—

		Multiple of rent.
Malik-makbuza ... ..	...	15 times.
Absolute-occupancy tenants, ... ..	...	11 ..
Occupancy tenants ... ..	...	9 ..
Ryots ... ..	...	10 ..
Total ... ..	...	10 ..

These multiples produce the following results for the district as a whole:—

—	Total debt.	Total area held.	Debt per acre.	Debt per rupee of rent.
1	2	3	4	5
	Rs.	Acres.	Rs. a. p.	Rs.
Malik-makbuzas	1,00,390	79,000	1 4 0	15
Absolute-occupancy	12,07,057	113,220	11 0 0	11
Occupancy	56,83,944	816,817	7 0 0	9
Ryots	7,98,800	237,484	4 4 0	10
Total	77,90,191	1,246,521	6 8 0	10

25. The burden of debt is however as usual unevenly distributed. The distribution in the villages intensively surveyed by us was as follows :—

Hoplessly indebted.	Percentage of total debt which they owe.	Tenants free from debt.	Indebted within means.	Percentage of total debt which they owe.
1	2	3	4	5
Per cent.	Per cent.	Per cent.	Per cent.	Rs.
5	50.8	45	50	49.2

That is to say the unfortunate 5 per cent have more than half the total debt while 45 per cent have no debt at all.

26. The value of land varies very greatly in this district.

The prices of land in the Warora cotton belt are no less high than those prevailing in Berar.

The double-cropped rice land may also fetch Rs. 150 to Rs. 200 per acre. Recent sales by auction of ryotwari plots without the right of transfer show that ordinary juar land is worth not less than Rs. 30 per acre.

If we assume the all round average value of land in this district to approximate to Rs. 40 per acre, even then the total cultivators' debt is equivalent to only 28 per cent of the value of the land held by them. The total debts of Rs. 93,70,487 represent 30 per cent of the total gross crop outturn in a normal year and 46 per cent of the combined expenses on cultivation, maintenance and rent.

27. The percentage of secured and unsecured debts is as follows :—

Secured	...	Rs.	10,77,596	Per cent.	11.5
Unsecured	...	Rs.	82,92,891		88.5
		Total	93,70,487		

28. Proportion of the total debts borrowed from each source :—

	Total debts.	Percentage.
1	1.	3
	Rs.	
Government	12,74,374	13.6
Co-operative Credit Bank	2,34,260	2.5
Mahajans	77,58,779	82.8
Malguzars	1,03,074	1.1

29. The purposes for which these debts were incurred are as follows:

	Per cent.
Payment of earlier debts	26.2
Marriage and ceremonials	16.2
Maintenance and household expenses	7.7
Payment of revenue on rent	1.7
Agricultural expenses	23.1
Improved agricultural implements	1.5
Field embankment and land improvements	16.3
Purchase of property	6.6
Litigation	.7

30. *Government loans.*—Among the witnesses whom we examined from this district was Mr. H. E. St. G. McClenaghan, I.C.S., Deputy Commissioner, Chanda, witness No. 86, who expressed some very interesting views with regard to taccavi and the co-operative credit movement. The purport of his remarks in brief was that there was always a keen demand for taccavi in this district, and for an amount much in excess of that allotted by the Government, and that he had been throughout the period of his service in the district pressing for a more forward policy and for an extension of the system of financing the cultivators and particularly the ryots of ryotwari villages with taccavi loans.

One of the principal problems in this large landlocked area is its development and further colonization, particularly of the areas commanded by the State Irrigation works. Mr. McClenaghan explained the considerable expense involved in excising this land from virgin forest, and making it fit for cultivation.

31. Captain O'Grady, another witness from the Burhanpur Manjrod tract of the Nimar district, gave an account of the reclamation of considerable areas of land during the last 20 years in the new ryotwari villages formed in that tract, and pointed out that unless these Government ryots, who have no rights of transfer in their holdings and therefore no credit, are financed at low rates of interest to enable them to make their new holdings fit for cultivation, there was no course open to them, but as had actually occurred in the Manjrod tract to borrow money at very high rates of interest from speculating money-lenders, with the result that they were in several cases crippled with a burden of debt before their holdings had ever reached the stage at which they could give a remunerative crop outturn. This question is considered in relation to the system of Government loans in Chapter VI of the report.

32. *Loans by malguzars.*—The malguzars as usual, in many cases finance their tenantry, but as a rule the advances made by them are confined to short term loans in grain and cash for the seasonal agricultural operations, which are normally recovered at harvest. In some cases they, however, also advance loans for longer periods for the purchase of agricultural cattle and for the necessary ceremonies, such as marriages, etc.

33. *Mahajans.*—82.8 per cent of the financing of agriculture is performed by the indigenous sowkars or money-lenders. In

this class of necessity is included the richer tenants who also do some money-lending, but their operations are not very extensive. The most important money-lenders in this district are Komtis, belonging to the class of Vaishyas having their origin in the Madras Presidency. They are reported to be men with a keen eye for business with a natural inclination to make as much profit as they can.

34. The rates of interest in some parts of this district are very high. The ordinary interest on secured loans is between 12 and 15 per cent. The interest on secured loans does not average less than 24 per cent, while in many cases it is considerably higher. The normal rate of interest on grain loans varies between 25 and 50 per cent for the season, which is equivalent to 50 to 100 per cent per annum.

The total annual interest charges in this district amount to not less than Rs. 21 lakhs. Owing to their lack of credit, the rates of interest, which the ryotwari ryots have to pay, is particularly high, but owing to their absence of credit this class is not able to borrow large sums and is therefore not heavily indebted as a rule.

35. *Co-operative credit banks.*—There is a Central Bank at Brahmapuri and another at Warora, whose operations are explained in this statement below :—

Central Bank.	Number of societies	Number of members.	Work- ing capital.	Total out- standing advances.	Per mem- ber.	Total recove- ries.
I	2	3	4	5	6	7
			Rs.	Rs.	Rs.	Rs.
Brahmapuri	116	1,754	2,11,866	1,28,917	71	1,14,225
Warora	58	813	2,38,761	1,62,867	200	1,49,852

A Central Bank was organized some years ago at Sironcha, but as in this far off tract no serious attempt to train the members or to discover the paying capacity of an individual borrower, nor to supervise the working of the societies nor to educate them in the principles and objects of the co-operative movement, was made, the bank soon became involved and has since been brought under liquidation, and neither it nor any society now exists in the Sironcha tahsil.

The unpleasant task of having to assist the closing down of this bank fell upon our present Chairman, who at that time was the Deputy Commissioner of Chanda.

It seems strange that up to now no societies or Central Banks have been formed in the headquarter tahsil of the district. But if proper training of societies in their duties with due insistence on the realization and observance of the principles of co-operation can be secured, there appears to be wide scope for the development of the co-operative movement in this district.

APPENDIX J-VI.

RICE ZONE.

NOTE ON BALAGHAT DISTRICT.

1. The Balaghat district lies to the north of Bhandara adjoining the zamindaris of the Drug district to the east and the Mandla and Seoni districts to the north and south. The district falls into two distinct sub-divisions, the uplands and lowlands. The upland country is the continuation of the Mandla plateau having an average elevation of about 1,800 to 2,000 feet above sea level. The lowland area is fairly level plain with an average elevation of 900 to 1,000 feet, being very similar to the rice plains of Bhandara adjoining. The portion above the ghats consists mostly of hill and jungle with sporadic cultivation. The total area of the district is 3,557 square miles, of which 981 square miles are covered by Government forest. There are in all, 754 malguzari, 294 zamindari, 235 ryotwari and 21 thekadari villages in the district. With the exception of two all the ryotwari villages are situated in the Baihar tahsil above the ghats.

2. *Cropping*.—The total occupied area for cultivation is 733,310 acres. The cropping in 1927-28 was as follows:—

	Acres.
Rice broadcast	120,836
Rice transplanted	277,267
Juar	1,611
Kodo, kutki and bajra	29,511
Til	1,214
Wheat	45,332
Linseed	56,774
Others	208,775
Total	741,320
Gross-cropped area	741,320
Double-cropped	193,291
Net-cropped	548,029

Rice is easily the most important crop.

3. *Population*.—The total population of the district was returned at the last census as 511,634. There is only one town, Balaghat, the district headquarters, with a population of 7,300. The total number of persons residing in rural areas was returned at the last census as 504,334. The vital statistics since the last census indicate an all round increase in population by 7 per cent. We have made an increase accordingly in estimating the present numbers of all classes of population.

4. *Cultivation below the ghats*.—In the area below the ghats, rice is easily the most important crop, a very large portion of the rice area also being double-cropped with linseed, lakhori and urad. This is on the whole a very closely populated tract.

The principal cultivating castes are Powars, Marars, Lodhis and Kunbis, all of whom are first class agriculturists well known for their skill in rice cultivation. A large proportion of the rice is transplanted, while the area irrigated from State works and classed as irrigated from private tanks is 85,229 acres and 85,759 acres, respectively. In the areas below the ghat, a good sandy clay loam is the predominant soil. The rainfall in this district is sufficiently heavy to produce good kharif crops and here, as elsewhere, throughout the rice zone, there has been a succession of good harvests for several years past.

5. *Nature of holdings in the upland.*—Above the ghats, Gonds and other forest tribes largely predominate, and here the population is sparse. The holdings are of light soil and there are large areas of fallow.

6. *Intensive enquiries.*—(1) We have made the usual intensive village surveys of Rajegaon in the Balaghat tahsil, typical of the ordinary rice land in that area, this village also being of peculiar interest as an example of village management by a money-lending Parwar malguzar; (2) of Miregaon, lying in the irrigated rice haveli of the Waraseoni tahsil; and (3) of Mohbatta typical of the ryotwari villages of the Baihar tahsil (Appendix E-XXXIX).

7. *Holdings.*—The following statement shows the distributions of holdings in the villages surveyed by us :—

District and village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.	Size of the average holding.
1	2	3	4	5	6	7	8	9	10	11
<i>Balaghat district.</i>										
Rajegaon ...	13	7	4	4	3	4	3	2	40	...
Mohabatta ...	...	3	7	...	1	4	2	5	22	...
Miregaon ...	12	12	6	3	1	...	...	2	36	...
Total ...	25	22	17	7	5	8	5	9	98	11

The 55,200 cultivating families hold 615,362 acres which also gives an average holding of 11 acres for the district as a whole.

7. *Costs of maintenance and clothing.*—The expenses for food and clothing in the upland tracts are relatively slight. Money is rarely used as a medium of exchange and only so much of the crops is sold as is necessary to pay the rent and to meet other cash expenses, most payments being made in kind. Here, as in other forest uplands, mohua and other forest produce is important and the ordinary expenditure upon food and clothing will not exceed the equivalent of Rs. 150 in cash, for the ordinary family of five persons per annum.

In the lowlands, the standard of living is higher and the ordinary family of five persons will ordinarily spend between Rs. 225 and Rs. 250 for their maintenance and clothing per annum. We should be on very safe ground if we estimate Rs. 200 as the average requirements for food and clothing per family in the district as a whole.

The Settlement Officer, Mr. De, I.C.S., in 1917 has given in the settlement report a detailed budget, showing Rs. 260-5-0 spent on food and Rs. 124-9-0 on all other items such as clothing, fuel, village servants' charges, etc., total Rs. 384-14-0 for a family of 15 persons of Powar caste in the irrigated haveli. This implies an expenditure of Rs. 128 on five persons. Prices have risen since then, but our budget of Rs. 200 average for the whole district is clearly very liberal under the circumstances.

8. *Cost of cultivation.*—We have, as usual, examined the costs of cultivation in our village enquiries. The costs of cultivation are, of course, far lower in the uplands where the cultivators mostly do their own agricultural operations and where wages of whatever hired labour is employed are low.

We have taken this factor into consideration in making an estimate of the all round costs of producing the total crops in the district. Our estimate is given below:—

Crop.	Area.	Cost per acre.	Total cost
1	2	3	4
	Acres.	Rs.	Rs.
Rice transplanted irrigated	147,858	14	20,70,012
Rice transplanted unirrigated	129,409	12	15,52,908
Rice broadcast irrigated	20,655	13	2,68,515
Rice unirrigated	100,181	11	11,01,991
Juar	1,611	6	9,666
Juar and arhar	7,518	6	45,108
Kodo, kutki and bajra	29,511	3	88,533
Wheat	45,332	10	4,53,320
Wheat and gram	1,491	9	13,419
Arhar, urad and mung	13,755	5	68,775
Gram	24,472	7	1,71,304
Teora and batra	47,988	5	2,39,940
Masur	329	6	1,974
Other cereals	92,670	6	5,56,020
Til	1,214	6	7,284
Linseed	56,774	6	3,40,744
Linseed and gram	1,074	6	6,444
Other oil seeds	8,075	6	48,450
Spices	1,531	15	22,965
Sugarcane	2,000	80	1,60,000
Cotton	4	6	24
Others	5,480	5	27,400
Garden produce	2,388	20	47,760
Total	741,320	...	72,91,908
Area double cropped	193,291	...	...
Net cropped area	548,029	...	...

9. We give below an estimate of the value of the gross outturn in a normal year at normal prices. Prices, of course, vary considerably from time to time, while the outturn will also vary largely according to the character of the season. Fortunately, however, the outturns have been good for several years past.

Value of gross outturn of all crops.

Crops.	Area under crop.	Value of crop per acre.	Total value of crop outturn.
1	2	3	4
	Acres.	Rs.	Rs.
Rice transplanted irrigated	147,858	60	88,71,480
Rice transplanted unirrigated	1,129,409	40	51,76,360
Rice broadcast irrigated	20,655	50	10,32,750
Rice broadcast unirrigated	100,181	35	35,06,335
Juar	1,611	13	20,943
Juar and arhar	7,518	14	1,05,252
Kodon, kutki and bajra	29,511	11	3,24,621
Wheat	45,332	30	13,59,960
Wheat gram	1,491	28	41,808
Arhar urad mung	13,755	20	2,75,100
Gram	24,472	71	5,13,912
Teora and batra	47,988	15	7,19,820
Masur	329	20	6,580
Other cereals	92,670	25	23,16,750
Til	1,214	30	36,420
Linseed	56,774	24	13,62,576
Linseed and gram	1,074	22	23,628
Other oil seeds	8,075	20	1,61,500
Spices	1,531	45	68,895
Sugarcane	2,000	250	5,00,000
Cotton	4	14	56
Others	5,480	20	1,09,600
Garden produce	2,388	60	1,43,280
Total	741,320	...	2,66,77,626
Area double cropped	193,291	...	...
Net cropped area	548,029	...	...

10. *Net income and balance of the average cultivator.*—An allowance of 5 per cent on the gross outturn for marketing, as explained in Chapter VII of the report, will be ample here.

The result then is as follows :—

	Rs.
Average value of gross outturn	2,66,77,626
Deduct 5 per cent for marketing	13,33,882
	<hr/>
Balance	2,53,43,744
Costs of cultivation	72,91,908
	<hr/>
Net balance	1,80,51,836
	<hr/>
Total occupied area—acres	733,310
	<hr/>
	Rs. s. p.
Average net income per occupied acre	24 10 0
The average family holds 11 acres.	
	Rs,
The net income would therefore average	271
The rent per 11 acres averages	14
Maintenance costs average	200
Net balance would average	57

But the cultivators of the double-cropped rice areas of the haveli below the ghat get considerably more, while although the income per acre above the ghats is less, there is in this tract a very substantial income from subsidiary sources.

11. *Subsidiary incomes.*—Above the ghats the number of cattle is large and many of the cultivators earn a substantial income from cattle-breeding and from the *ghee* industry. As is shown from our enquiry in Mohbatta, the cultivators who have carts can also earn a good deal from the extraction of forest produce. Small cultivators with petty holdings also supplement their income from agriculture by doing agricultural labour in the holdings of large cultivators.

There are also a number of important manganese mines in this district, to which a large number of the petty cultivators and agricultural labourers migrate in the slack season of the year for employment on manganese.

From the statements of the cultivators recorded during the intensive surveys of the villages of this district, the average subsidiary income per family comes to Rs. 183.

12. *Indebtedness.*—We have applied our sampling method and have examined, in detail, the indebtedness of 10,245 persons in all parts of the district.

These enquiries produce the following results for the areas surveyed :—

Percentage of malguzars indebted	49
Do. do. not indebted	51
Multiple of the land revenue which the total malguzari debt in the areas surveyed represents.	5
Percentage of cultivators indebted	35
Do. do. not indebted	65
Multiple of rent which is represented by the total debt of—	
1. Malik-makbuzas	15
2. Absolute occupancy tenants	7
3. Occupancy tenants	6
4. Raiyats in raiyatwari villages	3

Applying these figures to the district as a whole the results are as follows :—

	Rs.	
Total malguzari debt	...	22,92,130
Total land revenue	...	4,58,635
Total rent and total debt of—		
	Rent.	Debt.
	Rs.	Rs.
1. Malik-makbuzas	24,181	3,62,715
2. Absolute occupancy tenants	80,473	5,63,311
3. Occupancy tenants	5,42,515	32,55,090
4. Raiyatwari tenants	46,437	1,39,311
Total agricultural indebtedness of the district as a whole.		66,12,557

13. *Value of landed property of malguzars and zamindars.*—During the last three years, 197 shares of villages have been transferred, at an average price equivalent to 40 times the land revenue. We can therefore safely assume that the total value of the malguzari and zamindari property is Rs. 1,83,45,400. Malguzars' debts represent 12½ per cent only of this sum.

The total indebtedness of the tenants and cultivators represents a debt of Rs. 7 per acre of land held by them:

15. *Tenants' indebtedness.*—It is not possible to get an accurate estimate of the all round average value of the land for the whole district, as prices vary greatly in different areas. The best double-cropped rice land at present fetches between Rs. 100 and Rs. 150 per acre, while at the other extreme the land in the uplands has a nominal value only. It must also be remembered that the raiyats in raiyatwari villages have no rights of transfer in their land. The indebtedness among the raiyats in the uplands is relatively insignificant, *vide* Mohbatta, and most of the debt in the district is in the low lands.

16. The total debt, both malguzari and tenancy, *i.e.*, Rs. 66,12,557, represents 33 per cent of the value of the gross outturn in a normal year and 50 per cent of the net profits from agriculture (after deducting the costs of cultivation and rent).

17. The district as a whole is in a prosperous condition and, although in some villages such as Rajegaon there are a certain number of persons who have become heavily involved in debt.

on the whole the capital indebtedness is not beyond the paying capacity of the district. In the haveli tracts of this district, as elsewhere, the taking of annual advances for financing of agricultural operations has been long established by custom and a considerable portion of the total indebtedness of the district represents only those short-term loans which are ordinarily repaid at harvest. We have estimated the total cost of producing the crop at Rs. 72,91,908 and as the crop had not been harvested in the rice zone when our enquiries into indebtedness were made, much of the total indebtedness at the time must consist of short-term advances.

Interest charges.—The ordinary interest is 12 per cent on secured and 24 per cent on unsecured debts. The percentage of secured and unsecured debts in the area surveyed was 33.6 and 66.7, respectively:—

The annual interest charges would amount to approximately Rs. 13,00,000. Here, as elsewhere, the main problem is to reduce the interest charges.

18. *Sources.*—The percentages of the total debt borrowed from the following sources are as follows:—

Sources of debt.	Rs.	Per cent.
Government	... 37,822	0.57
Malguzars	... 17,62,360	19.0
Mahajans	... 46,61,066	78.5
Co-operative	... 1,51,309	2.28
Total	... 66,12,557	

Here, as elsewhere, many of the malguzars finance the short-term requirements of their tenants.

There is a co-operative central bank in Balaghat, the financial condition of which appears to be less satisfactory than that of many others.

19. *Purposes.*—The purposes for which these loans were taken are as follows:—

Purposes of debts.	Per cent.
Payment of earlier debts	... 29.1
Marriage and other ceremonials	... 17.1
Maintenance	... 5.9
Payment of revenue or rent	... 5.2
Agricultural expenses	... 25.4
Field embankments and land improvements	... 6.0
Purchase of land	... 7.8
Litigation	... 2.5
Improved agricultural implements	... 1.0

20. The main need of this as of other districts would appear to be the creation of a land mortgage bank to finance long-term requirements of agriculturists and to amortize at low rates of interest those debts which have now become unwieldy. With some modification and possibly regulation, the existing financial

agencies would suffice for the short-term requirements. All other matters are dealt with in the body of the report or in the intensive enquiry notes.

In this district there is great scope for an intensive thrift and investment campaign.

APPENDIX J-VII:

WHEAT ZONE.

NOTE ON JUBBULPORE DISTRICT

1. The Jubbulpore district is situated at the head of the Nerbudda valley, being the most eastern district of the wheat zone. It is bounded on the north and east by the Maihar and Panna States of the Central India Agency and the Rewa State of Bundelkhand. Towards the south it adjoins the plateau districts of Mandla and Seoni and on the south-west and west the districts of Damoh and Narsinghpur. It forms on the whole a long narrow plain shut in on all sides except to the south-west of high lands.

The south-western half of the central plain, which lies in the valley of Hiran and Nerbudda rivers, is one of the richest and most fertile wheat-producing tracts in the province, well up to the standard of fertility of the best parts of the Nerbudda valley. The central portion is fringed to the north and south by light soils merging in the Vindhyan hill range to the north and Satpuras to the south.

2. The district is divided into four tahsils. The Patan and western portion of the Jubbulpore tahsil and the south-western portion of the Sihora tahsil form the true wheat haveli. Here the predominant soil is heavy black clay and clay loam, much of which is embanked for rabi cultivation. This soil has much in common with the haveli tracts of the Narsinghpur district adjoining to the west. On the banks of the rivers there are a certain number of riverain or Kanthar villages capable of producing good crops in years of good rainfall, but owing to the unevenness of the general position liable to serious crop failures in years of deficient monsoon.

The western portion of the Sihora tahsil contains good embanked wheat land; but the texture of the soil gradually deteriorates north-east of Sihora khas into the light soils of the Murwara tahsil.

3. The Murwara tahsil consists mainly of undulating sand stone soil of poor quality, interspersed, however, with some areas of good black soil. Although included for administration purposes in the Jubbulpore district it has little in common with the real wheat zone or the Nerbudda valley proper.

4. For purposes of economic survey we have made intensive enquiries in (1) Karmeta, 5 miles west of Jubbulpore, typical of the ordinary embanked wheat haveli; (2) Gadaghat adjoining the Hiran river, typical of the riverain villages; (3) Bargi, some 4 miles from Sihora, typical of the haveli of the Sihora tahsil; and (4) Lakhakhera, a light soil village, typical of the Murwara tahsil.

The results of our investigations are contained in Appendices E-XLI to XLIV.

5. The greatest length of the district from south-west to north-east is 120 miles and the greatest breadth from west to east is 72 miles.

The total area of the district is 3,912 square miles, of which 589 square miles constitute the Government reserve forest. A considerable area is also included in the malguzari forest and waste land.

The total village area is 2,286,042 acres and the area occupied for cultivation is 1,409,546 acres.

6. *Population.*—The total population of the district at last census was 745,685, of which 121,000 reside in Jubbulpore city, while 19,700 reside in Katni-Murwara, a municipal town in Jubbulpore. The Gun Carriage Factory, the Perfect Pottery Company, Limited, the Burn Pottery Works provide employment for large numbers while, in Katni-Murwara and all round it are numerous paint and cement works. The economic future of these towns does not require detailed discussion while pleading with agricultural finance and is considered elsewhere.

The total population residing in rural areas was returned at the last census as 610,823. We have compiled the vital statistics of births and deaths since 1921 which indicate that the population since then has increased by 4 per cent. We have therefore applied this percentage throughout to the census figures in estimating the present population.

7. There are in all 2,536 villages, 7 of which are ryotwari, the remainder being held in malguzari right.

The average size and population of a village in this district is as follows:—Total area 901 acres and total area occupied for cultivation 555, population 307.

The villages of the haveli tracts, however, are much more closely populated than those of the poor soil areas.

8. *Malguzars.*—At the last census 26,145 persons were returned as belonging to the landlord class. There has been a 4 per cent increase since then and as the average family is of five persons this means that there are now 5,428 landholding families or households.

In this district the principal landholding castes are Brahmans 36 per cent, Kurmis and Banias each 13 per cent, Gonds 11 per cent and Rajputs 9 per cent. Out of a total of 2,529 malguzari villages, the Brahmans hold 796 and the Gonds 407 and Banias hold 411 villages. The total land revenue payable by malguzars is Rs. 1,041,944. During the last three years 535 malguzari shares, with a land revenue of Rs. 16,708,041, have been transferred at a price averaging 28 times the land revenue.

This district has passed through a period of serious economic depression during the last three years, during which scarcity conditions have prevailed owing to the destruction of crops by rust and frost.

It can, we feel, be safely assumed that in normal times the ordinary transfer value of malguzari right would nowadays not be less than 30 times the land revenue. On this estimate the total value of the malguzari rights held in this district by the landlords would amount to Rs. 3,12,58,320 between 5,428 families or an average of Rs. 5,759. These figures are of importance when considering the total amount of indebtedness of the landholding class.

The total area of home-farm held by the landlords is 226,733 acres or an average of 80 per village and 42 acres per cultivating family of five persons.

9. *Tenants and malik-mukbuzas*.—A certain number of these persons are nominal tenants with quite small patches of land, sometimes no more than bars or gardens attached to their houses where main income is derived from agricultural labour or some other source.

10. *Average holding*.—The average area held by a tenant family for the district as a whole is 21 acres, the range being from 38 acres in the wild Gond country at the base of the Satpura plateau to 14 acres in the embanked haveli tract of Sihora. In the haveli of the Patan tahsil a holding averages 20 to 24 acres in extent.

11. The principal tenants' castes are—Gonds 14 per cent, Brahmans 13 per cent, Lodhis 12 per cent, Kurmis 9 per cent and Rajputs, Ahirs and Kachhis 5 per cent each. The Gonds are most important in the eastern portion of the Murwara tahsil and in the ordinary Gond country at the south border of the district adjoining Satpura plateau.

12. In the Murwara tahsil, though the soils are light, the cattle-breeding and dairy farming industries are very important. In this tahsil the average tenant owns 3 plough-cattle and 7 other cattle. This tahsil has long been famous for cattle-breeding. The Settlement Officer also noted that there was much export of *ghee* from this tahsil. In our intensive survey we found that cattle-breeding and sale of *ghee* still continue to be important sources of income. In other tahsils the average tenant owns 3 plough-cattle and 4 other cattle, which include she-buffaloes and cows.

13. *Cropping*.—Owing to the very severe damage to the winter crops from frost and rust since 1927-28, there has been a disturbance of the normal cropping. The wheat, which was particularly injured and which is the expensive seed, has fallen very much in area. We give below the principal cropping of 1927-28 which may be considered to be approximate to normal.

14. *Cost and profit of agriculture*.—As is explained in the main body of the report, the cost of agriculture varies considerably according to the quality of the soil, the size of the holding and the personal industry of the cultivator. In the same way the crop outturn varies from year to year according to the character of the season. Nowadays in this district as in the adjoining district of Narsinghpur, birra, which consists of a mixture of wheat and gram usually in the portion of seven parts of wheat and one part of gram, has very largely taken the place of pure wheat. As was explained by the Settlement Officer in the final report of the Narsinghpur district, cultivators of the Nerbudda haveli have discovered by practical experience the fact well known to agricultural chemistry that the leguminous plants, such as gram and the other lentils have a peculiar power of increasing the nitrogenization of the soil, and are therefore of great value for rotation purposes. Cultivators have also found that, when instead of rotation

a certain proportion of gram is sown with the wheat, the supply of nitrogen is increased, preventing excessive exhaustion of the soil and increasing the wheat outturn.

15. The total area under wheat and birra in a normal year in this district would be about 461,000 acres out of a total net-cropped area of about 951,000 acres.

Wheat is therefore, easily the most important crop, after which comes gram and masur among rabi crops, while about 185,000 acres are normally under rice and 98,000 under kodon-kutki among the rain crops.

16. In this district 128,850 acres were double cropped in 1927-28 which implies that in this area a second crop of gram, masur, birra or in rare cases of richer soil wheat is grown after the rains crop rice. Therefore out of the total rice area, only in a little over 55,000 acres is pure rice without a second crop grown.

17. This rice and kodon-kutki are among the most important crops of the Murwara tahsil. We have in our intensive village enquiries carefully considered the cultivators' own estimates of the normal crop outturn and cost of cultivation. We find that in this district, as elsewhere in the wheat zone, payments of wages of hired labour and contributions to the village servants are usually made in kind out of crop outturn while it is being harvested. The crop outturn is not finally measured or weighed on the threshing floor until harvesting and threshing have been completed, i.e., after these various payments in kind have been made. The cultivators' estimate of gross outturn is, therefore, really the outturn after various payments have been made in kind.

18. We find that normally, according to the cultivators' own statement, 120 lbs. of seed are required for wheat and birra cultivation, although the whole of this amount of seed does not actually go into the ground. 120 lbs. is the estimate of the amount of seed which will be required for carrying out sowing operations in one acre of land, but actually some of this grain is given to the servants and in contributions to various persons at the time of sowing. The cultivators in the haveli tracts estimate their normal outturn at 4 to 5 times, i.e., between 480 and 600 lbs. We find in the villages which we visited that the tenants' estimate of normal outturn was coloured by their experiences of bad outturns during the last three years.

19. The cultivators also gave us their estimate of the amount which was expended in the payment of these wages and contributions in kind. Although they actually make these contributions before their gross outturn is calculated, they included them in their estimate of expenses. If these items are to be included in the estimate of expenditure, their equivalent should also be added to the cultivators' estimate of gross outturn.

20. The standard outturn for the district as a whole, based on a number of experiments over a number of years, is 620 lbs. per acre. The cultivator's estimate implies a figure between 480 and 600 lbs., say, 540 lbs., after deducting payments in kind which are equivalent to at least 80 lbs. We feel, therefore, that for calculating the value of the average gross outturn we shall be on

safe ground in accepting 620 lbs., although in some villages and in some years it will be more and in some less. A good cultivator will get more than this, *vide* Mr. Dwarka Prasad Bhargava's statement (witness No. 104). In the current year the crops in the haveli tract are good and when we visited Karmetha a second time at harvest the cultivators stated that in their opinion the outturn this year after deducting these expenses in kind would be 5 to 6 times, which implies a gross outturn of between 700 and 800 lbs. per acre.

21. But just as in some years the outturn is above the average, in others it may fall very much below it, as has already been the case for two years previously. These questions have been discussed in greater detail in the village enquiry papers and the main report.

22. *Rice*.—For estimating the gross outturn of unirrigated rice, we have taken a figure of 800 lbs. which is far below the ordinary outturn in the rice tracts of Chhattisgarh, Bhandara and Balaghat. The cultivators themselves admit that they sow about 80 lbs. of seed to the acre and that the ordinary outturn is 10 times.

23. Upon the cropping of 1927-28, we have estimated the value of the gross outturn of all the crops of the district in a normal year as follows:—

Crops.	Area.	Value of gross outturn per acre.	Total value.
1	2	3	4
	Acres.	Rs.	Rs.
Rice transplanted (irrigated) ...	990	55	54,450
Rice transplanted unirrigated ...	4,292	35	1,50,220
Rice broadcast irrigated ...	10,489	45	4,72,005
Rice broadcast unirrigated ...	173,603	30	52,08,090
Juar ...	5,795	17	98,445
Juar and arhar ...	26,947	18	4,85,046
Kodo-kutki, etc. ...	98,389	11	10,82,279
Wheat ...	162,412	35	56,84,420
Wheat and gram ...	298,890	33	98,63,370
Arhar, uradth etc. ...	17,029	25	4,25,725
Gram ...	68,556	27	18,51,002
Teora and batra ...	2,328	20	46,560
Masur ...	49,229	27	13,291,183
Other cereals ...	17,765	20	3,55,300
Til ...	32,241	30	9,68,230
Linseed ...	30,348	26	7,89,048
Linseed and gram ...	16,488	27	4,45,176
Other oilseeds ...	18,731	20	3,74,620
Condiments and spices ...	3,895	45	1,75,575
Sugarcane ...	1,042	200	2,08,400
Cotton ...	7,510	19	1,42,690
Garden produce ...	10,587	40	4,23,480
Others ...	32,612	25	8,10,550
Total ...	1,079,978	29	3,14,43,864
Area under double crop ...	128,850	...	...
Net cropped area ...	951,128	...	...

24. *Marketing*.—These values are, as usual, calculated at the normal or average wholesale prices prevailing. For estimating the value of the crop to the cultivator we make a 5 per cent deduction to cover the loss over marketing that portion of the crop which is actually sold as is explained in Chapter VII of the report. This is a liberal estimate, as only a portion of the produce goes to the market, and a large proportion is retained for home consumption. The value of the gross outturn for the district as a whole after this deduction would then be Rs. 2,98,71,671.

25. At the same time it must be remembered, as has been explained elsewhere, that over a cycle of years, the crop outturn rarely comes to the average or normal figures, being sometimes in excess and sometimes in defect, so that the value of the total gross outturn will vary from year to year to, say, between some Rs. 2,25,00,000 and some Rs. 3,75,00,000 according as the crop outturn varies between 10 annas and 16 annas.

26. *Profits of average holding*.—As is already explained, the average holding per rent-paying cultivating family in the Jubbulpore district is 20 acres, of which, according to the normal percentage for the district as a whole, about 16 acres are actually normally cropped, that is to say, that after deducting 5 per cent for the expenses of marketing, the value of the gross crop outturn of the average holding would be Rs. 501. These are average figures only of course and the outturn of individual tenants will vary very greatly. In the haveli tracts, practically the whole occupied area is cropped from year to year and much of it is double cropped, and the crops are more valuable, whereas in the lighter areas of the Gondi tract and in the Murwara tahsil there may be a larger percentage of fallow land and the crops are less valuable, but the holdings are larger, and the income from the extraction of forest produce, mahua, from cattle-breeding, from ghee, etc., is greater. Although the average value of the gross crop outturn of the individual cultivator comes to Rs. 501, it should be remembered that the value will vary from year to year between (*i.e.*, 25 per cent less or 25 per cent more) Rs. 376 and Rs. 636 according as the crop is between 10 and 16 annas.

27. *Costs of cultivation.*—At the conclusion of our enquiries we have worked out the costs of cultivation of the crops of the district. These are shown in the following statement :—

Jubbulpore district.

Crops.	Area.	Cost of cultivation per acre.	Total cost.
1	2	3	4
	Acres.	Rs. a. p.	Rs.
Rice transplanted (irrigated) ...	990	14 0 0	13,860
Rice transplanted (unirrigated) ...	4,292	12 0 0	51,494
Rice broadcast (irrigated) ...	10,489	12 0 0	1,25,868
Rice broadcast (unirrigated) ...	173,603	10 0 0	17,36,030
Juar	5,795	6 0 0	34,770
Juar and arhar	26,947	6 0 0	1,61,682
Kodo-kutki, etc.	98,389	3 0 0	2,95,167
Wheat	162,412	12 0 0	19,48,944
Wheat and gram	298,890	10 0 0	29,88,900
Arhar, urad, etc.	17,029	5 0 0	85,145
Gram	68,556	8 0 0	5,48,448
Teos and batra	2,328	6 0 0	13,968
Masur	49,229	6 0 0	2,95,374
Other cereals	17,765	6 0 0	1,06,590
Til	32,241	5 0 0	1,61,205
Linseed	30,348	5 0 0	1,51,740
Linseed and gram	16,488	6 0 0	98,928
Other oil seeds	18,731	5 0 0	93,655
Condiments and spices	3,895	20 0 0	67,900
Sugarcane	1,042	80 0 0	83,360
Cotton	7,510	7 0 0	52,570
Garden produce	10,587	15 0 0	1,58,505
Others	32,612	6 0 0	1,95,672
Total ...	1,079,978	8 12 0	94,68,575
Average per acre of gross cropped area ...	...	8 12 0	...
Area under double crop ...	128,850	...	...
Net cropped area ...	951,128	...	...
Average per acre of net cropped area ...	...	10 0 0	...

28. The rice in this district is sown broadcast and is rarely weeded more than once, and while the outturn is relatively low the cost of cultivation is also low when compared with those of the rice zone proper. Our estimate of costs is therefore possibly on the high side. Our estimate of cost of cultivation are average figures, as is explained in our village intensive enquiries. This subject has been dealt with in Chapter II of the report. The cultivators with small holdings, who do all agricultural operations themselves and who do not employ hired labour, will actually spend less, while the Brahmans and others, who get their cultivation done mainly by farm servants or by casual labourers, may spend more than the average figures taken by us for the purposes of our enquiry

The cost of cultivation of wheat in this district does not differ materially from the costs in other parts of the wheat zone.

29. *Rent*.—The normal costs of cultivation of the average holding of 20 acres with 16 acres under crop would then be Rs. 160. In addition the cultivators require to pay rent which is not included in the estimates of costs of cultivation. Rents vary considerably in this district according to the quality of the soil and the demand for land. The all round average rent per acre for the district as a whole is Re. 1-4-10, so that the average rent per average holding of 20 acres would be Rs. 26-4-0.

30. *Cost of maintenance*.—The results of our enquiries into the average costs of maintenance are discussed in the intensive village enquiry notes. The costs of maintenance in the wheat tracts are not dissimilar to those in the wheat havelis elsewhere, but in the light soil kodon-kutki areas where the mahua fruit which is obtained in abundance free from the jungle forms an important article of diet for a large part of the year and where kodon-kutki is the principal food, while the expenditure on clothing is less, the ordinary household with a family of five persons will possibly not spend in cash and grain more than Rs. 170 per annum. In the haveli tracts, our enquiries show that the equivalent of Rs. 250 in cash and grain suffices for meeting the ordinary charges for maintenance and clothing of an ordinary family of five persons according to the local standard of comfort prevailing. We shall, therefore, be on very safe ground if we take an all round average for the district as a whole of Rs. 225 per cultivating family for maintenance and clothing.

31. The total ordinary expenditure of the cultivating family of five persons will then be—

Cost of maintenance	...	Rs.
Cost of cultivating the average holding	...	225
Rent	...	160
	...	26
		411
	Total	...

Deducting these charges from the value of the gross crop outturn, it will be seen that in the normal year there should be a surplus of Rs. 90 per average family. These are of course averages only; some cultivators will have a much larger income, while others with smaller holdings may have less. It will also be seen that there may be a deficit of Rs. 35 or a surplus of Rs. 225 according as the outturn varies between 25 per cent below and 25 per cent above normal.

32. *Subsidiary income*.—According to the general principle followed by us throughout this enquiry, we have included the capital depreciation on the price of agricultural cattle in our estimate of the cost of cultivation. As a matter of fact, however, although some cultivators purchase cattle from time to time, practically the whole of the agricultural and non-agricultural cattle are bred inside the district. That is to say, those who purchase cattle purchase from other cultivators in the district who are cattle-breeders, while a number of cultivators breed their own cattle and actually do not purchase them at all. A large portion of the item of Rs. 25 odd per holding included as capital

depreciation on the price of bullocks in the costs of cultivation should also be credited to the income. Cattle-breeding, therefore, forms an important source of subsidiary income to a large number of persons, particularly in the Murwara tahsil.

33. In addition to the plough-cattle there are 48,685 she-buffaloes and 137,895 cows in the district. Many of the cultivators do not sell either ghee or milk, and in fact often keep cows for breeding only, allowing the calves to drink milk. It is difficult to make any estimate of the actual income from dairy farming, because a large portion of whatever milk and *ghee* is produced is used for home consumption. In the light soil areas, however, where the grazing grounds are more extensive it is important to note that a large number of cultivators earn substantial incomes from this source.

We have purposely refrained from attempting to estimate the total income from these subsidiary sources, because we feel it would be impossible in the time at our disposal to arrive at an accurate figure. But it is important to note that in the villages in this district in which intensive enquiries were made by us, according to the cultivators' own statements, the average income from sources other than agriculture worked out at Rs. 150 per cultivator.

Many of the small cultivators supplement their income from their holdings by doing agricultural labour in the holdings of bigger cultivators. Some of them are petty shop-keepers, etc., or do carting, etc.

Throughout our enquiries we were surprised at the smallness of the number of cases in which indebtedness was due to a holding being uneconomic. Where holdings were small, we found almost invariably that the cultivator was earning a considerable income from subsidiary sources.

Many of the big cultivators also earn a good income from money-lending to their poor brethren. We shall be on safe ground if we assume that the average income per family from subsidiary sources is not less than Rs. 50 per annum.

34. *Sources of finance and indebtedness.*—We have, as usual, applied the sampling method in this district and have examined in detail the individual indebtedness of 3,641 families in 112 villages in all the typical tracts of the district. The following results are obtained :—

35. *Malguzars.*

Percentage free from debt	...	...	15
			Rs.
Total land revenue	..	...	10,41,944
Total estimated indebtedness of the malguzars in the district as a whole.			82,16,479

36. We have pointed out above that the average transfer value of malguzari rights in the Jubbulpore district may safely be taken nowadays at 30 times the land revenue. These total debts therefore represent 27 per cent of the value of the landed property of the landlords. It must be noted that they hold in addition a large number of cattle, while many of them have valuable household property and jewellery and other moveable property.

37. A certain proportion of this debt comes under the head of suspended land revenue due to Government. Owing to repeated crop failures much of the land revenue in large parts of the district was suspended in 1927-28 and was subsequently remitted; while in 1928-29 Rs. 7,56,938 of land revenue due from malguzars was again suspended and is still outstanding. In both these years this was accompanied by the remission and suspension of rents due to these landholders amounting to a much greater sum. This suspended land revenue should perhaps not be included in the malguzars' debt at all, because it will be paid in due course out of the recoveries of suspended rent which amounts to a sum considerably greater than the suspended land revenue.

38. At last settlement Mr. Crosthwaite, Settlement Officer, noted that enquiries at attestation showed that the malguzars of the district owed in all Rs. 41,85,671, most of which was secured by mortgage. Mr. Crosthwaite has given an interesting account in paragraph 31 of his settlement report of the conciliation proceedings of tenants' debts, which were carried out under him in conjunction with the formation of the co-operative credit societies. It appears, however, that no attempt was made to reduce the indebtedness of the malguzari body.

39. Debts since then have increased during the last 18 years, by Rs. 40,30,808 of which Rs. 7,56,938 is suspended land revenue. In 1912 the average transfer value of malguzari rights was only 17 times the land revenue. Mr. Crosthwaite stated that there had been a recent temporary slump in the market and estimated the value of malguzari rights at 20 times the land revenue taking a total all round figure of Rs. 222 lakhs against the value of Rs. 3,12,58,320 at present. Many of the malguzars supplement their income from agriculture in the Jubbulpore district, as in other districts, by money and grain-lending. It should also be borne in mind that during the scarcity years large sums of taccavi have been advanced: the total sum of loans advanced by Government still outstanding amounts to Rs. 19,71,515, of which Rs. 5,77,529 was for land improvement. Much of this latter sum has been advanced to malguzars to enable them to carry out field embankments and other works of land improvement so as to provide employment in their villages during the period of scarcity.

Of the Rs. 40 lakhs increased indebtedness, some Rs. 10 lakhs at least consists of suspended land revenue or special taccavi loans from Government. None the less their total debts represent about 26 per cent of the value of their land which is a larger percentage than most districts and has substantially increased since last settlement. The malguzars of this district, among whom Brahmans are

very important, have always been reputed to be more indebted than those of many other districts. Much might be done by a land mortgage bank in this district.

40. *Tenants.*—The total indebtedness of malik-makbuzas and tenants comes to Rs. 1,26,24,196 which represents 8 times the total assessment upon the land which they hold. It represents an average of Rs. 232 per family and Rs. 10-10-0 per acre of land held. It also represents 40 per cent of the average value of the gross crop outturn in a normal year.

The ordinary rates of interest vary between 12 per cent and 24 per cent, the interest on secured debt approximating to 12 per cent and on unsecured to 24 per cent.

41. Of the total debts, Rs. 29,17,684 or 14 per cent are secured, and Rs. 1,79,22,991 or 86 per cent are unsecured. It will be seen, therefore, that with an average rate of interest of 12 per cent on secured and 24 per cent on unsecured debts, the total amount of interest charges on the total debt of the district comes to Rs. 46,51,639 or $4\frac{1}{2}$ times the total land revenue recovered by Government. The interest charges per average family of rent-paying cultivators are about Rs. 46 per annum against Rs. 26 rent.

42. *Sources of finance.*—The percentages and the amount of the total debt borrowed from each main source was as follows:—

		Rs.	Per cent.
Government	...	27,27,553	13
Co-operative Credit banks	...	13,97,265	6.2
Malguzars	...	33,34,496	16
Mahajans	...	1,33,81,361	64.8
Total	...	2,08,40,675	100

—	Percentage free from debt.	Multiple of rent.	Total area.	Total debt.	Debt per acre.
1	2	3	4	5	6
			Acres.	Rs.	Rs.
Malik-makbuzas ...	8	24	56,814	8,35,819	15
Absolute-occupancy tenants.	11	12	186,264	41,87,079	22
Occupancy tenants	12	6	922,572	76,01,298	8
Total	...	8	1,165,650	1,26,24,196	11

We have, as usual, applied various cross checks to our calculations before venturing to accept them as correct. The debt due to Government consisted of Rs. 7,56,938 suspended land revenue plus the amount of taccavi loans still outstanding. We have since extracted the actual figures under these heads from the

Government records. We find that on 1st October 1929, at the time of our enquiries into indebtedness, the following sums of suspended land revenue and taccavi were outstanding :—

			Rs.
Suspended land revenue	...	...	7,56,938
Land improvement loans	...	...	5,77,629
Agricultural loans	...	...	13,93,986
Total	...	...	<u>27,27,553</u>

The accuracy of our calculations by the sampling method can be gauged from the fact that our sampling method indicated the total sum due in October-November to Government as Rs. 27,09,278 whereas the actual amount extracted from the Government records as due on 1st October was Rs. 27,27,553.

The amount of taccavi loans advanced by Government in the last two years is much greater than the ordinary annual allotment. These advances were made as a small measure of relief at the time of scarcity. The amount of taccavi outstanding on the 1st October amounted to Rs. 19,61,515.

43. The main purposes for which loans are said to have been borrowed were as follows :—

		Per cent.
Repayment of earlier debts	...	22.87
Marriages and other ceremonials	...	11.11
Maintenance and household expenses	...	12.10
Payment of land revenue or rent	...	6.6
Agricultural expenses	...	28.21
Field embankments and other land improvements	...	16.2
Improved implements	...	1.58
Purchase of landed property	...	1.21
Litigation	...	.11

44. *Causes of indebtedness.*—The normal economic position of the Jubbulpore district, as in other parts of the wheat zone, has been upset by the very serious crop calamities of the years 1927-28 and 1928-29.

During this period, Government have expended large sums on famine relief works and upon gratuitous relief, and over large parts of the district the crop in these years did not repay the cost of cultivation.

We have already estimated the average maintenance cost per family at Rs. 225 per annum, so that grain and cash amounting to Rs. 1,35,71,485 would be required to support the 5,428 families of malguzars and the 56,609 families of rent-paying cultivators every year.

In addition, we have shown that the normal costs of producing the crops of the normal cropped area per annum comes to Rs. 94,68,575. These two items alone amount to a total sum of Rs. 2,30,40,060, *i.e.*, to over 2½ crores per annum in cash and grain.

The total indebtedness of the district at present, therefore, is a little less than the total annual costs of producing the crop and maintaining the cultivators and landlords for one year. Having regard to the serious economic depression of the last two years and the previous economic history of this district, the total amount of capital debt is possibly less than might have been expected.

45. The results of our intensive village enquiries show a very uneven distribution of the burden of debt, as is explained in the following statement:—

Wheat zone, Jubbulpore.

Zone and district—		
Total debt in villages surveyed	...	Rs. 81,050
Percentage of debtors hopelessly indebted	...	6
Debts owed by them	{ Total amount	Rs. 22,866
	{ Percentage of the total	28.4
Percentage of the cultivators free from debt	...	16
Debts owed by cultivators	{ Total amount	Rs. 58,184
not hopelessly indebted.	{ Percentage of total debt	71.6
Percentage of such tenants	...	78

We found that 6 per cent of the cultivators are indebted beyond hope of redemption and that their debts amount to 28.4 per cent of the whole, while at the other extreme, we found a considerable percentage of persons with relatively small debts incurred during the last two years and remaining outstanding owing to the poor harvests.

46. Very many cultivators of course take the usual seasonal agricultural loans which are normally repaid and would have been repaid at harvest, if the crops had been normal during the last three years. As the rabi crops in the current year have been fairly satisfactory, a census of indebtedness carried out in April or May would probably have shown a considerable reduction of the indebtedness displayed in November. This we have discussed in the main body of the report.

47. But none the less the annual interest charges which now amount to $4\frac{1}{2}$ times the total land revenue and work out at an average of Rs. 46 per cultivating family, must alone be a very heavy burden upon the agriculturists of the district and, unless a series of bumper harvests now intervenes, the debts of many cultivators, at these high rates of interest, may swell beyond their paying capacity.

48. The value of gold and silver ornaments, etc., admittedly owned by cultivators in the villages intensively surveyed by us averaged in this district only Rs. 60 per family against the all round provincial average of Rs. 144. We have discussed the causes of indebtedness in Chapter IV of the report and need not add more here.

49. It would then be imprudent to underestimate the seriousness of the present situation, either here or in the districts of Saugor and Damoh adjoining. Here, as elsewhere, the main problem is to amortize by long-term loans at low rates of interest those debts which have now reached substantial proportions. These matters are discussed in Chapter VI of the report.

There appears to be no reason, having regard to previous experience, for doubting that practically all the Government loans will be recovered in due course, in spite of the temporary economic depression through which the district is passing, as these loans form the first charge on the land after the land revenue and rent.

50. *Co-operative credit banks.*—There are three Central Banks in this district at Jubbulpore, Katni and Sihora. The Sihora Central Bank was the first created in the province and was started through the enthusiasm and energy of Mr. Crosthwaite, who was Settlement Officer of this district at the time. He has written at length in paragraph 31 of his settlement report with regard to the conciliation of debts and the inauguration of the co-operative movement.

He writes that in 1907 a small Central Bank with 10 members was formed at Sihora. It started with a capital of only Rs. 2,000, which was all that could be raised and with four societies. He states that he himself organized the first society and taught other workers how to do so.

By 1912, 224 societies had been formed all within the Sihora tahsil, with a total number of 4,371 members. He states that the paid staff employed by the bank at that time consisted of a manager, an inspector, 4 clerks and peons.

The position of these banks is explained by the following statement:—

Central Bank.	Number of societies and members.	Amount advanced during the year.	Amount recovered during the year.	Amounts outstanding.
1	2	3	4	5
Sihora ...	248 with 4,205 members.	Rs. 73,248 in cash, Rs. 1,43,518 by book adjustment and Rs. 5,312 by paper renewal.	Rs. 19,013 in cash, Rs. 44,411 by book adjustment and Rs. 5,312 by paper renewal.	Rs. 8,02,148
Jubbulpore ...	163 with 1,935 members.	Rs. 1,93,307 in cash and Rs. 33,215 by book adjustment.	Rs. 2,11,133 in cash and Rs. 872 by book adjustment.	4,46,007
Murwara ...	121 with 1,121 members.	Rs. 50,095 in cash, Rs. 40,086 paper renewal and Rs. 25,982 book adjustment.	Rs. 25,526 in cash, Rs. 40,086 paper renewal and Rs. 9,364 book adjustment.	2,13,854

These figures were supplied in May 1930 by the co-operative credit banks.

51. As usual, the malguzar and the mahajan are the principal sources of credit. To the malguzars, 16 per cent of the total amount outstanding is due and not less than one-third of this sum consists of suspended rents. It is interesting to note that whereas the malguzars owe in all Rs. 82,16,479, they are owed by cultivators Rs. 33,34,496.

All other matters connected with the finance of this district are discussed in the village notes or in the main body of the report. Mr. Crosthwaite noted that as a result of debt conciliation proceedings, the total debt of tenants was reduced from Rs. 44,86,154 to Rs. 22,55,315. It is, therefore, interesting to note that since that date although the co-operative credit movement has spread in this district enormously and in spite of the debt conciliation proceedings the total debt of the tenantry is now approximately three times the amount which they owed before these debt conciliation proceedings and the formation of the co-operative credit societies were undertaken.

52. As usual, we find the members of the co-operative credit societies are more heavily indebted than the average tenant. The figures for the villages in which intensive enquiries were made by us are as follows :—

Society.	Member-ship.	Debt from societies.	Outside debt.	Per head.	Non-members debt per head.
		Rs.	Rs.	Rs. a p.	Rs. a p.
Lakhakhera ...	16	1,288	2,702	249 4 0	58 1 0
Bargi ...	19	10,712	13,769	322 0 0	109 0 0

The Central Banks on a reference by us gave information regarding the total amount of debts owed to the societies by their members but with the exception of Katni-Murwara have not stated the loans also borrowed by members from other sources. The figures for Katni-Murwara societies are as follows :—

Name of Central Bank.	Number of societies under the Central Banks.	Number of members.	Area held by them in acres.	Assessment paid by them.	Debts.			Incidence of debt per		
					From societies.	From others.	Total.	Member.	Acre.	Times land revenue.
Katni-Murwara ...	125	2,018	29,167.32	Rs. 25,497 6 6	Rs. 2,29,232 9 7	Rs. 1,55,041 0 0	Rs. 3,84,273 9 7	Rs. 190	Rs. 13 8 0	15 times

We have discussed this subject in detail in Chapter XI of the report.

The activities of the Central Banks in this district must be much restricted as long as so large a portion of their working capital is locked up in overdue arrears. We must hope for an improvement with the return of better harvests. It is unnecessary to repeat here what is written in the main report.

53. As soon as better times come, we should concentrate on a thrift and investment campaign as proposed in Chapters XV and XVI of the report. We were interested to see the work done in Bargi in the way of rural uplift. There is wide scope for action in this direction as is explained in Chapter XV.

54. There will be a great demand for help in amortization of debts from the land mortgage bank as soon as it is established and in many cases there may have to be a good deal of debt conciliation as soon as an agency has been created for amortizing the debt so compounded.

55. Since the above was written there has been an abnormal fall in the price of wheat. If the present low price continues incomes must substantially reduced.

APPENDIX J-VIII

WHEAT ZONE.

NOTE ON SAUGOR DISTRICT.

1. The Saugor district lies in the extreme north of the province in the wheat zone, being bounded on the north by the Jhansi district of the United Provinces and some states of the Central India Agency, on the east and south by the Damoh and Narsinghpur districts of the Central Provinces and on the south-west and west by the Bhopal and Gwalior States.

Its greatest length from north to south is 112 miles and from west to east is 72 miles. The total area of the district is 3,962 square miles.

The district is divided into four tahsils. There are in all 2,057 malguzari villages and 27 ryotwari villages. The total village area is as follows:—

	Acres.
Total area	... 2,046,040
Occupied area	... 1,265,086
Cropped area	... 992,236

2. The total population at last census was 528,380, there being, therefore, practically 2 acres under crop for every person in the district. The vital statistics since census indicate an all round increase in population since then by 7 per cent. We have increased all census figures accordingly.

3. *Malguzars*.—At the last settlement there were 1,929 malguzars holding shares in malguzari villages. They hold in all 213,992 acres of home-farm or an average of 111 acres per landlord. The total land revenue at present is—malguzari Rs. 8,46,269 and ryotwari Rs. 5,770. The average land revenue per village is, therefore, for malguzari villages Rs. 402 and for ryotwari villages Rs. 214 and per individual landlord Rs. 438. 82 per cent of the malguzars are residents in the same tahsil as the villages which they hold. The principal castes are as follows:—

	Per cent,
Brahmans	... 27
Banias	... 14
Dangis	... 15
Rajputs	... 9
Lodhis	... 9

Among the Brahman malguzars, the most important are the Maharashtra Brahman landlords, the descendants of the old Subhedars who held the Saugor district in the time of the Peshwas. Another important estate is the Tiwari estate, held by the hereditary Rai Bahadur of Dana. The ancestor of the present holder was rewarded with the hereditary title of Rai Bahadur and a number of villages in return for his

conspicuous services in the mutiny. With regard to Rai Bahadur Balichand, the late holder, who has recently died, Sir Geoffrey Corbett, the Settlement Officer, wrote as follows:—

“He is a remarkable man. The ability and force which his grandfather displayed in the mutiny has been used by him in acquiring riches, etc., etc.”

We have made intensive enquiry in Surki, one of his villages, to which we have alluded in the main body of the report. There are very few estates exceeding ten or twelve villages. At the last settlement it was recorded that the total debts of the malguzari body came to Rs. 21½ lakhs, Rs. 9½ lakhs being secured by mortgages. Sir Geoffrey Corbett noted that the run of good harvests since 1909 had been unprecedented, and that the wheat crop of 1913 was the finest in living memory, while in 1916 a sixteen anna crop of rabi was reported.

4. There are 35,239 families of rent-paying cultivators in the district.

The total area and the total rental demand at present is—

	Area.	Total rental demand.
	Acres.	Rs.*
Malik-makbūza	... 43,542	54,233
Absolute occupancy	... 148,976	2,23,572
Occupancy	... 830,688	10,68,252
Others	... 27,888	...

Total area held by the rent-paying cultivators is therefore 1,051,094 acres.

5. The average holding per family would, therefore, be a little over 29 acres. The average rent per acre is Re. 1-5-0 or Rs. 38 per family.

In the village surveyed by us the distribution of land was as follows:—

District and village.	Below 5 acres.	From 5-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
<i>Saugor district.</i>									
Surkhi	32	12	9	9	8	11	8	17	106
Maharajpur	90	35	25	7	5	1	5	3	171
Barodia K.	27	28	19	14	6	2	7	4	107
Shahgarh	29	4	9	6	11	1	5	4	69
Total for district	178	79	62	36	30	15	25	28	453

This includes the bariholders and nominal tenants. Though holdings are relatively large the area of fallow land included in them owing to kans and other reasons is also considerable.

The distribution of the holdings between the various classes is as follows:

	Per cent.
Lodhis	16
Brahmans	12
Dangis	9
Kachhis	8
Kurmis	8

The Brahmans are generally "Jijotiyas" and plough with their own hands and most of the tenants castes are genuine farmers. Roughly speaking, Lodhis predominate in the north, Kurmis in the south, Kachhis in the centre.

6. At the last settlement but one, with regard to indebtedness of tenants, it was stated that many persons were believed to be in permanent bondage to the money-lender and that the habit of borrowing was deeply ingrained in the people and inability to pay one's debts carried with it no moral stigma. It was further stated that money-lenders eat like a canker into the prosperity of the village.

7. At the last settlement, however, which coincided with a cycle of good years, it was recorded that previous accounts with regard to indebtedness might be discounted. It was stated that the famines had submerged the improvident and the insolvent, and some, especially in the Khurai tahsil, had absconded to the Native States and that the tenants like landlords had learnt thrift! At last settlement, 28 per cent of the tenantry were quite free from debt. The total liabilities of the remainder amounted to Rs. 34½ lakhs in cash and 41,000 manis of wheat. The value of this grain debt at the prices then prevailing was about Rs. 6 lakhs, the price of wheat then being 13 seers per rupee.

8. Since then the district has passed through three very bad years, the crops in 1927-28 being very seriously damaged by rust and in 1928-29 being entirely destroyed over large areas by frost and rust. The crops in the current year are again very poor and famine relief works have been in almost continuous operation for more than two years. The total amount of land revenue at present suspended is Rs. 7,01,392, the amount of rents suspended also exceeding Rs. 10½ lakhs. The present indebtedness of the district is considered hereafter.

9. *Agriculture*.—In paragraph 12 of the settlement report, Sir Geoffrey Corbett alluded to the extraordinary variation of rainfall not only from year to year but from tract to tract in the Saugor district. He stated that storms rolled round and round the hills giving good showers of rain with tantalising partiality. The records at the various tahsil headquarters rain-gauges are sometimes startlingly different: for instance, in 1892-93, 66 inches was registered at Saugor, while there were only 22 inches in Banda and Khurai.

In this district and in the adjacent district of Damoh, the variations in outturn are perhaps greater than in any other districts in the province. The principal crops are wheat and other rabi crops which stand or fall by the late monsoon and mahwat or cold weather rain. As regards the cold weather rain 1 inch of rain in December or January would be sufficient. But Colonel Maclean, the Settlement Officer of the nineties, reported that on this 1 inch of rain depended whether the wheat harvest will yield three-fold or eight-fold. This territory is also more liable to attacks from rust than other portions of the wheat zone.

10. The total cropping in 1927-28 was as follows:—

<i>Cropping.</i>		Acres.
Rice broadcast	...	22,961
Rice transplanted	...	338
Juar	...	44,001
Cotton	...	14,168
Kodon-kutki	...	29,927
Til	...	17,820
Wheat	...	454,201
Linseed	...	16,689
Others	...	392,131
Total	...	992,236

Owing to the very severe damage to wheat in 1927, the area under pure wheat fell in the next year from 454,201 to 247,473 acres.

11. We have made our usual intensive surveys in four villages in this district. Maharajpur in the Rehli tahsil and Surkhi in the Saugor tahsil are typical of the ordinary wheat tracts of the district, Barodia a village in the north-west is typical of the Khurai tahsil, while Shahgarh in the extreme north-east of the district typical of the Bundelkhand territory to the north. In our enquiries we have carefully examined the question of the normal gross crop outturn and the costs of cultivation of the principal crops and the requirements for food and clothing of the cultivators. As regards the wheat outturn, Sir Geoffrey Corbett himself made very careful enquiries at the settlement and came to the conclusion that 600 lbs. per acre, the standard outturn adopted by Government as typical of the average wheat outturn for the district as a whole, was a very safe outturn for the mund I, an average soil which covered 24 per cent of the total cropped area. He checked his figures by a consideration of the export of the surplus produce not required for food and this gave him a figure well over 600 lbs. per acre; but the outturn may vary from year to year, excluding the years of scarcity between 450 and 750 lbs. per acre.

In this district, as elsewhere, agricultural wages are largely paid in kind and the traditional estimate is that it costs 100 lbs. of wheat in addition to 100 lbs. of seed, to produce the wheat crop on one acre of land. This includes 25 per cent interest on the grain.

12. We have considered all these questions in our village enquiries, etc., before drawing up an estimate of costs of cultivation and value of the gross outturns at the average wholesale prices.

The results calculated on the net cropped area is as follows:—

Crop.	Area.	Value per acre.	Total value.	Cost per acre.	Total cost.
1	2	3	4	5	6
	Acres.	Rs.	Rs.	Rs.	Rs.
Rice transplanted (irrigated) ...	32	48	1,536	14	448
Rice transplanted (unirrigated) ...	306	40	12,240	13	3,978
Rice broadcast (irrigated) ...	50	45	2,250	11	550
Rice broadcast (unirrigated) ...	22,911	38	8,70,618	10	2,29,110
Juar ...	44,001	20	8,80,020	6	2,64,006
Juar and arhar ...	42,248	20	8,44,960	6	2,53,488
Kodo, kutki and bajra ...	29,927	12	3,59,124	3	89,781
Wheat ...	454,201	31	1,40,80,231	10	45,42,010
Wheat and gram ...	71,315	28	19,96,820	8	5,70,520
Arhar, prad and mung ...	2,986	21	62,706	5	14,930
Gram ...	64,386	21	13,52,106	7	4,50,702
Teora and batra ...	4,964	21	1,04,244	6	29,784
Masur ...	12,546	26	3,26,196	6	75,276
Other cereals ...	14,826	20	2,96,520	6	88,956
Til ...	17,820	25	4,45,500	5	89,100
Linseed ...	16,689	30	5,00,670	6	1,00,134
Linseed and gram ...	24,471	25	6,11,775	7	1,71,297
Other oil seeds ...	46,328	20	9,26,560	5	2,31,640
Spices ...	1,069	55	58,795	15	16,035
Sugarcane ...	462	250	1,15,500	80	36,960
Cotton ...	14,168	17	2,40,856	7	99,176
Others ...	102,988	15	20,59,760	5	5,14,940
Garden produce ...	3,542	65	2,30,230	20	70,840
Total ...	992,236		2,63,99,217		79,43,661
Total occupied area ...	1,265,086				

From the value of the gross outturn at wholesale prices we deduct in this district 5 per cent for the possible losses in marketing the portion of the agricultural produce actually marketed. The balance after deducing these marketing and cultivating expenses comes to Rs. 1,71,35,598.

The average family with 29 acres of which 21 acres are under crop, will, therefore, in a normal year get Rs. 360-8-0 after deducting costs of cultivation and marketing. In addition there is the rent which averages Re. 1-5-0 per acre or Rs. 38 per average family.

13. *Costs of maintenance.*—In the wheat area proper the costs of maintenance do not differ from those elsewhere in the wheat zone. In the more backward tracts they are less. We

have made careful enquiries on this subject. Rs. 225 per family will be a fair average as in Damoh and Jubbulpore.

14. The average family after defraying costs of maintenance and paying rent will in a normal year thus have a net balance of Rs. 97-8-0 to meet all those other items of expenditure set out in Chapter II of the report.

Though in a year of good harvest the surplus will be considerably greater, this surplus will become a deficit as soon as the crop falls by 25 per cent to 10 annas. In this district also the wheat area falls enormously after a year of crop failure and this also seriously reduces profits. The income from agriculture is, therefore, very uncertain.

15. *Subsidiary income.*—The cultivators' statements of their income from the non-agricultural subsidiary sources, cattle-breeding, *ghee*, agricultural labour, weaving, carting, extraction of forest produce, shop-keeping, money-lending, etc., gave an average per family of Rs. 135 in the villages intensively surveyed by us as is explained in the village notes. As is explained elsewhere, *ghee* and cattle-breeding are very important sources of income in this district.

16. *Indebtedness.*—The malguzars especially in the Khurair tahsil include a number of rich money-lenders. According to our surveys the total malguzari debt, excluding the debts of those who are owed more than they owe, comes to Rs. 25,38,834 or about 9 per cent of the value of the property which they hold. 45 per cent of the malguzars are free from debt. Cultivators' debts are as follows:—

	Indebted. Free from debt.	
	Per cent.	Per cent.
Malik-makbuza	... 63	37
Absolute occupancy	... 77	23
Occupancy	... 67	33
Ryots and patels	... 77	23
Tenants	... 71	29
		Rs.
Total debt on—Malik-makbuza	...	9,76,194
Absolute occupancy	...	46,95,012
Occupancy	...	96,14,268
	Total	...1,52,85,474
		Per cent.
Secured	...	22,28,064 12·5
Unsecured	...	1,55,96,244 87·5
	Total	...1,78,24,308
		Rs. Per cent.
Landlord	... 45,27,346	25·4
Mahajan	... 1,11,82,764	62·5
Government	... 19,92,108	11·6
Co-operative	... 1,12,090	0·5

Purposes.

	Per cent.
Repayment of earlier debts ...	29.17
Social occasions ...	5.53
Maintenance and household expenses ...	13.75
For payment of land revenue or rent ...	6.06
Agricultural expenses ...	30.64
Improved agricultural implements ...	.89
Field embankments and other land improvements ...	4.2
Purchase of property ...	7.66
Litigation ...	2.1

The distribution of debt in the villages intensively surveyed by us was as follows:—

Zone and district.	Wheat Zone Saugor district.
1	2
Total debt in villages surveyed ...	Rs. 1,85,019
Percentage of debtors hopelessly indebted ...	6.5
Debts owed by them ... { Total amount ...	Rs. 85,998
... { Percentage of the total ...	46.8
Percentage of cultivators free from debt ...	26.5
Debts owed by cultivators not hopelessly indebted. { Total amount ...	Rs. 99,021
... { Percentage of total debt ...	53.2
Percentage of total tenants ...	67

Although 6.5 per cent only are hopelessly indebted, there are many with debts which have now swollen to a substantial sum owing to continuous crop failures. The average debt per tenant is Rs. 433.

We invite attention to intensive enquiry village notes which deal with the economic situation in detail, and to our interviews with Saugor merchants about the *ghee* industry and sale of ornaments.

We have also discussed various aspects of the economic position in Chapter IV of the report and in the note on the Jubbulpore district. In this district with great variations in outturn a thrift campaign with improved facilities for investing the surpluses of good years is required. Some debt conciliation after the creation of a land mortgage bank may be possible.

APPENDIX J-IX.

WHEAT ZONE.

NOTE ON DAMOH DISTRICT.

1. *Description.*—The Damoh district lies in the wheat zone in the extreme north of the Central Provinces to the east of the district of Saugor, being bounded on the north and east by the States of the Central India Agency and on the east and south by Jubbulpore district. It is divided into two tahsils, Hatta to the north and Damoh to the south, and contains 1,393 villages, of which 52 are ryotwari, the remainder being malguzari. The total area of the district is 2,818 square miles, but out of this, 792 square miles are Government forest, and of the area included in the villages, 849 square miles—mostly unculturable—is lying waste.

2. Physically the district consists of three main blocks. In the extreme north is a sandstone ridge, very poorly supplied with water and with wretched soil; most of this is jungle. To the south of this, slanting from south-west to north-east comes the broad rich valley of the Sonar, called the haveli. This tract contains 654 villages and pays 74 per cent of the land revenue of the district. The soil is mainly a good loam and clay loam and bears good crops of wheat in years of good rainfall; but the surface is rather undulating in the north-eastern portion.

To the south of the haveli lies a second hilly tract, which is, however, distinguished from that of the north by the rich soil which is found in the valley of the Bearma and its tributaries: this soil is frequently embanked for rabi cultivation.

3. *Communication.*—The district communications are good and not dissimilar to those of Saugor district adjoining. The Bina-Saugor branch of the Great Indian Peninsula Railway runs through the middle of the district, so that both Bombay and Calcutta are within easy reach; whilst metalled roads run to all corners of the district and the villagers of all parts have easy access to the big wholesale market at Damoh. The only really important grain market in the district is at Damoh headquarters.

4. *Population.*—The total population at the last census was 287,126, of whom 109,041 were shown as members of the rent-paying cultivator class and 72,118 as agricultural labourers. The vital statistics indicate an increase in population by 7 per cent since then. There are, therefore, at present approximately 23,335 families of rent-paying cultivators and 16,615 families of agricultural labourers, the average family being of five persons.

5. *Average holding.*—The total area occupied for cultivation in tenancy right is 626,109 acres. The area held by the

average family would then be 27 acres. The distribution of land in the villages intensively surveyed by us was as follows:—

District and village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
<i>Damoh district.</i>									
Abhana	69	17	9	11	11	2	6	3	128
Bakain	2	11	5	2	2	1	1	...	24
Total for district...	71	28	14	13	13	3	7	3	152

6. *Malguzars*.—The total area held in home-farm by the malguzars is 130,012 acres, so that the average home-farm per village comes to 93 acres. The principal landlords are the Zamindar of Mala, who holds 55 villages, the Lodhi Raja of Salaiya, with 35 villages, the Lodhi Raja of Hatri with 28 villages, Dangi of Dharampura with 23 villages, the Brahman of Dura with 15 villages, the Baniyas of Taradehi with 33 villages, the Sonu Raja of Gubra with 14 villages and the Lodhi of Hindoria with 10 villages.

Properties comprising up to six villages are frequently met with but large estates are rare, and the sub-division of shares specially among the Lodhis and Kurmis is common, some 20 co-sharers being sometimes found in a single village. The principal malguzari castes are Lodhis with 319 villages; Kurmis with 141, Baniyas with 196 and Brahmans with 262.

At the last settlement the Settlement Officer recorded that as a result of a succession of good years the landlords had paid off the debts incurred in the famines and had begun to lay by money. None of the biggest estates was encumbered.

The total land revenue is Rs. 4,64,828. The sale prices of 363 malguzari shares during the last three years averaged 33 times the land revenue. This district, like the district of Saugor, is passing through a period of economic depression owing to the continued failure of crops due to rust and frost. These sale prices are below the average for a period of ordinary years. We should, therefore, be on perfectly safe ground in assuming the total value of the malguzari villages in this district to be not less than 33 times the total malguzari land revenue, *i.e.*, Rs. 1,53,39,324.

7. *Agriculture.*—The normal cropping of the district has been disturbed by very serious damage caused to the crops in 1927-28 and by frost and rust in 1928-29. The cropping of the present year cannot therefore be considered normal. The cropping in 1927-28 was—

			Acres.
Rice broadcast	...	...	71,529
Rice transplanted	...	...	233
Juar	...	...	75,836
Cotton	...	...	1,329
Kodo, kutki and bajra	...	...	24,127
Til	...	...	29,060
Wheat	...	...	2,24,685
Linseed	...	...	15,314
Others	...	...	1,21,338
		Total	5,63,451

8. The most important crop in this district is wheat, which covers 40 per cent of the total cropped area in normal years. The Government's estimate of the normal standard of wheat outturn for the district as a whole, based on a number of crop experiments made from year to year, is 580 lbs. to the acre, a little less than Saugor. We have as usual, made full enquiries from the tenants in our intensive surveys with regard to their estimates of outturns, as is explained elsewhere.

Here, as in Saugor and Narsinghpur, the harvesting and cutting of the wheat crop is paid for in kind out of the standing and the cultivators estimate their gross outturn on the amount actually received by them on the threshing floor after these operations have been completed. But the expenses of harvesting are also included in the villagers' estimate in the cost of cultivation.

In the best embanked wheat tracts of the Bearma valley and elsewhere the gross outturn is of course in a normal year considerably more than the district average, while in the inferior soil it will be less. In the best embanked lands the wheat outturn may be anything up to 800 lbs. but this is not typical of the district as a whole.

9. Our estimates of the normal value of the gross outturn of all crops in average years is given below :—

Crop.	Area.	Value per acre.	Total value.
1	2	3	4
	Acres.	Rs.	Rs.
Rice irrigated transplanted	51	40	2,040
Rice unirrigated transplanted	182	40	7,280
Rice broadcast irrigated	7,048	40	2,81,920
Rice unirrigated broadcast	64,481	40	25,87,240
Juar	75,836	20	3,16,720
Juar and arhar	38,606	20	7,72,120
Kodo, kutki and bajra	24,127	12	2,89,524
Wheat	224,685	30	67,40,550
Wheat and gram	50,432	27	13,61,664
Arhar, urad and mung	2,717	21	57,057
Gram	20,320	21	4,26,720
Teora and batra	1,728	21	36,288
Masur	3,687	25	92,175
Other cereals	7,030	20	1,40,600
Til	29,060	25	7,26,500
Linseed	15,314	30	4,59,420
Linseed-gram	10,321	25	2,58,025
Other oil seeds	4,700	20	94,000
Spices	1,019	50	50,950
Sugarcane	309	200	61,800
Cotton	1,329	17	22,593
Others	38,774	15	5,81,610
Garden produce	1,695	60	1,01,700
Total	563,451	...	1,54,68,496
Double cropped	37,335	...	...
Net	526,116	...	...

The rainfall in this district is no less uncertain nor less variable than that of the adjoining Saugor district, and the crop outturns in consequence vary greatly from year to year. So that although the value of the average gross outturn over a number of years should be Rs. 1,54,68,496, the annual outturn will vary from 25 per cent below and 25 per cent above this, i.e., between say Rs. 1,20,00,000 and Rs. 1,95,00,000 according as the crop varies between 25 per cent below and 25 per cent above normal. In some years the outturn may be far less.

10. *Cost of cultivation.*—In our intensive enquiries we have also carefully enquired from the tenants and cultivators as to the cost of cultivation. Here, as elsewhere, the cost of cultivation per acre is bound to vary considerably according to the individual industry of the cultivators concerned and the amount of hired

labour which he employs. Our estimates of the total normal cost of cultivation of the normal cropped area are given below :—

Crop.	Area.	Cost per acre.	Total cost.
1	2	3	4
	Acres.	Rs.	Rs.
Rice irrigated transplanted	51	10	510
Rice unirrigated	182	10	1,820
Rice broadcast Irrigated	7,048	10	70,480
Rice unirrigated broadcast	64,481	10	6,44,810
Juar	75,836	6	95,016
Juar and arhar	38,606	6	2,31,636
Kodo-kutki-Bajra	24,127	3	72,381
Wheat	224,685	10	22,46,850
Wheat and gram	50,432	8	4,03,456
Arhar, urad and mung	2,717	5	13,585
Gram	20,320	8	1,62,560
Teora and batra	1,728	6	10,368
Masur	3,687	6	22,122
Other cereals	7,030	6	42,180
Til	29,060	5	1,45,300
Linseed	15,314	6	91,884
Linseed-gram	10,321	7	72,247
Other oil seeds	4,700	5	23,500
Spices	1,019	15	15,289
Sugarcane	309	80	24,720
Cotton	1,329	7	9,303
Others	38,774	5	2,41,540
Garden produce	1,695	20	33,909
Total	563,451	...	46,75,457
Double cropped	37,335	...	...
Balance	5,26,116	...	...

11. In many cases, however, the actual costs of individual tenants with smaller holdings, who do not employ hired labour, will be less per acre than the all round average rate adopted by us. While in other cases where all the work is done by hired labour the expenses will be more.

After deducting these costs of cultivation the average net balance from agriculture will be Rs. 1,07,93,039, but as the gross crop outturn varies between say Rs. 1,20,00,000 and Rs. 1,90,00,000 the net balance will vary between some Rs. 74,00,000 and Rs. 1,45,00,000.

12. *Marketing*.—In this district we can make a 5 per cent reduction of the value of the gross outturn for marketing for the reasons explained in Chapter VII of the report. The gross value is then Rs. 1,46,95,072.

13. *Net income.*—The total occupied area including the fallow area not cropped, is 756,121 acres. The net income from the total occupied area after deducting costs of cultivation and marketing averages Rs. 13-8-0 per acre.

14. *Cost of maintenance.*—Here, as elsewhere, we have found that the individual cultivator's estimates of his expenditure on food and clothing vary according to the size of his family, his rank in life and standard of living. In the haveli portion of the district, where wheat is the main article of diet, ordinary food and clothing requirements of a family of five persons will not be more than Rs. 250; while in the hilly and jungly tracts where mohua abounds and kodon-kutki and juar are the main articles of diet the figure will not exceed Rs. 175. For an estimation of the total requirements for food and clothing in a normal year for the tenant classes as a whole we shall be on very safe ground if we take an all round average of Rs. 225 per family. This represents Rs. 52,50,375 for the district as a whole.

We have also to add rent which averages Re. 1-4-0 per acre, or Rs. 33-12-0 per average family.

15. In a normal year the average family will then get Rs. 364-8-0 minus Rs. 258-12-0. This leaves a balance of approximately Rs. 104 from a holding of 27 acres. But this becomes a deficit as soon as the crop falls to 10 annas, as it frequently does.

16. *Finance and debts.*—We have applied the usual sampling method for the estimation of the debt for the Damoh district, and have examined the individual indebtedness of 2,514 persons in 91 villages spread over all parts of the district. On these bases we estimate the total indebtedness of the district as a whole:

Malguzars—

		Per cent.
Indebted	...	73
Not indebted	...	27
		Rs.
Total debt	...	31,51,819
Tenants' debt—		
		Rs.
Malik-makbuzas	...	42,869
Absolute-occupancy	...	9,53,214
Occupancy	...	57,62,362
Ryots	...	69,936
Cultivators	...	Total Rs. 68,28,381 or about Rs. 11 per acre or Rs. 292 per average family.
Malguzars' debt	...	Total Rs. 31,51,819

The distribution of debt in the villages intensively surveyed by us was as follows:—

Zone and district—Damoh	...	Wheat Zone.
Total debt in villages surveyed	...	Rs. 1,38,251
Percentage of debtors hopelessly indebted	...	5.8

Debts owed by them—

Total amount	...	Rs. 20,285
Percentage of the total	...	14.5
Percentage of cultivators free from debt	...	16

Debts owed by cultivators not hopelessly indebted—

Total amount	...	Rs. 1,17,966
Percentage of total debt	...	85.5
Percentage of total tenants	...	78.2

17. There is a Co-operative Credit Bank in the district. It has apparently practically ceased to function. We recorded the statement of Mr. Dhagat, the Secretary, as witness No. 108.

18. In this district there were debt conciliation proceedings after the last famine of 1897 and 1900, but these were not extended to the whole district. In two-thirds of the Damoh tahsil the outstanding debt was reduced from Rs. 34 lakhs to Rs. 6 lakhs. It is not possible now to show how much of the total indebtedness today consists of the remains of the old debt in the non-conciliated areas and how much has been freshly incurred during the last 5 years. But in some villages of this district the people are hopelessly indebted beyond all possibility of redemption.

19. The Settlement Officer Mr. Trench in 1914 wrote with regard to this district:—

Independence is not coveted: on the contrary, seed grain is borrowed at 25 per cent by many a man who can sow his own seed, but feels lonely without a protector and banker to turn to in time of need. Also, if in any year he ceased to borrow, he would be charged 50 per cent on resuming the connection. Indebtedness is not felt as a burden. From the tenants' standpoint the ideal landlord is one who will lend without stint and so long as the latter does not seize his 'rozgar', his land (a procedure strongly condemned by local opinion among all classes), the tenant is apparently content to continue his bond slave for life. Malguzars with sufficient capital and fortunately these are few, deliberately flood entire villages with a preposterous head of debt. A saturation point is reached in time when, to save waste of paper and ink, no further arrears of interest are added, and the entry in the account book remains constant. This stage has admittedly been reached in the estate of the firm of Chandmal notably in Satpura and Bhatarai, and probably in Abhana and other villages of Seth Dalchand and of the owners of Damoh Khas. The creditor takes the whole of the produce and hands over to the tenant enough grain to keep him till next crop. But he also lends him money to perform his marriages and burials decently, feeds him in years of crop failure and treats him, in short, as a valued dependant. Such tenants far better in hard times than those of scores of poor Lodhis who can help neither themselves nor others. One wealthy landlord informed me with pride that it had taken three generations to work a village up to such a state of indebtedness, and that he had never filed a

suit, dispossessed a tenant, or forced a surrender in his life. To illustrate the condition of these tenants the figures of debt in the two first named villages are given below. They have been copied from the agent's account books. Comment is needless :—

	Total rental.	Total tenancy debt.
	Rs.	Rs.
Satpura	4,245	91,804
Bohtarsi	4,330	67,681

Such a condition, however, is exceptional. The debt conciliation proceedings of 1898-99 remitted Rs. 28 lakhs, nearly all owed by tenants and undoubtedly saved many hundreds of cultivators from hopeless insolvency. But this was a desperate remedy and, it is hoped, the necessity for it will never recur.

From the landlords' point of view their relations with their tenants have changed for the worse in the last twenty years. Except when the tenant has reason to fear ejection he has become more independent of his malguzar and looks more to the Bania and to Government for aid in time of need. This is the result of the famines, when much of the grain lending business passed from the hands of malguzars to professional lenders, and also the liberal relief measures adopted by Government gave the tenants a new idea of his own importance. On the march through eleven miles of Panna State to the village Udla, I was met by the State tenants with ironical requests for taccavi, which, they understood, was given in Damoh to any tenant. The tenant of the Panna haveli, on taking up land, proceeds to dig himself into occupancy right and then, with his back, metaphorically speaking, against his embankment defies ejection. The tenant in Damoh, secure in his rights and often paying a nominal rent for his land, has had comparatively little incentive to improve his position as against his malguzar, and self-help is decidedly not one of his characteristics. My assistants from the south of the province were astonished at the triviality of the matters in which cultivators invoke Government assistance. Except when enmeshed in debt borrowed from their malguzar, they show very little reluctance to complain against their landlords and the patwaris. The debt conciliation proceedings undoubtedly loosened the tie between the two classes. Villages have been named in the C notes where malguzars repenting of the generous enthusiasm that swept like a wave over the district in 1899, have ever since collected their debts with rigour that has resulted in embittered relations with their tenants and in the absorption of much tenancy land in the home-farm. The temporary curtailment of credit, indeed, was one of the most beneficial results of the conciliation movement."

20. Of the present indebtedness, the debts due to Government consist of land revenue Rs. 3,14,249 suspended owing to crop failure and taccavi advances Rs. 9,96,299 during this period.

21. The purposes for which debts were borrowed were as follows :—

	Per cent.
Payment of earlier debts	31·6
Marriage and ceremonials	8·4
Maintenance and household expenses	21·4
Payment of revenue or rent	4·15
Agricultural expenses	27·6
Improved agricultural implements	1·85
Field embankments and land improvements	3·1
Purchase of property	1·53
Litigation	·27
Business, etc.	·10

22. Sources of debt :—

	Per cent.
Land lord	23·8
Mahajan	61·6
Government	13·1
Co-operative	1·5
Total	100
Secured	16·6
Unsecured	83·4

23. The total debt represents an average of Rs. 292 per tenant, 35 per cent being free from debt. The debt represents an average of Rs. 11 per acre. Although some of the land in the haveli is valuable, the value of the lighter soil tracts is low. And even if we assume that the average value of land for the whole district was as high as Rs. 50 per acre, and we consider this to be a fairly high average for the whole district, the present indebtedness would represent Rs. 22 per cent of the value of the land.

24. There is need for an intensive thrift campaign in this district, while on the establishment of land mortgage bank some debt conciliation might be possible.

25. The variations in outturns are very great and increase the need for investment of surpluses when the years of good harvest occur.

All other questions have been discussed in the village notes or in the main body of the report. This is one of the most insecure districts in the province.

APPENDIX J-X.
PLATEAU ZONE.

NOTE ON SEONI DISTRICT.

1. The Seoni district is the third district moving from west to east of the Satpura plateau zone, which comprises the Betul, Chhindwara, Seoni and Mandla districts. Its total area is 3,420 square miles and its population 387,000 persons. The district has no important industry other than agriculture. Seoni town with a population of 14,000, is the only municipal town in the district and is the principal grain market. There is a certain amount of export trade in grain and shellac.

At headquarters there is a rather important colony of Parwar Banias who do a considerable amount of money-lending and also grain and cloth business.

2. The south-eastern portion of the district is devoted to rice. The greater part of this tract is well protected by small tanks and a good quality transplanted rice is grown. In the Barghat and Ugli tracts rice cultivation compares favourably with that in any other part of the province. There is also a considerable area in the district under wheat which is the most important crop. The northern portion of the district in the Laknadon consists of a succession of light soil ridges with intervening valleys and pockets of good soil. Here the lighter kodo and kutki are grown on the ridges, and wheat in the valleys. There are also small areas under juar and cotton but these are not very important.

The areas under the main crops in 1927-28 were :—

	Acres.
Rice broadcast	30,783
Rice transplanted	83,344
Juar	12,808
Cotton	15,711
Kodo-kutki	1,06,381
Til	13,434
Wheat	227,492
Linseed	16,983
Others	393,249
Total	786,058

3. Rents are on the whole low averaging Re. 1-5-6 per acre in the best rice groups, Re. 1-4-6 in the wheat tract and working out at less than 14 annas for the district as a whole.

4. For purposes of intensive survey four villages were selected :—

Barghat, typical of the better rice cultivation,

Keolari, typical of the wheat tracts,

Chhapara, a mixed village of wheat and cotton millets in the Laknadon which had suffered severely from a succession of crop failures.

All these three are malguzari villages. The fourth village Suktara is a ryotwari village, typical also of a mixed wheat and rice village.

The separate notes embodying the results of the enquiry in each of these villages should be perused.

At the same time a survey of the total agricultural indebtedness of the district was carried out by the Land Record staff and checked by the Superintendent of Land Records, Tahsildars and superior revenue staff and finally by us.

5. *Costs of cultivation.*—The costs of cultivation of wheat, which is the principal crop in the district, do not differ materially from those in the adjoining districts of Chhindwara and Betul. The costs of rice cultivation in the best rice haveli of Barghat tract adjoining the Balaghat district do not differ materially from those in that district although the rates of wages are slightly lower owing to the absence of manganese mines in this district. A good deal of rice is also grown in light soil areas elsewhere, the costs of cultivating which are considerably less owing to the relatively low rates of wages.

At the conclusion of our enquiries, we have made the usual estimates of the cost of producing various crops in the district. These are shown in the following statement. These are of course average figures only. Individual cultivators with small holdings who do not employ large outside labour will spend less, while others will spend more.

Costs of cultivation.—

Crops.	Area under crop.	Cost of cultivation	
		Per acre.	Total.
	Acre.	Rs.	Rs.
Rice irrigated	25,467	13	3,31,071
Rice unirrigated	88,660	10	8,86,600
Juar	12,808	6	76,848
Juar and arhar	15,641	6	93,846
Kodo-kutki, etc.	106,381	3	3,19,143
Wheat	227,492	11	25,02,412
Wheat and gram	65,945	10	6,59,450
Arhar, urad, etc.	9,029	6	54,174
Gram	25,663	7	1,79,641
Teora and batra	33,759	5	1,68,795
Masur	16,993	7	1,18,951
Other cereals	36,016	6	2,16,096
Til	13,434	6	80,604
Linseed and gram	6,525	7	45,675
Linseed	16,983	7	1,18,881
Other oil seeds	47,517	6	2,85,102
Spices	1,561	15	23,415
Sugarcane	617	80	49,360
Cotton	15,711	8	1,25,688
Garden produce	1,437	20	28,740
Others including hemp, bajra, etc.	18,419	6	1,10,514
Total	786,058	...	64,74,906
Double cropped area	45,029	...	...
Net cropped area	741,029	...	...

6. *Costs of maintenance.*—The costs of maintenance of the average family in this district vary considerably. In the uplands of Lakhnadon where mohua and kodo-kutki are the principal articles of diet, the expenditure in cash and grain will not exceed Rs. 150 per annum per family of five persons. In the haveli tracts the costs of maintenance will be more, but we are satisfied that an average figure of Rs. 200 per family will be a very liberal estimate for this district.

7. *The rent.*—In addition there is the rent. As is explained above, the average rent for the district as a whole works out at 14 annas per acre.

8. *Subsidiary income.*—In this district, as elsewhere throughout the plateau zone, subsidiary incomes are very important. A large number of the cultivators of the uplands annually emigrate to the wheat-growing havelis in adjoining districts for harvesting the crop, and receive at least two months' food supplies in payment in kind. In the village of Suktara we have dealt with this question in some detail. According to the cultivators' own statements, the average income per family from non-agricultural sources in the villages intensively surveyed by us worked out at Rs. 157 per annum. We can safely assume, as is explained elsewhere, that the average income from non-agricultural sources per family cannot be less than Rs. 50 per annum.

9. *The value of the gross crop outturn.*—We give in the following statement the value of the gross outturn of the various crops in an average year at normal prices. In this district, as elsewhere, it is of course certain that some cultivators will obtain less and others will obtain more than these estimates according to the quality of the soil and the methods of agriculture. These are average figures only, calculated on the area actually cropped at normal wholesale prices.

Crops.	Area under crop.	Value of cultivation.	
		Per acre.	Total.
	Acres.	Rs.	Rs.
Rice irrigated	25,467	58	14,77,086
Rice unirrigated	88,660	32	28,37,120
Juar	12,808	19	2,43,352
Juar and arhar	15,641	25	3,91,025
Kodo-kutki, etc.	106,381	11	11,70,191
Wheat	227,492	32	72,79,744
Wheat and gram	65,945	28	18,46,460
Arhar, urad, etc.	9,029	20	1,80,580
Gram	25,663	22	5,64,586
Teora and batra	33,759	15	5,06,385
Masur	16,993	30	5,09,790
Other cereals	36,016	25	9,00,400
Til	13,434	30	4,03,020
Linseed and gram	6,525	25	1,63,125
Linseed	16,983	27	4,58,541
Other oilseeds	47,517	25	11,87,925
Spices	1,561	45	70,445
Sugarcane.	617	200	1,23,400
Cotton	15,711	17	2,67,087
Garden produce	1,437	60	86,260
Others including hemp, bajra, etc.	18,419	25	4,60,475
Total	786,058	...	2,11,06,997
Double-cropped area	45,029	...	...
Net cropped area	741,029	...	...

From these figures we may deduct 10 per cent for the losses in marketing as is explained in Chapter VII of the report.

10. *Average holdings.*—At the last census, 180,360 persons were returned as belonging to the rent-paying cultivators' class, which implies 36,072 families of the rent-paying cultivators' class. The vital statistics show an all round increase in population since then by 10 per cent. At present there would, therefore, be 39,679 families of this class.

The total area held for cultivation by the rent-paying cultivating classes is 847,148 acres. This implies that the average area held by the average family of rent-paying cultivators is 21 acres.

But only 81 per cent of this is normally under crop.

It is now possible to draw up a budget of income and expenditure.

The average costs of cultivating the area actually cropped in the average holding will be Rs. 145-8-0. The average rent on the average holding of 21 acres at 14 annas per acre will be Rs. 17-12-0. The average cost of maintenance of the family will be Rs. 200. The total of these items comes to Rs. 363-4-0.

11. *Income.*—On the other side of the balance sheet, the value of the normal gross outturn of the area actually cropped in the average holding will be Rs. 484-8-0. Deducting 10 per cent for marketing expenses, we get a balance of Rs. 436-8-0.

The surplus in a normal year from agriculture to the average family would be Rs. 73-4-0 or Rs. 74 in grain and cash. But this becomes a deficit as soon as the crop is 20 per cent below normal. We can safely add an average sum of Rs. 50 from non-agricultural sources.

12. *Debts.*—Debts may be summarized as follows:—

Landlords (i.e., malguzars).—Total Rs. 25,79,093. Debts secured on mortgages Rs. 15½ lakhs in round figures. Average rate of interest 9 per cent. Unsecured debts Rs. 10 lakhs in round figures. Average rate of interest 12 per cent.

Tenants' debt.—Total Rs. 38,51,511. Of this sum Rs. 34 lakhs are unsecured, while Rs. 3½ lakhs are grain debts.

There are 1,660 malguzars holding 1,494 malguzari willages. They pay in land revenue Rs. 4,32,579. The statistics of sales exhibited in the land revenue administration reports show that the average sale value of a village is not less than 41 times the land revenue.

The malguzari estate is, therefore, worth not less than Rs. 1,77,25,539.

The landlords also hold extensive house property, cattle and other moveables. Their assets must be therefore not less than two crores of rupees against a total debt of Rs. 25½ lakhs which represents about 12½ per cent of assets.

At the settlement in 1918-19 the total debts of tenants were recorded at Rs. 25 lakhs. They now stand at Rs. 38½ lakhs.

This is not surprising when it is remembered that the wheat crop has been poor for several years, while the all round outturn in 1927-28 was only 70 per cent of normal and scarcity conditions prevailed in about half the area of the district in 1928-29 necessitating the opening of famine relief works.

The incidence of debt for tenants represents an average of about Rs. 5-8-0 per acre or about seven times the rent or about Rs. 114 per head.

The distribution of debt in the villages intensively surveyed by us was as follows :—

Statement of debt in the villages where intensive surveys were made by the Committee.

Zone and district.—Satpura zone, Seoni

	Rs.
Total debt in villages surveyed ...	Rs. 76,181
Percentage of debtors hopelessly indebted ...	2.8
Debts owed by them ... { Total amount	Rs. 12,290
... { Percentage of the total	16.5
Percentage of cultivators free from debt ...	38
Debts owed by culti- { Total amount	Rs. 63,891
vators not hopelessly { Percentage of total debt	83.5
indebted.	...
Percentage of total tenants ...	69.2

The debts are owed :—

Rs.

- (1) 9,54,725 to Government for taccavi and suspended revenue.
- (2) 58,707 to the Co-operative Credit Bank.
- (3) 4,10,154 to landlords.
- (4) 50,06,988 to Mahajans or money-lenders.

Total ... 64,30,574

The taccavi loans refer to special advances made in the last two years to help cultivators during the distress.

The following advances in taccavi have been made in the district in the last five years :—

—		Land improvement loans	Agricultural loans.
1		2	3
		Rs.	Rs.
1924-25	...	1,800	4,776
1925-26	...	1,000	2,331
1926-27	...	800	2,908
1927-28	...	2,500	5,614
1928-29	...	65,000	1,42,400
1929-30	...	1,09,781	3,65,743

The purpose for which these various loans were borrowed is stated to be as follows :—

	Per cent.
1. Old debts	19·82
2. Marriages	10·39
3. Maintenance, etc.	6·63
4. Payment of rents or revenue	3·43
5. Cultivating expenses including seed and bullocks, etc.	31·43
6. Improved agricultural implements	1·24
7. Digging wells and embanking fields	6·24
8. Capital spent in land	12·65
9. Litigation	4·16
10. Business	4·0

Considering the recent succession of poor winter crops the debt seems perhaps low. But, on the other hand, the rich rice haveli has had a succession of good years. The financial customs in this district present no features strikingly different from those prevailing elsewhere.

APPENDIX J-XI.

PLATEAU ZONE.

NOTE ON MANDLA DISTRICT.

1. The Mandla district is the fourth district in the plateau zone, going from west to east. The total area is 5,057 square miles, of which 1,914 square miles are Government forest and 3,175 square miles are occupied for cultivation.

2. The district is divided into three tahsils—Mandla, Niwas and Dindori. Like the rest of the plateau zone, Mandla is a peculiarly diversified country, including all qualities of land from the rich level rice tract near Mandla to the rugged and barren uplands of Shahpur and Shahpura and exhibiting all stages of progress from the close and careful cultivation of the Kurmis and Marars of the Bamni tract to the Bewar or axe cultivation of the Baigas in East Dindori. There are considerable areas of fertile wheat and rice land mingled with large stretches of hill and jungle.

3. *Communications.*—The communications of this district are possibly inferior to those of any other district in the province. Although they have recently been considerably improved by the construction of a number of first and second class roads, still owing to the rugged and hilly nature of the district as a whole large portions of it are still relatively inaccessible. In many parts of the district a mass of barren but jungle clad hill conceals small and land locked pockets of the richest soil, and most of the traffic from the Dindori plateau, where there are large areas of fertile wheat soil, is still by means of pack bullocks.

4. We made the usual intensive village enquiries in this district—

- (1) at Ganghat, three miles east of Dindori in the eastern uplands;
- (2) at Manikpur in the Niwas tahsil, one of the more backward and inaccessible portions of the north of the district; and
- (3) at Phulsagor, 10 miles north of Mandla town, near the main Jubbulpore-Mandla road in the fertile double-cropped black soil tract, adjoining the Nerbudda river.

Some idea of the character of the communications in the Mandla district may be gathered from the fact that on our visit to Dindori our Chairman broke the spring of his motor car. The linking up of all the villages in the Mandla district with good roads would be an extremely difficult engineering feat owing to the incessant ridges and hills surrounding rich pockets and valleys of good soil.

Mandla town itself is situated on the banks of the Nerbudda river towards the western border of the district.

5. The district is bounded on the east by Seoni, on the north by Jubbulpore, on the west by the States of the Central India Agency and the Bilaspur district of Chhattisgarh, and on the south by the high lands of the Baihar tahsil of the Balaghat district.

The headquarters town of Mandla is now the terminus of the Mandla-Nainpur branch of the narrow gauge railway line which is connected at Nainpur with Gondia and Jubbulpore.

The further improvement of communications of this district is we understand receiving the full attention of Government. At present the prices of agricultural products in the portions of the district far off from the railway are considerably below the prices prevalent in the urban areas.

6. *Landlords*.—Among the landholders, Brahmans, Kalars, Lodhis, Gonds and Banias are the most important. The largest landholder is the Kalar of Maharajpur, Jagannath Choudhary, who owns 156 villages; while the Jamadar of Korgaon owns an estate of 97 villages. The rich money-lending family of the late Rajah Seth Gokul Dass also owns a large estate of 89 villages in this district. At the last settlement, 13 large landholders owned between them 604 malguzari villages in this district. Most of the malguzars are non-residents and it was stated at last settlement that there are only 409 villages in which there is a resident member of the proprietary body.

7. *Tenants*.—The Gonds account for 56 per cent of the total tenant population. Since the last settlement the area of the district has been enlarged by the addition of some jungly portions of the Jubbulpore district adjoining. There are at present 2,010 villages, on which 1,434 are held in malguzari right and 576 in ryotwari right.

8. *Cultivation*.—Wheat is grown practically everywhere, where soil of sufficient fertility to produce it is found. The rich level black soils of the Mandla plain adjoining the Nerbudda are double-cropped with rice followed by wheat, pulse and linseed. The whole upland tract, however, grows kodon-kutki and kharif oil seeds. We find scattered wheat and gram in the small pockets of rich black soil intervening between the stony red soil hills.

This district, with the adjoining districts of Jubbulpore and Seoni, suffered somewhat severely from the attack of frost in 1927-28, while it again suffered, but with less intensity, in 1928-29. The cropping in 1927-28 which may be considered to be normal was as follows:—

		Rs.
Rice broadcast	...	1,45,576
Rice transplanted	...	5,998
Juar	...	297
Cotton	...	22
Kodo-kutki	...	2,47,401
Til	...	21,010
Wheat	...	1,53,065
Linseed	...	6,430
Others	...	2,56,053
	Total	8,35,852

9. *Costs and net profits of agriculture*.—In a large and heterogeneous district of this kind, it is extremely difficult to obtain a figure correctly representing the all round costs of producing the principal crops and the value of the gross outturn. In the open plains of the Mandla tahsil, the costs of cultivation and the prices of agricultural produce do not differ materially from those in the adjoining Seoni and Jubbulpore districts; but in the hinter land, owing to the difficulties of transport, the prices of agricultural produce are less, while owing to the cheapness of labour, the

costs of cultivation are also considerably lower. But in the wheat areas of the uplands, particularly in the Dindori tahsil, the normal outturn is very heavy.

10. We have discussed these questions in our intensive enquiry notes and give below as accurate an estimate as we think possible of the cost of producing the crops of this district in a normal year and also of the average value of the gross outturn. These costs represent the cash equivalent of grain at normal market prices:—

Crop.	Area.	Value per acre.	Total value.	Cost per acre.	Total cost.
1	2	3	4	5	6
	Acres.	Rs. a. p.	Rs.	Rs.	Rs.
Rice transplanted irrigated.	79	50 0 0	3,950	10	790
Rice transplanted unirrigated.	5,919	40 0 0	2,36,760	10	59,190
Rice broadcast irrigated.	29	45 0 0	1,305	10	290
Rice broadcast unirrigated.	145,547	38 0 0	55,30,786	9	13,09,923
Juar ...	297	19 0 0	5,643	5	1,485
Juar and arhar ...	42	20 0 0	840	5	210
Kodo and kutki and bajra.	247,401	12 0 0	29,68,812	3	7,42,203
Wheat ...	1,53,065	30 0 0	45,91,950	9	13,77,605
Wheat and gram ...	38,465	26 0 0	10,00,090	7	2,69,255
Arhar, urad, mung, etc.	23,111	24 0 0	5,54,664	6	1,38,666
Gram ...	41,751	24 0 0	10,02,024	7	2,92,257
Teora and batra ...	7,142	20 0 0	1,42,840	6	42,852
Masur ...	23,534	20 0 0	4,70,680	6	1,41,204
Other cereals ...	28,889	20 0 0	5,77,780	5	1,44,445
Til ...	21,010	30 0 0	6,30,300	5	1,05,050
Linseed ...	6,430	20 0 0	1,28,600	5	32,150
Linseed and gram ...	6,571	20 0 0	1,11,420	6	39,426
Other oil seeds ...	79,536	20 0 0	15,90,720	5	3,97,680
Spices ...	471	55 0 0	25,905	15	7,065
Sugarcane ...	360	200 0 0	72,000	80	28,000
Cotton ...	22	17 0 0	374	6	132
Others ...	4,612	20 0 0	92,240	6	27,732
Garden produce ...	1,569	60 0 0	94,140	15	23,535
Total ...	835,852	...	1,88,33,823	...	51,81,145
Double cropped area.	101,730	...	...	...	...
Net cropped ...	734,122	...	...	...	...
Gross outturn ...	...	25 8 0	...	...	...

11. *Marketing.*—Though communications in the uplands are very poor, only a small amount of grain is marketed therefrom, grain being still the chief medium of exchange. It will suffice to allow 10 per cent for the losses on marketing for the district as a whole as is explained in Chapter VII of the report. The value of the gross crop outturn then comes to Rs. 1,69,50,441.

12. The areas in the statement are the actual cropped areas. But the total area occupied for cultivation, including fallows, is 1,215,262 acres.

This produces an all round average cost of cultivation per net-cropped acre for the district as a whole at Rs. 7-8-0 and a gross outturn per net cropped acre of Rs. 25-8-0, but the net profit per occupied acre after deducting expenses of cultivation and marketing comes to Rs. 9-14-0. Out of the total area occupied for cultivation, *i.e.*, 1,215,262 acres, 88,566 acres are covered by the landlords' home-farm and 1,126,696 acres are held by malik-makbuzas, tenants and ryots of ryotwari villages. At the last census 229,007 persons were returned as belonging to the rent-paying cultivating classes, and as the average family was found to consist of five persons, this implies that there were 45,807 families of cultivators in the district holding between them 1,124,508 acres of occupied area. The vital statistics show an all round increase by 9 per cent since then or a total of 49,923 rent-paying families now.

Although the haveli portions of the district are closely cultivated, there are large areas of resting fallows in the hinterland in the light soil tracts; and for the district as a whole the average cultivator's family holds 22 acres, but annually crops on an average 14 acres only.

The net outturn per family in a normal year after deducting marketing expenses and costs of cultivation would then be Rs. 217.

14. In calculating the costs of cultivation, we have, as usual, not included the wages of the cultivators, as we have, in all cases, separately estimated the costs of maintenance and clothing of the cultivator's family, nor have we included the rent which is a separate item.

The rents in the Mandla district vary enormously from mere pepper-corn rents to rents of Rs. 2 to Rs. 3 in the best double-cropped areas, but the all round acreage rate for the district as a whole is 9 annas per acre so that the average rent paid by the average family of five at present is Rs. 12.

15. *Costs of maintenance and clothing.*—The costs of feeding and clothing the ordinary family in the small tracts of open country would not be less than in similar tracts elsewhere and may approximate to Rs. 225 per family; but this area is relatively insignificant when compared with the large stretches of hinterland, where kodon-kutki is one of the most important foodgrains, where mohua abounds and forms an important article of diet for many months in the year, where the prices of all food grains, including wheat, are far below those obtaining in urban areas, and where, it appears, from our intensive enquiries, that the money equivalent of the amount of grain consumed for food plus the

small cash expenditure for clothing and other articles would not exceed Rs. 150 per annum. Although some families may elect to spend more, while some may be compelled to spend less, the all round average expenditure of the average family in the Mandla district, having regard to the high value of money and low prices prevalent, could not exceed Rs. 175 per family.

16. *Subsidiary income.*—In addition, the agricultural income is supplemented by a considerable income from other sources.

Valuable timber abounds and most persons can earn a considerable income from the extraction and carting of forest produce.

There are 511,647 cattle and 4,411 carts altogether in the district as is explained below :—

Bulls and bullocks	...	141,399
Cows	...	150,356
Male buffaloes	...	12,352
Cow buffaloes	...	38,349
Calves and buffalo calves	...	144,244
Sheep	...	1,351
Goats	...	16,065
Ponies	...	7,531
Total	...	511,647

There is a large trade in ghee and the income from cattle-breeding is considerable.

17. On the other hand, the Mandla district, like the other districts of the plateau zone, is liable to a severe failure of crop, if the monsoon is in defect, and although in some years the outturns are very heavy, the variations in outturn are very great. It is fortunate, however, that the Gonds, who largely predominate in this district, appear to supplement their diet very largely not only with mohua and with the fruit of the "achar" tree, but also consider certain edible roots and other jungle fruits to be more or less a delicacy. And although in years of crop failure extensive relief operations become necessary, as occurred in 1918-19 and 1920-21, it is surprising how the tenantry of this district manage to bear up in years of crop failure in spite of their poor credit and the relatively small amount of money which they have borrowed.

In a normal year the surplus available for other expenses is as follows :—

		Rs.
Net outturn	...	217
Maintenance	...	175
Rent	...	12
Total	...	187
Balance	...	30

To this we can safely add Rs. 50 income from subsidiary sources.

18. As regards the general economic condition of the landlords and tenants, the Settlement Officer noted, at the last settlement, that among the resident malguzars, the standard of comfort is usually very low compared with that of other districts. The aboriginal malguzars then lived in pretty much the same

style as tenants, in grass thatched or even wattle houses : but even the more advanced and substantial castes, except in the most open parts, often lived in dwellings, which cultivators of other districts would consider barely fit for their cattle.

The malguzars of the open country round Mandla, however, have always had a much higher standard of comfort; most of them do no field labour or supervision and build themselves pretentious houses of brick which would pass muster in any district and spend a good deal of their time in enjoying the amenities of the headquarters life, such as it is.

At the time when this was written, the Satpura railway had only recently been opened, and there has, undoubtedly, been a marked and continued improvement in the general standard of living in this district since then, and tiled houses are rapidly replacing the grass thatches.

19. *Land values.*—During the last three years, the average price obtained for the sale of 148 malguzari shares represented 35 times the land revenue and, as the total land revenue in the district is Rs. 1,71,444, we shall be on very safe ground in estimating the total value of the landed property of the malguzars at not less than Rs. 60,00,000.

20. *Indebtedness—Malguzars.*—The malguzars are not, on the whole, burdened with any appreciable load of debt. It is true that some of the non-residents have been unable to maintain a check between their income and expenditure and are, more or less, indebted; but they are seldom in any danger of losing their properties. Those of the aboriginals who were bound, sooner or later, to lose their property owing to laziness and incompetence, have in many cases lost it, although a few still remain who are likely to disappear before long.

In recent years, one of the most important sources of income of landlords is by the propagation of lac, from which some malguzars have reaped handsome fortunes. The total malguzari debt at present is Rs. 15,23,457 which represents 25 per cent of the value of their landed property inside this district. But a good portion of this debt is owed by non-residents, some of whom are big men with large estates outside the district as well.

21. *Tenants.*—At the last settlement it was noted that heavy indebtedness was practically unknown in the district. The less advanced tracts are too remote and present too little material security to attract speculative money-lenders, and tenants are able to keep their own seed and maintenance stocks in most cases; while a few take small seasonal loans as much from custom as from necessity, from travelling traders. At last settlement it was recorded that under 25 per cent of the tenants were found to owe anything at all, and the total debts amounted to a little under 20,000 khandis in grain (Rs. 4 lakhs) and Rs. 2,61,139 in cash. It was found that the cash debt was divided among only 1,405 tenants and there were only 449 in the whole district who owed more than Rs. 100. In conclusion, the Settlement Officer remarked, and this was written in 1910, that there was practically no debt

which mattered in the district. The tenancy indebtedness after two years of partial crop failure at present is as follows:—

			Rs.	s.	p.
Total debt	...	...	12,74,282	0	0
Per acre	...	...	1	2	0
Per average family	...	...	28	0	0

This is still more or less insignificant.

22. *Existing financial arrangements.*—We interviewed the leading merchants at Mandla and Dindori and our notes are separately attached. Our intensive enquiries have made it quite clear that, in this district also, financial arrangements in the interior have advanced very little beyond the stage of barter. Practically all payments are made in grain and nearly all the Gond tenantry keep with them a store of kodon-kutki at least to support them in bad years. Although we have endeavoured to estimate the money value of the crop outturn and of the costs of agriculture and of maintenance, etc., money, as a medium of exchange, is still relatively unimportant, except in the more developed tracts; and we noted even in Phulsagar, which is only 10 miles from Mandla, that the agricultural labourers object to be paid in money and press for payment in grain. In a district of this nature, it will be idle to expect to find any elaborate financial system nor is such a system at present required.

23. *General requirements.*—We have noted elsewhere that the main economic need of the Mandla district is the improvement of communications; in particular the extension of a branch line from the Bilaspur-Katni railway to the Dindori plateau or at least the construction of a first class road to the rail head would add enormously to the economic wealth of this tract.

24. It appears to us to be equally necessary to forestall profiteering if and when the opening up of this tract is taken in hand. The aboriginal, who is illiterate and who has no idea with regard to interest or accounts, is always likely to fall an easy victim to any money-lender, who happens to be unscrupulous. At present the best line of financial development would appear to be, to meet, whatever genuine need for short term loans may be found to exist, by an extension of Government taccavi loans.

It will be extremely difficult for co-operation to succeed among these aboriginals as is explained in Chapter XI of the report. It is perhaps too much to hope for the provision of adequate saving facilities and thrift societies in this land locked and relatively primitive district in the very early future. But if the co-operative credit movement is carried on with energy under close and proper supervision and with due attention to the education of the society members in the real meaning of co-operation there is no reason why it should not succeed at least in the haveli tracts.

We have separately recorded our conclusions with regard to the financial needs of the markets of Mandla, Bamni and Dindori. It is interesting to note that at present the income from the large areas of Government reserved forest and from the sale of country liquor together largely exceeds the total land revenue of the district. In a district of this nature, an intensive development campaign is the first requirement.

APPENDIX J-XII.

WHEAT ZONE.

Note on Hoshangabad district.

1 *Description.*—The Hoshangabad district is the most eastern of the three districts of the Nerbudda valley. The district may be described as a long belt stretching for over 100 miles on the south bank of the Nerbudda river, separated by the Nerbudda river on the north from the Bhopal State, and merging in the Satpura hill range to the south. The adjoining districts to the south are the plateau districts of Chhindwara and Betul, while on the west the district meets Nimar and on the east the Nerbudda valley district of Narsinghpur. The general width of the cultivated area of the district does not as a rule exceed some 25 to 30 miles.

2. *Communications and marketing.*—Throughout its whole length runs the main line Great Indian Peninsula Railway from Itarsi to Jubbulpore. From Itarsi across the plateau, a broad gauge line has now been completed to Nagpur. There is the usual net work of cart roads providing excellent communications in the open season with a certain number of markets. There are six large grain markets, Harda, Timarni, Banapur, Itarsi, Sohagpur and Pipariya on the railway line and the seventh at Rahadgaon. It has been recorded that every cultivator in this district possesses one or more carts. The substantial tenants convey their own produce to the markets, while the small men sell whatever grain they have to dispose of to the itinerant traders who visit the villages at harvest time for the purpose. The main export trade of the district consists of food grains, oil seeds and forest produce. There are practically no non-agricultural industries in the district and the small towns of Harda, Hoshangabad, Sohagpur, Pipariya, etc., are mainly rail head markets.

3. *Soils.*—The predominant soil of this district, as elsewhere in the Nerbudda valley, is a rich and deep lacustrine clay and clay loam lightening into a more friable loam. Its depth varies from 6 inches to 30 feet and its average depth is probably about 10 feet. In the proximity of nalas and water courses, the soil has been sometimes cut up and is lightened in texture: but there are large stretches of level and fertile soil of a high capillarity.

It is noticeable, however, that owing to a larger admixture of fine silt which has produced a slight difference in the texture of the soil, the embankment of fields for rabi cultivation is not practised in this district as is done further up the Nerbudda valley in Narsinghpur and Jubbulpore.

4. Although, therefore, in years of good rainfall, the Hoshangabad district may produce very heavy crop outturns, it is more exposed to crop failure in years of defective monsoon than the embanked haveli further east. The variations in outturn are greater and, although if a succession of good years occurs, cultivators may reap rich profits, a succession of poor harvests

which periodically, occurs, may cause considerable temporary economic deterioration.

5. *Area*.—The total area of the district is 3,681 square miles of which 964 square miles are included in reserved Government forest. The total area included in the villages is 1,756,067 acres distributed over 1,338 malguzari and 32 ryotwari villages.

The ryotwari villages have in the last 40 years been excised from Government forest and are not of very great importance.

The total area actually occupied for cultivation is 1,215,278 acres and the total cropped area in 1927-28, a normal year, was 944,324 acres.

6. *Population*.—The total population of the district at last census was 484,533 of which 397,976 were recorded as residing in rural areas. A compilation of statistics of births and deaths since then indicates in this district an all round increase by 8 per cent to 523,413. The total area occupied for cultivation per village is 887 acres and cropped area is 689 acres.

At last settlement 2,240 resident and non-resident landlords were recorded.

At the last census 153,293 persons were recorded as being members of the rent-paying cultivating class, which indicated 30,658 families of the cultivating class of five persons each.

The vital statistics since the 1921 census indicate an all round increase in population by 8 per cent, so that at present figures would be as follows :—

Rent-paying cultivators	Total No.	Families.
	1,65,555	33,111

7. *Holdings*.—The total area held by malik-makbuzas and tenants is 970,316 acres. This indicated an average holding of 29.10 acres occupied and 22 acres cropped. At our intensive village enquiries we include all bari-holders, etc., in the tenant class. This produced the following distribution of holdings :—

Hoahangabad district and village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.	Size of the average holding.
1	2	3	4	5	6	7	8	9	10	11
Jasalpur ...	21	34	16	7	6	4	4	4	96	
Chaterkhe r a	24	14	13	8	10	4	2	6	81	
Masangaon ...	30	7	11	15	9	6	7	22	107	
Karanpur ...	5	3	4	2	3	2	3	12	34	
Total ...	80	58	44	32	28	16	16	44	318	19

Although, therefore, the average area per family for the district as a whole comes to 29.10 acres, there are a large number of cultivators with smaller holdings and a certain number of men with very large areas of land.

8. *Crops*.—The cropping varies considerably in different parts of the district. The cropping in 1927-28 was as follows:—

	's.
Rice broadcast	11,697
Rice transplanted	630
Juar and juar-arhas	73,494
Cotton	93,416
Kodo-kutki	40,708
Til	89,572
Wheat and birra... ..	4,24,246
Linseed	26,163
Others	1,84,498
Total	9,44,324

The normal rainfall is much heavier than in the cotton zone and under normal circumstances is ample for producing in the heavy soil good winter crops, and wheat is easily the most important crop in the district and is the staple food grain.

9. *Intensive surveys*.—We have made economic surveys of the following four villages in this district:—

1. Karanpur ... Typical of the lighter but fertile Sohagpur tahsil haveli.
2. Jasalpur ... Typical of the true haveli portion of the Hoshangabad tahsil.
3. Chatarkera ... Typical of the Seoni-Malwa tahsil area.
4. Masangaon ... Of the Harda tahsil, where the cropping and economic conditions begin to approximate to those of Nimar.

10. *Costs of food and maintenance*.—The normal expenditure required for food and clothing for an average family of five persons does not differ materially in this district from the expenditure in other parts of the wheat zone, but the people of this district have a higher standard of living than in some tracts, approximating to the Narsinghpur standard. Although some cultivators may elect to spend more, while poorer men may be compelled to spend less, our enquiries show that the equivalent in cash and grain of Rs. 240 is sufficient to meet all the normal food and clothing requirements of the average cultivating family according to the standard of living prevailing. In this district the area in which wheat is not the staple food is relatively small. We have, therefore, taken a slightly higher figure than for Saugor, Damoh or Jabulpore.

11. *Costs of cultivation*.—The cultivator in this district, as in many other parts of the province, has usually a mixed holding and, although he can give a fair estimate of his ordinary expenditure in producing a number of different crops together in his holding, he is not always clear in estimating the costs of cultivating each crop separately. We have, however, given this

question: our most careful attention here, as elsewhere, before drawing up an estimate of the probable total costs of producing the crops of the district at present prices. The results are exhibited in the following statement. The question is dealt with in detail in the village notes.

Cost of producing all the crops—

Crop.	Area.	Cost of cultivation per acre.	Total cost.
1	2	3	4
	Acres.	Rs.	Rs.
Rice transplanted irrigated	630	12	7,560
Rice broadcast	11,697	10	1,16,970
Juar	6,283	6	37,398
Juar and arhar	67,211	6	4,03,266
Kodo-kutki and bajra	40,708	3	1,22,124
Wheat	391,793	11	43,09,723
Wheat and gram	32,453	10	3,24,530
Arhar, urad and mung	2,894	6	17,364
Gram	60,834	8	4,86,672
Teora and batra	23,602	6	1,41,612
Masur	4,587	6	27,522
Other cereals	8,519	6	51,114
Til	89,572	6	5,37,432
Linseed	26,163	6	1,56,978
Linseed and gram	3,070	7	21,490
Other oilseeds	1,849	6	11,094
Spices	2,209	15	33,135
Sugarcane	133	80	10,640
Cotton	93,416	7	6,53,912
Others	71,299	6	4,27,794
Garden crops	5,402	10	1,08,040
Total	944,324		80,06,370
Average cost of cultivation per acre	...	8 8 0	...

Although those men who carry out their cultivation entirely with hired bullocks and with hired labour may spend more, while those with smaller holdings and better industry will spend less; we are satisfied that our figures do not underestimate the average costs for the district as a whole. The total cost of producing the crop represents an average figure of approximately Rs. 8-8-0 per net acre cropped for all kinds of crops.

The average holding of all real and nominal tenants is 29 acres in this district; but owing to the presence of kans and of considerable light soil areas and the custom of maintaining considerable areas in pasture in certain parts of the district, the actual area ordinarily cropped in the ordinary holding of 29 acres is 22 acres only.

12. The cost of producing crops in the average holding would then be Rs. 187. To this must be added the rent, which

of course varies according to the soil in different parts of the district. The all round average rent-rate for the district as a whole is Re. 1-8-0 per acre occupied. For the average holding, the rent actually comes to Rs. 43-8-0. This implies that the total expenditure on producing the crop, on rent and on the food and maintenance of the average family of five persons with an average holding for the district as a whole in a normal year at normal prices comes to Rs. 470-8-0.

13. *Value of the gross outturn of crops.*—The crop outturns of course vary from year to year, being sometimes above and sometimes below normal according to the character of the monsoon. Our enquiries have resulted in the following estimate of the value of the gross crop outturn in a normal year at normal prices. These figures are of course for the actual cropped area only :—

Crop.	Area.	Value per acre.	Total value.
1	2	3	4
	Acres.	Rs.	Rs.
Rice transplanted irrigated	630	38	23,940
Rice broadcast	11,697	35	4,09,395
Juar	6,283	18	1,13,094
Juar and arhar	67,211	20	13,44,220
Kodo-kutki and bajra	40,708	11	4,47,788
Wheat	391,793	31	1,33,20,962
Wheat and gram	32,453	30	10,70,949
Arhar, urad and mung	2,894	23	72,350
Gram	60,834	26	15,81,684
Teora and batra	23,602	23	5,90,050
Masur	4,587	26	1,19,262
Other cereals	8,519	20	2,12,975
Til	89,572	25	27,76,732
Linseed	26,163	28	7,32,564
Linseed and gram	3,070	27	82,890
Other oilseeds	1,849	20	36,980
Spices	2,209	45	99,405
Sugarcane	133	200	26,600
Cotton	93,416	22	20,55,152
Others	71,299	15	14,25,980
Garden crops	5,402	65	3,51,130
Total	944,324	...	2,68,94,102
Average value of gross outturn per acre	...	Say 28	...

This implies that over the district as a whole, the value of the gross crop outturn in a normal year is equivalent to Rs. 28 per net cropped acre. The gross outturn of the average holding actually works out at Rs 617.

14. *Marketing*.—We allow 2½ per cent deduction in this district for marketing expenses explained in Chapter VII of the report as communications are very good and only a relatively small portion of the crop is actually sold. After this deduction the value of the gross outturn comes to Rs. 602.

15. *Net surplus from agriculture*.—This indicates a surplus in a normal year of some Rs. 131-8-0, but when the crop is 25 per cent below normal the value of the gross outturn falls by Rs. 153 and there is a deficit of Rs. 21-8-0.

16. *Subsidiary income*.—In addition, there is the usual income from subsidiary sources, which has been discussed in detail in our notes on the villages which we have surveyed. Carting, cattle-breeding and *ghee* industry are important. Here, as elsewhere, although we have included the capital depreciation on the price of bullocks in our estimate of the cost of cultivation, in every case. As a matter of fact, nearly all the cattle in the district are bred in the district and a considerable number of tenants breed their own cattle and do not purchase them. From the estimate of the expenses of these cultivators, the price of bullocks should of course be deducted, while those who breed and sell cattle to others obtain substantial subsidiary income therefrom. According to the strict canons of finance, it would perhaps be more correct to show upon the credit side of the cultivators of the district as a whole the total sum which has been charged on the debit side for the purchase of agricultural cattle, since these cattle are sold by one cultivator to another. We have not attempted to do this; but the fact should be borne in mind in considering the sources of subsidiary income. According to the cultivators' own statements the incomes from subsidiary sources in the villages intensively surveyed by us were as follows:—

Families examined.	Total non-agricultural income.	Per family.
1	2	3
	Rs.	Rs.
318	72,563	228

We can assume, as is explained in the main body of the report, that the average cultivator gets at least Rs. 50 per annum from subsidiary employment.

17. *Sources of finance and indebtedness*.—We have applied the usual sampling method in this district and have examined in

detail the indebtedness of 2,021 individuals in 118 villages spread all over the district with the following results :—

	Per cent.
Percentage of malguzars indebted	38
Do. not indebted	62
Multiple of the land revenue which the total malguzari debt in the areas surveyed represents.	4
Percentage of cultivators indebted	39
Do. not indebted	61
Percentage of ryotwari tenants indebted	73
Do. not indebted	27
Multiple of rent which the total debt represent of—	
Malik-makbuzas	7
Absolute occupancy tenants	8
Occupancy tenants	8
Ryotwari tenants	7

Applying these figures to the district as a whole, the following figures are obtained :—

	Rs.
Total malguzari debt	36,54,836
Total land revenue	9,13,709

Total rent and debt of	Rent.	Debt.
I	2	3
	Rs.	Rs.
1. Malik-makbuzas	34,101	2,38,707
2. Absolute occupancy tenants	4,45,572	35,64,576
3. Occupancy tenants	9,19,546	73,56,368
4. Ryotwari tenants	8,714	1,71,857
Total	14,07,933	1,13,31,508

	Rs.
Total agricultural indebtedness of the district as a whole	1,49,86,344

18. *Malguzars' debt.*—During the last three years, 82 shares of villages have been transferred at an average price equivalent to 27 times the land revenue. The total land revenue of the district is Rs. 9,13,709 and we can, therefore, safely assume that the value of the total landed property held by malguzars in the Hoshangabad district is Rs. 2,46,70,143.

That is to say, the total malguzari debt represents 15 per cent of the value of the landed property held. In addition, as usual, a large number of the malguzars finance their tenants and have considerable income from grain and money-lending, while they hold in addition house property, cattle, jewellery and other movable property.

19. *Cultivators' debts.*—The debts of tenants represent Rs. 13 per acre held and $7\frac{1}{2}$ times the rent or an all round average of Rs. 342 per cultivating family.

The rates of interest in this district strangely enough do not appear to be so high as in some other places. The ordinary rate of interest on secured debt varies between 6 and 12 per cent and approximates to 9 per cent on an average, while on unsecured debts, substantial tenants can obtain money at 12 to 15 per cent, while ordinarily 24 per cent is the maximum and 18 per cent would be a fair average.

Of the total debts, 16.6 per cent is secured and 83.4 per cent is unsecured. The total annual interest charges would then amount to Rs. 29,97,260 for the district as a whole, which represents three times the total land revenue, and Rs. 94 per individual cultivator's family, as compared with the average rent of Rs. 43-8-0.

20. Our enquiries show that, although this district did not suffer so severely as the rest of the wheat zone from rust and frost during the last two years, the crop outturns, in a considerable portion of the district, have been poor for some time past and, in fact, the crop in this district appears rarely to approximate to the normal outturn, being usually either in excess or in deficit.

21. *Distribution of debt.*—Our economic surveys show the following distribution of debt:—

Total debt in the villages surveyed.	Percentage of debtors hopelessly indebted.	Debts owed by them.		Percentage free from debt.	Debts of cultivators not hopelessly indebted.		
		Total amount.	Percentage of the total.		Amount 1.	Percentage of total debt 2.	Percentage of total tenantry 3.
1	2	3	4	5	6	7	8
Rs. 1,85,019	6.5	Rs. 85,998	46.8	26.5	Rs. 99,021	53.2	67

The percentage of hopelessly indebted persons 6.5 per cent is higher than in most districts, but they bear nearly half, i.e., 46.8 per cent of the total debt burden.

The 67 per cent of cultivators indebted within their means bear 53.2 per cent of the total debt and their average debt per family is $\frac{342 \times 53.2}{67}$, i.e., Rs. 264 only while about 27 per cent have no debts at all. Debts and holdings are very unevenly distributed in this district.

22. *Sources of loans.*—The sources from which these debts were incurred were as follows:—

	Rs.	Per cent.
Government taccavi	... 1,01,259	7
Co-operative credit bank	... 20,25,180	14·0
Malguzars	... 26,32,734	17·2
Mahajans	... 1,02,27,171	68·1

There are three co-operative central banks in the district.

In our enquiries we found that the co-operative credit movement is at present unpopular in many parts of this district, while we also found, as is explained in our village notes, that the members of the co-operative credit societies were on the whole much more heavily indebted than the average tenants.

We found that a period of very slack supervision and reckless distribution of money without a proper examination of the paying capacity of the borrower, coupled with a disregard for the need for prompt recoveries when the debts fall due, has now given place to a policy of re-organization and more regular recovery of outstandings.

It was inevitable that whenever the question of recovery of outstandings was taken up, a considerable number of societies would be compelled to go into liquidation, and the subsequent recovery of debts by attachment and other processes has in this district, as elsewhere, done much to make the co-operative movement, which has never been properly understood, unpopular with the people. It will be a difficult business to overcome the prejudice which has been created.

Here, as elsewhere, a large number of the malguzars, when they are in a financial position to do so, advance loans in cash and grain for the seasonal requirements of their tenants; but the local mahajan is as usual the main financial agency.

Money-lenders are found scattered throughout the district with a few big men at the important market towns. On the whole, the system of indigenous finance in this district appears to be functioning better than in some other parts of the province, as has been noted by us in our economic surveys.

23. *Purposes of loans.*—The purposes for which these debts were taken are as follows:—

	Per cent.
1. Old debts or for payment of earlier debts	... 32·2
2. Marriage or ceremonies	... 9·2
3. Maintenance and household	... 7·2
4. Payment of revenue or rent	... 6·6
5. Agricultural expenses	... 21·7
6. Improved implements	... 8·0
7. Field embankments and land improvements	... 8·5
8. Purchase of property	... 12·2
9. Litigation	... 1·6

Leaving out the old debts as the purposes for which they were incurred can not be ascertained, it will be seen that about 75 per cent of the loans have been productive and 25 per cent unproductive.

25. *Local custom of finance.*—Here, as elsewhere, a large proportion of the tenantry are in the habit of taking annual short-term loans during the agricultural season for financing their operations repayable at harvest. We found from our enquiries that owing to poor crop outturns, short-term loans, which had been taken in the last couple of years, have not been repaid in full and have gone to swell the amount of "earlier debts". There is no doubt that if two or three good years now occur, much of the existing debt of ordinary cultivators can be paid off without difficulty; but here, as elsewhere, there is a wide scope for amortizing some of the bigger debts through a land mortgage bank.

24. *Need for thrift campaign.*—The *malguzars* and tenants in this district belong mostly to the Hindu cultivating castes of Hindustan, who settled in the district in the wake of the Muhammadan invasion. There are, in addition, a certain number of Gonds who dwell mostly in the light soil areas at the base of the Satpura hills and in the Sohagpur tahsil in the old so-called Rajwada.

The Hindu castes are on the whole inclined to extravagance, to a certain amount of ostentation and some unnecessary expenditure at the time of marriages and other caste ceremonies like the people of Narsinghpur, and there is wide scope for an intensive thrift campaign as soon as proper investment facilities are provided in rural areas. The idea of accumulating savings in deposit for expenditure in the bad years is an idea with which the cultivators at present are quite unfamiliar. The idea of accumulation of savings does not go beyond the purchasing of more land, the collection of grain or the acquisition of gold and silver in the form of jewellery.

25. *Gold and silver.*—The cultivators' own statements in the intensive enquiry villages showed that among all cultivators rich and poor the value of the gold and silver ornaments owned per family worked out at an average of Rs. 244.

26. *Need for economic reconstruction.*—Some attempts at rural uplift have been made in some villages near Pipariya in the Sohagpur tahsil.

Some of these villages were visited with the Deputy Commissioner.

We would urge the need for first attacking the financial problem in these villages, as is explained in Chapter XV.

APPENDIX I-XIII.

COTTON ZONE.

Note on Nimar district.

The Nimar district lies in the extreme west of the Central Provinces, being divided from Berar to the south by the forest clad Melghat, touching East Khandesh of the Bombay Presidency at its south-east corner. Its north-western border marches with the state of Indore, to the north-east it is bounded by the Hoshangabad district, while it also touches the plateau district of Betul on the eastern front.

The total area of the district is 4,227 square miles of which no less than 40 per cent is included in Government forest, while another 19 per cent, which is now divided into ryotwari villages, was formerly also Government forest.

The district is divided into three tahsils: (1) Harsud to the north, (2) Khandwa in the centre, which covers 1,865 square miles or 44 per cent of the district and contains no less than 610 square miles of reserved Government forest, and the third tahsil Burhanpur in the south of the district, surrounding the ancient city of Burhanpur, at one time the summer headquarters of the Moghal Viceroy of the Deccan.

The famous hill fortrees of Asirgarh lies approximately half way between Khandwa and Burhanpur, near one of the passes in a low branch of the Satpuras, which roughly separates the Khandwa tahsil from Burhanpur.

Although the northern portion of the tahsil of Harsud approximates a good deal in climate and in other respects to the adjoining Nerbudda valley, the rest of the district both in climate, in cropping and in language differs very slightly from the cotton growing Maratha country of Nagpur and Berar.

The rainfall in the Burhanpur and Khandwa tahsils is very similar to the light rainfall of Berar, and throughout the whole of these tahsils cotton is easily the most important crop.

Cropping in 1927-28 was as follows:—

			Acres.
Rice	...	...	17,753
Juar	...	...	222,192
Cotton	...	...	377,761
Wheat	...	...	39,365
Kodon, kutki	...	...	32,910
Til	...	...	42,583
Linseed	...	...	532
Others	...	...	219,332
		Total	952,428

This district is of peculiar interest owing to the large area held in malik-makbuza right. The grant of this right over so

large an area during the regime of Colonel Keatinge, V.C., is due to certain historical reasons, which need not be discussed here.

Out of the total area in malguzari villages, 178,023 acres are held in malik-makbuza right.

Ryotwari villages in this district are also important. Large areas in the Harsud tahsil at the time of 30 years' settlement were covered with jungle, and the problem of the best method of opening them up was constantly before the administration.

It was eventually decided to found villages under the ryotwari system, and the result is that in the Harsud tahsil out of 316 villages only 46 are malguzari and the rest ryotwari. In the Khandwa tahsil there are 487 malguzari and 79 ryotwari villages.

In the Burhanpur tahsil to the south there are 99 ryotwari villages. These lie mainly in the Tapti valley to the east of Burhanpur in the tract known as the Manirod tract. This tract, before A.D. 1823 and the period of disorder and constant ravages by the Pindharis and Maratha armies, was highly cultivated, and possessed several important towns, but was subsequently abandoned.

In the settlement of the 60's it was described as being inhabited by tigers, bison and by a few almost wild Korku aborigines. This tract during the last 30 years has been largely reclaimed from jungle and settled in ryotwari right, the soils being deep and fertile and well up to the standard of the best soils in Berar.

The result then is that there are at present 348 ryotwari villages in the district with a total area of 394,077 acres, and 780 malguzari villages with a total occupied area of 1,187,106 acres, of which 86,694 acres are under malguzari homefarm, 178,023 acres are held in malik-makbuza right, and 515,563 acres in tenancy right. The nature of these various tenures is described in detail in the main body of the report.

There are only two large towns in the district: Khandwa with a population of 26,802 and Burhanpur with a population of 35,916 as recorded at last census. Khandwa is a flourishing town at the junction of the main line of the Great Indian Peninsula Railway with the Khandwa-Indore branch of the Bombay Baroda and Central India Railway.

It has at present some 50 gins and cotton presses, and is the most important cotton and grain market in the district. Ample employment on good wages is provided not only to the inhabitants of Khandwa, but to the non-agricultural population of the surrounding villages.

Burhanpur is a town of considerable historical interest, containing a large number of ruins of fine palaces and buildings dating from the time of the Faruqi dynasty, whose capital it at one time was, until the Moghul conquest.

The population of this town has always been predominantly Muhammadan, and it is now one of the principal centres of the rich Bohra trading community, who maintain two separate Bohra High Schools in this town.

The town at one time supported a very large population of weavers weaving not only rough country cloth, but also carrying on the valuable gold, silk and lace industry.

The Tapti Cotton Mill has been in existence for some years in Burhanpur and provides employment to a large proportion of those persons who were previously engaged in the hand-loom industry.

The gold and silk industry is practically dead owing to outside competition.

The railway communications of the district are on the whole extremely good. The main double Great Indian Peninsula line enters the district a slight distance to the west of Burhanpur and traverses the centre of it running north and north-east and passing Burhanpur, Khandwa, Harsud and 11 smaller railway stations. The length of the line is 89 miles and it is double throughout.

At Khandwa, 350 miles from Bombay, the Rajputana-Malwa metre gauge line worked by the Bombay Baroda and Central India Railway takes off, and proceeds north-west through Indore and Mhow to Ajmere, with a length of 29 miles with five stations in the Nimar district.

Burhanpur is the nearest wholesale cotton market to Bombay in the Central Provinces.

There is the usual net work of village roads linking up the occupied area with the railheads and the markets; and during recent years large sums have been spent by Government in improving the roads and increasing the length of the I class roads.

Sir Arthur Nelson wrote in 1914, that "the cultivators as a rule find little difficulty in conveying their produce to the railway, owing to the maintenance of a net work of passable tracks in the open season. Carts are plentiful, and the bumps and breaks which would cause nervous prostration to the delicately nurtured are a mere incident in the life of the ryot".

The most important improvement in communications in this district during recent years has been the construction of a I class road from Burhanpur, 42 miles through the recently colonized Tapti valley, continuing right through the Melghat to Amraoti. This road has become a highway of commerce, carrying the produce of the Melghat and of the rapidly developing Manjrod tract to Burhanpur. The completion of this road has appreciably increased the trade of Burhanpur, and has done much to arrest its further decay.

Population.—The total population at the 1921 census was 445,169. The vital statistics indicate an increase since then by 12 per cent.

Malguzars.—Owing to the large proportion of malik-makbuzas, the malguzars of this district are mostly small men. At the last census there were 3,398 members of the malguzari class, which means that there were 680 families of five of the malguzari class. Rajputs, Kunbis and Gujars are the most important. There are now approximately 761 families.

Tenants and malik-makbuzas.—At the last census 173,683 persons were recorded as belonging to the rent-paying cultivating class, which means that there were 34,736 families of five persons of this class in this district.

The 12 per cent increase in population since then indicates that there are now approximately 38,903 families of this class.

The most important castes are—

	Per cent.
Rajputs	13
Gujars	13
Maratha Kunbis	10
Korkus	8

The last two classes predominate in the south of the district.

The cultivators of this district, excluding the Harsud tahsil, are well known for their industry and excellent cultivation, and it is reported that the standard of cultivation in this district is as high as in any other district in the province.

We consider the ordinary items of expenditure of the cultivators first. Juar is the staple food in practically all the parts of the district, although in some jungly parts kodon-kutki is the principal article of diet.

Although as a result of the recent cotton boom many cultivators have very largely increased their expenditure on maintenance and clothing, etc., our enquiries show that the average expenditure on the maintenance and clothing of the ordinary cultivator's family of five persons will not exceed Rs. 225.

For the richer tracts the expenditure may approximate to that of Berar, but in large areas, particularly in Harsud and in the Korku tracts, the standard of living approximates to that of the Satpura zone.

We have, as usual, after completing our enquiries, worked out the average cost of cultivation and average cost of producing

the crops of the district as is explained in the following statement:—

COSTS OF CULTIVATION.

Nimar district.

Crop.	Area.	Value per acre.	Total value.	Cost per acre.	Total cost.
1	2	3	4	5	6
	Acres.	Rs.	Rs.	Rs.	Rs.
Rice transplanted irrigated	...	...	...	...	...
Rice transplanted unirrigated.	...	...	...	...	...
Rice broadcast irrigated.	60	50	3,000	14	840
Rice broadcast unirrigated.	17,693	48	8,49,264	12	2,12,316
Juar ...	222,192	30	66,65,760	7	15,55,344
Juar and arhar ...	4,201	30	1,26,030	6	25,206
Kodo, kutki and bajra.	32,910	9	2,96,190	3	98,730
Wheat ...	39,365	40	15,74,600	12	4,72,380
Wheat and gram ...	1,215	34	41,310	10	12,150
Arhar, urad and mung.	71,315	25	17,82,875	6	4,27,890
Gram ...	19,078	28	5,34,184	8	1,52,624
Teora and batra ...	1,063	25	26,575	7	7,441
Masur ...	3,997	22	87,934	7	27,979
Other cereals ...	39,329	22	9,83,225	6	2,35,974
Til ...	42,583	22	10,64,575	6	2,55,498
Linseed ...	532	22	13,208	6	3,192
Linseed and gram ...	396	25	9,400	8	3,168
Other oil seeds ...	15,894	22	3,97,350	6	95,364
Spices ...	3,976	50	1,98,800	15	89,640
Sugarcane ...	114	200	22,800	80	9,120
Cotton at Rs. 75 per khandi.	377,761	30	1,13,32,830	10	37,77,610
Others ...	78,092	22	1,58,144	6	4,68,552
Garden produce ...	1,420	60	85,200	20	28,400
Total ...	9,52,428	...	2,62,65,317	...	75,70,060

Rs.

Gross value of outturn per acre ... 28
Cost of cultivation per acre ... 8

Rs.

Value of gross outturn of all crops when cotton sells at Rs. 75 per khandi. 2,62,65,361
Value of gross outturn of all crops when cotton sells at Rs. 100 per khandi. 2,90,96,369
Value of the cotton crop at Rs. 100 per khandi ... 1,41,66,038

It will be seen that the costs of cultivation vary between Rs. 3 per acre for kodon-kutki and Rs. 80 per acre for sugarcane; but represent for the district as a whole a total sum of Rs. 75,70,060 or Rs. 8 per acre under crop.

The value of the gross outturn has been calculated on the basis of the normal wholesale prices of agricultural produce prevailing during recent years with the exception of cotton.

As regards cotton, for the reasons explained in the main body of the report and on the note on Berar, we have thought it safer to estimate the value of the crop at the March price of Rs. 75 per standard khandi of uncleaned kapas, as the average of the prices prevailing in recent years, owing to the recent cotton boom, might produce an unduly high figure. We have also shown the value of the crop outturn when cotton is Rs. 100 per khandi.

But recent figures show that the price of cotton is falling.

It will be seen that the value of the gross outturn of different crops varies considerably.

Rice is quite unimportant.

Although the outturn of wheat in this district is slightly less than in some parts of the wheat zone proper, the price at which this article is sold in this district is always high, the normal price being Rs. 6-2-0 per maund of 40 seers. This in consequence slightly increases the cost of seed; but it also makes the value of the gross outturn of wheat considerably greater than that of cotton at present prices. The value of the all-round gross crop outturn in a normal year for the district as a whole, when cotton is Rs. 75 per standard khandi, comes to Rs. 2,62,65,317 and when cotton is at Rs. 100 per standard khandi it comes to Rs. 2,90,98,525, which represents an all-round average per net-cropped acre of Rs. 28 and Rs. 31, respectively.

Average holding.—The total area held by the cultivating class, malik-makbuzas, tenants and ryots, is 1,067,497 acres, so that the area held by the average family in this district is 27 acres. The whole of this area is not cropped every year, the total cropped area in a normal year being 952,428 acres, the remainder being under resting fallows. That is to say, that out of the 27 acres held by the average family, 21 acres are usually actually under crop and the average cost of producing the crop in this average holding will, therefore, be Rs. 168.

The following statement shows the area held by each cultivator in the villages intensively surveyed by us. In these villages we included all the petty holders of back gardens, etc., while many tenants hold land in other villages as well which is not included in this statement :—

District and village.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 35-40 acres.	Above 40 acres.	Total.
<i>Nimar district.</i>									
Amalpura ...	1	4	8	6	10	4	4	10	47
Sarola ...	19	36	20	11	5	6	5	3	105
Brahmogram ...	3	7	13	6	10	5	3	9	56
Total for district ...	23	47	41	23	25	15	12	22	208

In addition, the rent is to be paid, the all-round acreage rate in this district being 13 annas per acre or Rs. 21 per average holding of 27 acres. The normal expenses, therefore, of the average family on the maintenance and clothing and cultivation would be Rs. 414.

As regards the value of the gross outturn exhibited in the statement above, in this district, as elsewhere, there are the usual variations in outturn according to the character of the monsoon; but the variations in the price of cotton which is the principal crop in the district is a more important factor. It has already been noted in the main body of the report that during the cotton boom, the price of a standard khandi of uncleaned cotton rose to Rs. 250, while during the last few years it has fluctuated round about Rs. 125. The price fell during our intensive enquiries as low as Rs. 60 per standard khandi and by March 1930 rose again and halted round about Rs. 75 per standard khandi; since then it has again fallen. We have estimated the value of the cotton crop at this figure in the above statement; but we have also shown the value of this crop when the price rises to Rs. 100 per khandi. The average cropped area held by the average family being 21 acres, the value of the gross crop outturn in a normal year would be Rs. 588, when cotton is at Rs. 75 per standard khandi.

Subsidiary income.—In addition to the agricultural income there is the usual subsidiary income from cattle-breeding, ghee industry, carting, etc., while the cultivators with very small holdings which are insufficient to support them also supplement their income by agricultural labour, etc. We have discussed this matter in the main body of the report and in our intensive village enquiries.

We have made the usual economic enquiries in—

- (1) Amalpura, typical of the ordinary villages of the cotton tract of Khandwa tahsil,
- (2) Sarola, typical of the best part of the fertile Burhanpur Tapti valley tract, and
- (3) Brahmogram, a typical village of the Harsud tahsil.

The results of these enquiries are described in detail in the survey (Appendix, E-LXII, LXIII, LXIV respectively) notes and need not be repeated here.

In these villages we examined 208 families. The average income from subsidiary sources, according to their own admissions, was Rs. 172.

It will be seen that in ordinary years the cultivator with an average holding should have a satisfactory surplus from agriculture after defraying his ordinary expenses; but here, as elsewhere in the cotton zone, the amount of indebtedness is relatively heavy.

Indebtedness and sources of finance.—The causes of indebtedness are undoubtedly similar to those elsewhere in the cotton zone. The total amount of indebtedness, which is discussed below, becomes relatively slight if the assets of cultivators be valued at the prices which prevailed during the cotton boom, and many of those debts are the direct consequence of the boom,

We have applied the usual sampling method to this district and have examined the individual debts of a large number of cultivators in all parts of the district.

The incidence of indebtedness in the areas surveyed by us is as follows:—

	Harsud tahsil.	Khandwa tahsil.	Burhanpur tahsil	Total.
1	2	3	4	5
Percentage of malguzars indebted.	48	68	40	58
Percentage of malguzars not indebted.	52	32	60	42
Percentage of malik-makbuzas indebted.	50	67	31	51
Percentage of malik-makbuzas not indebted.	50	33	69	49
Percentage of ryots and tenants indebted.	73	15	65	70
Percentage of ryots and tenants not indebted.	27	85	35	30
Multiple of assessment which—				
1. Malguzars' debts represents.	1	9	13	9
2. Malik-makbuzas' represents.	2	31	12	8
3. Other tenants' represents.	17	36	19	17
4. Ryotwari tenants' represents.	11	29	45	31

Applying these multiples to the whole district the following results are obtained:—

	Harsud tahsil.	Khandwa tahsil.	Burhanpur tahsil.	Total.
1	2	3	4	5
	Rs.	Rs.	Rs.	Rs.
Total malguzari debt	1,80,374	16,16,676	23,33,622	41,30,672
Total malik-makbuza debt	88,946	13,78,694	5,33,688	20,01,336
Total tenancy debt and total ryots' debt.	18,05,296	41,90,680	40,27,062	1,01,22,048
Total agricultural indebtedness of the district.	...	...	...	1,62,54,056

These figures are in some ways of peculiar interest. The first point which strikes the eye is the relatively heavy indebtedness of the ryots in ryotwari villages. These debts are, however, relatively heavy only, having regard to the land revenue assessment. The land revenue assessment throughout the district is still much lower than in any other part of the cotton zone.

The indebtedness of the ryots in ryotwari villages in the Burhanpur tahsil calls for special consideration. In this connection, the evidence of Captain O'Grady, who holds considerable areas of land in this tract, is of importance. It is not necessary to repeat what has been separately recorded and which will be found in the volume of evidence.

The land in the ryotwari areas of the Burhanpur tahsil, which was almost entirely in those portions of the Tapti valley tract reclaimed from jungle during the last thirty years, is of great fertility.

The indebtedness of the Government ryots at present is attributed by Captain O'Grady to a number of reasons, viz.—

- (1) a certain improvidence and ignorance on the part of the new settlers themselves;
- (2) the reckless management of the Co-operative Credit Central Bank;
- (3) the alleged failure of Government to make adequate arrangements for financing the reclamation of this land when it was given to the new settlers; and
- (4) the very high rates of interest charged by the sowkars and mahajans upon whom the ryots of this locality were compelled to fall back in the absence of better facilities.

In the body of the report, we have considered the question of granting the rights of transfer to the ryotwari villages. We have, at the same time, however, sounded a note of warning and stated that it would be necessary for Government to define the tracts in which it is desirable to grant these rights.

We have had in view particularly this tract where it appears extremely probable that many ryots would lose their land owing to the existing heavy burden of debt, if rights of transfer were granted; and we feel very strongly that the mere granting of rights of transfer would not serve any purpose unless simultaneous proceedings were opened for the conciliation of debts and for the amortization of long-term loans by a land mortgage bank. We consider that the indebtedness of the Burhanpur tahsil of the Nimar district deserves the particular attention of the officers of that district, and an intensive campaign is required to place matters on a more satisfactory basis as soon as it is possible to do so.

The indebtedness of agricultural classes represents the following amounts per acre of land held by them:—

			Rs.	a.	p.
Malik-makbuzas	...	...	11	6	0
Tenants	...	...	19	4	0

The total indebtedness of Rs. 1,62,54,065 may be compared with the value of the gross crop outturn of Rs. 2,62,63,161, valuing cotton at Rs. 75 per standard khandi and Rs. 2,90,96,369 when cotton is valued at Rs. 100 per standard khandi. The total debt represents a little more than twice the annual costs of cultivation, and 62 per cent of the value of the gross crop outturn when cotton sells at Rs. 75 per acre. The purposes for which these loans were incurred are exhibited in the following statement:—

	Per cent.
Repayment of earlier debt ...	38.2
Marriage and other social ceremonies ...	19.5
Maintenance expenses including results of scarcity and distress.	5.0
Payment of land revenue and debt ...	2.50
Improved agricultural implements ...	2.2
Agricultural expenses including seed, manure and wages ...	17.1
Purchase of land or cost of bringing fallow land into cultivation.	2.00
Litigation ...	3.5
Field embankment and other improvement ...	10.0
Business ...	1.30

The percentage of debts incurred for discharging prior debts is the highest in the province, 38.2. Most of these debts are the relics of the cotton boom. The next most important purpose is "marriage and other social occasions", which is also the highest for the province, 19.5. These two items together are responsible for 57.7 per cent of the total indebtedness of the district.

It is easy to be wise after the event and to accuse the cultivators of Nimar of extravagance. That this is not a fair criticism we have explained in the separate note on Berar, the remarks contained in which can well be applied *mutatis mutandis* to this district. It will, therefore, serve no purpose to discuss the matter further here. But an intensive thrift campaign with improved investment facilities is urgently required. In Chapter XVI of the report we have discussed the habit of collecting gold and silver jewellery.

In these villages surveyed by us the cultivators' own statements produced an all round average of Rs. 173 worth of jewellery per family as is explained in Chapter XVI.

The sources from which loans were taken are as follows:—

Government taccavi—		Rs.
Total ...	...	1,73,311
Percentage ...	...	1.54
Co-operative credit—		Rs.
Total ...	...	3,59,549
Percentage ...	...	2.21
Landlord—		Rs.
Total ...	...	5,85,144
Percentage...	...	3.6
Mahajans—		Rs.
Total ...	...	1,53,36,052
Percentage...	...	93.19

The percentage of debts due to Government is the highest in the cotton zone, having reached the relatively high figure for Government taccavi of 1.54 per cent.

In no other district of the cotton zone have Government financed even 1 per cent of the requirements of agriculture.

The co-operative credit banks are responsible for Rs. 3,59,549 only and most of these consists of old outstandings which have not yet been recovered—a heritage of the period of so-called expansion, when money was advanced with considerable recklessness, as has been explained at length by Captain O'Grady in his evidence.

The landlords have advanced Rs. 5,85,144 only. The mahajan, as usual, in this district is the only really important source of finance. To him is due 93.19 per cent of the total amount of agricultural indebtedness.

Interest.—The rates of interest in this district, as is explained in our intensive enquiry notes, are higher than in many other parts of the Central Provinces, approximating to the rates prevailing in Berar and for similar reasons, the main reason being the tightness of money in the period of reaction after the cotton boom.

In this district, as in other parts of the cotton zone, there appears to be an urgent need for the amortization of old debts by a land mortgage bank, a subject which is discussed in detail in Chapter XI of the report.

The rate of interest in the Nimar district all round is certainly not below an average of 20 per cent; in some of the ryotwari tracts, 37½ per cent is quite common, though on secured debts it is of course less. At 20 per cent the total annual interest charges on the present debt would represent Rs. 32,50,813 or 4 times the total land revenue demand.

On the other hand, the average debt per cultivator works out at Rs. 288, which may be compared with the ordinary gross income from agriculture of Rs. 588 when cotton is at Rs. 75 per standard khāndi. The total amount of capital debt may at first sight not be considered to be a cause for serious anxiety, but it is clear that the annual interest charges absorb a large portion of the net profits of agriculture amounting at 20 per cent to Rs. 94 per annum per family.

Of the total debts, 33.3 per cent is secured and 66.7 per cent unsecured. This district has many characteristics common with Berar.

APPENDIX J-XIV.

WHEAT ZONE.

Note on Narsinghpur district.

1. The Narsinghpur district is the second district of the Nerbudda valley proper, going from east to west, lying between Jubbulpore on the east and Hoshangabad on the west. The district is 85 miles long with a total area of 1,976 square miles. It is bounded on the north by the Saugor and Damoh districts and by the Vindhiya hill range, and on the south by the Satpura plateau districts of Seoni and Chhindwara. In area the Narsinghpur district is the smallest in the Central Provinces.

Out of its total area of 1,976 square miles, 249 square miles are reserved Government forest and 302,908 acres are malguzari forest and waste land.

2. The total area of villages is 1,106,149 acres of which 741,522 acres are actually occupied for cultivation, while the net-cropped area in 1927-28 was 588,636 acres.

There are no ryotwari villages in this district.

There are two tahsils—Narsinghpur and Gadarwara and in all 1,068 malguzari villages divided into 9 Revenue Inspectors' circles.

The average area per village is—

			Acres.
Total area	...	...	1,037
Occupied for cultivation	...	...	694
Net cropped	...	...	573

3. *Population.*—The total population at last census was 315,162. Our compilation of birth and deaths since then indicates an all round increase by 4 per cent.

The total numbers of various classes at Census and at present would then be as follows:—

Families of rent paying cultivators.		Families of agricultural labouring classes.	
At census.	Now.	At census.	Now.
1	2	3	4
24,854	25,848	17,143	17,829

4. *Holdings*.—The total area held by the rent-paying cultivating classes is 610,045 acres. The average area per family of this class is therefore 23 acres of which 19 acres are normally cropped.

Holdings of course vary greatly in size.

The distribution of land in the villages intensively surveyed by us was as follows:—

The following statement will show the distribution of the village holdings:—

District and villages.	Below 5 acres.	From 6-10 acres.	From 11-15 acres.	From 16-20 acres.	From 21-25 acres.	From 26-30 acres.	From 31-40 acres.	Above 40 acres.	Total.
1	2	3	4	5	6	7	8	9	10
<i>Narsinghpur district.</i>									
Mohad ...	54	16	8	15	5	3	6	3	110
Bithli ...	39	11	7	8	3	1	7	4	80
Piparya ...	3	4	...	2	1	...	3	1	14
Imailya ...	11	15	13	3	1	2	...	2	47
Total ...	107	46	28	28	10	6	16	10	251

But in these are also included the bari-holders and nominal tenants with petty parcels of land whose main source of income is agricultural labour.

5. *Cropping*.—The district falls naturally into three portions—

- (1) the Central haveli portion running through the whole length of the district from east to west covering about one-third of the total area;
- (2) the light soil tracts to the north; and
- (3) the light soil tracts to the south.

The first class portion, or the central haveli, consists almost entirely of very fertile clay and clay loam soil, about 80 per cent of which is in the dead level position, a very large portion being embanked for the purposes of rabi or winter crop cultivation. In this tract, wheat, gram and other winter crops predominate. The district suffered severely from a phenomenal wave of rust in 1927-28 which was followed by another attack of rust and by frost in 1928-29. This did serious damage to all the winter crops, but although some relief operations had to be opened in the light soil tracts in 1928-29 and there was the usual increase in taccavi distribution accompanied by suspensions of land revenue, this district as a whole was not so seriously affected as the northern districts of Saugor, and Damoh, and Jubbulpore in the east.

		1927-28.
Principal crops—		Acres.
Wheat	...	9,015
Wheat and gram (birra)	...	186,536
Gram	...	108,247
Juar and arhat	...	41,537
Teora and batra	...	29,304
Masur	...	26,224
Others	...	210,836
Total		611,699

6. The Narsinghpur district has always been considered to be one of the best wheat producing tracts in the province. In the haveli proper wheat predominates. But outside the haveli, in the lighter soils, gram, juar, cotton, etc., are the main crops.

The cropping of this district has been discussed in great detail in the Final Report of the Re-settlement of the district, 1923—26, which was conducted by our Chairman as Settlement Officer, and a detailed discussion of the cropping is not necessary here; but it is important to lay stress upon the large area under embankments. In these areas, a catch crop of rice is very often sown followed by a winter crop of gram, masur or some other leguminous grain. This is followed, in the next year, by a crop of wheat and gram. But the main object of these embankments is to submerge the area during the rains and to secure a moist seed-bed for the winter crops at sowing time. The embanked areas are not likely to be seriously affected in a year in which the late monsoon is defective, because water can be retained in embanked fields till sowing time. In addition all the soils of the haveli have a very high capilarity which enables them to bring the winter crop to harvest and to give a good outturn even in those years in which there is no rainfall between the time of sowing and harvesting. After discussing all these questions in detail in the settlement report, it was pointed out that 31 per cent of the total cropped area might be classed as secure and 4 as semi-secure, that is to say, 35 per cent is capable of producing a good crop even in years of short rainfall.

This fact has had a very important effect on the economic history of the district. The haveli tract of this district may be said to be the most secure portion of the wheat-growing zone, with the result that even in the famines of 1897 and 1901, it was not found necessary to suspend the land revenue in this tract.

Outside the central haveli portion, the remainder of the district is no more or less secure than the other unirrigated tracts of the province.

7. *Intensive surveys.*—In this district, four villages were chosen for intensive enquiry; (1) Bithli a typical village of the rich Trans-Nerbudda haveli, which is one of the most fertile portions of the district; (2) Pipariya (Karakbel), another fertile village of the Mekh-Chhindwara haveli; (3) Mohad a mixed village lying on the border between the haveli and the riverain

tracts which is on the whole, as is explained on the note of this village, typical of a large portion of the medium quality villages of the district; and (4) Imalya, a village containing a small area of very good soil merging into ravine country on the banks of the Sitarewa river.

In these four villages, it was possible for us to consider all the main systems of cropping and the general economic conditions under varying conditions in this district. We have made the usual enquiries from cultivators into the gross outturns of the principal crops, the costs of cultivation and the net profits from agriculture and costs of maintenance. The results are recorded in the separate village notes on the subject.

8. *Crop outturn.*—The value of the normal gross crop outturns at normal prices is given in the following statement :—

Crop.	Area.	Value per acre.	Total value.
1	2	3	4
	Acres.	Rs.	Rs.
Rice transplanted irrigated	...	...	...
Rice transplanted unirrigated	1,009	38	38,342
Rice broadcast irrigated	...	...	...
Rice broadcast unirrigated	43,164	35	15,10,740
Juar	3,026	18	54,468
Juar and arhar	41,537	24	9,96,888
Kodo, kutki and bajra	47,122	12	5,65,464
Wheat	9,015	38	3,42,570
Wheat and gram	186,536	37	69,01,832
Arhar, urad and mung	7,364	25	1,84,100
Gram	708,247	28	30,30,916
Teora and batra	29,304	30	8,79,120
Masur	26,224	35	9,17,840
Other cereals	8,084	25	2,02,100
Til	23,880	32	7,64,160
Linseed	1,468	30	44,040
Linseed and gram	9,858	30	2,95,740
Other oil seeds	3,556	25	88,900
Spices	615	45	27,675
Sugarcane	726	250	1,81,500
Cotton	31,413	22	6,91,086
Others	26,827	25	6,70,675
Garden produce	2,724	65	1,77,060
Total	6,11,699	...	1,85,65,216
Double cropped	23,063	...	...
	588,636		

9. *Costs of cultivation.*—We have carefully considered the average costs of cultivation before drawing up the following estimate, which does not include the rent which is treated as usual as a separate item of costs. The small cultivator who

cultivates his own land will spend less, while one who does all his agricultural operations by hired bullocks and hired labour will spend more. But the average rates adopted by us represent the average costs for the district as a whole :—

Crop.	Area.	Cost of cultivation per acre.	Total cost.
1.	2	3	4
	Acres.	Rs.	Rs.
Rice transplanted irrigated	...	...	...
Rice transplanted unirrigated	1,009	10	10,090
Rice broadcast irrigated	...	...	...
Rice broadcast unirrigated	43,164	7	30,21,400
Juar	3,026	6	18,156
Juar and arhar	41,537	6	2,49,222
Kodo, kutki and bajra	47,122	3	1,41,366
Wheat	9,015	12	1,08,180
Wheat and gram	186,536	11	20,51,896
Arhar, urad and mung	7,364	6	44,184
Gram	708,247	8	8,65,976
Teora and batra	29,304	6	1,75,824
Masur	26,224	6	1,57,344
Other cereals	8,084	6	48,504
Til	23,880	5	1,19,400
Linseed	1,468	6	8,808
Linseed and gram	9,858	7	69,006
Other oil seeds	3,556	5	17,780
Spices	615	15	9,225
Sugarcane	726	80	58,080
Cotton	31,413	7	2,19,891
Others	26,827	5	1,34,135
Garden produce	2,724	20	54,480
Total	611,699	...	48,63,694
Double cropped	23,063	...	...
	588,636	...	...

(1) *Communications and marketing.*—We discuss communications below. They are much above the average. It will suffice to deduct 2½ per cent from the gross outturn for marketing expenses as is explained in Chapter VII of the report :—

	Rs.
Average value of average gross outturn	1,85,65,216
Deduct 2½ per cent for marketing	4,64,130
Balance	1,81,01,086
Cost of cultivation	48,63,694
Balance	1,32,37,392

The total area occupied for cultivation, including fallows, for which rent is paid is 641,533 acres so that the all round average net income per occupied acre comes to Rs. 18-12-0.

(2) *Rent*.—In addition there is the rent which varies according to the quantity of the soil, but averages Re. 1-15-0 per acre for the district as a whole.

10. The actual income of individuals will of course vary very greatly. Some have holdings larger and more fertile than others, while the costs of cultivation will vary considerably according to the amount of hired labour employed for the purpose, etc.

Actually, however, the gross crop outturns may vary from year to year between 10 annas and 16 annas, 13 annas being held to be a normal crop. Prices also fluctuate greatly. The value of the total gross outturn may then vary between Rs. 1,39,00,000 and Rs. 2,32,00,000 as the outturn varies between 25 per cent below and 25 per cent above normal. The costs of cultivation will be more or less constant. The net profits may therefore vary from year to year between Rs. 90 lakhs and Rs. 180 lakhs without the all round outturn ever being more than 25 per cent above or below normal.

11. *Malguzars*.—The percentage of resident cultivating malguzars in this district is very high and it has been recorded that there is no district in the province where such a large number of the malguzars perform so fully the functions for which the malguzari body was originally created. A large number of the malguzars of this district are very prosperous persons with large areas of home-farm. They often dwell in well built two-storied houses of considerable value which frequently stand out as a land mark in the country side. Many of them advance grain and money for financing the agricultural operations of the small tenants and obtain a considerable income thereby, in addition to their cultivation of their home-farm and their income from rents. Up to now, however, there has been no sign of a tendency to thrift and investment. In the past, the district had a considerable reputation for hoarding; several malguzars have been reported to have left large sums of money buried in the ground on their death. But on the whole the malguzars of this district who consist mainly of the up-country castes such as Rajputs and Lodis and other similar castes, are fond of display and outward show. Until recent years of crop failure it was quite common to expend one's surplus capital in the purchase of an elephant, while most malguzars of position still keep a considerable number of retainers for display. They attach great value to a license under the Arms Act and often keep a large number of antiquated weapons which are carried by their retainers when they go out on ceremonial occasions. Some of them also expend their surplus profits on the purchase of land; but there is no doubt that there is wide scope for saving and investment, if a well organized propaganda can be carried out in normal times with good investment facilities. A number of malguzars from time to time have lost their property through litigation and extravagance and they still do not seem to have got beyond their old fashioned ideas, nor to have realized the great services which they might do to their country and their

district by investment. But up to now no attempt has been made to educate or train them in the thrift habit. They cannot be said to be much to blame for not adopting new methods of finance, the benefits of which have possibly up to now never been explained to them. At present, the amount of money annually expended in this district by big landlords and tenants on weddings, fireworks, horses, etc., and other unproductive expenditure is undoubtedly very large.

12. *Tenants.*—In this district, there is a considerable number of very substantial tenants. 9 per cent of the tenants at settlement were classed as being of the same financial status as malguzars, while a further 20 per cent were declared to be men of status little inferior to that of malguzars in some of the more backward districts. The conditions of life and the standard of living of these men is similar to that of malguzars, although up to now no tenant has invested his money in the purchase of an elephant. Quite a large number of tenants pay over Rs. 500 a year in rent. The general standard of living among the malguzari body has, of course, been reflected in a greater or a lesser degree upon the tenants as well and in the past considerable areas of valuable malik-makbuza and absolute-occupancy land have been lost by the holders through extravagance and have gone to the Singhpur Kalars and others in debt.

13. *Village life.*—The old established malguzars still maintain much of their old influence, although its basis is rather of a shadowy kind. They still obtain certain facilities in agriculture from the village people. Many of them insist on a so-called ancestral right to *begar* or free labour and many of them still get the free use of the tenants' plough for one or two days at the time of sowing. The district on the whole is still old fashioned and is one of the bulwarks of conservatism in the north of the province.

14. *Cost of maintenance.*—It would be clear from the above that the general standard of living in this district is considerably above the average of the province. In the four villages in which we have made our intensive economic surveys we have, as usual, examined the family budgets of each individual cultivator. The individual estimates of their normal expenditure upon food and clothing of necessity vary according to the size of their family, their position in life and their individual idiosyncracies. Some of them are more ostentatious and extravagant than others, and it is difficult to estimate how much a big tenant or malguzar might be able to spend upon velvet coats, expensive clothing and gold and silver jewellery for the ladies of his family, if he desires to do so without being willing to admit that he had been in any way guilty of extravagance. Although there is no doubt that large sums are expended on these purposes, in our enquiry we have endeavoured rather to find out what amount of expenditure may be considered to be reasonably necessary for the maintenance and clothing of the ordinary cultivator in a normal condition according to the prevalent standards of life.

There is no doubt, for instance that, in this district also, considerable sums are spent upon opium, and the consumption of opium in this district is almost the heaviest per head of population in the whole province. But we have not included this item of expenditure as being necessary for the maintenance of the individual. As a result of our enquiries, we would estimate the ordinary requirements on food and clothing for the ordinary family of two adults and three children at Rs. 250 per annum. From this we have, of course, excluded all expenditure upon jewellery. In addition to those bare items, every cultivator will be required to expend sums of varying amount upon various ceremonies such as weddings, death ceremonies, etc., and will also, from time to time, buy some more expensive clothing if he is able to do so. But for the purpose of estimating the economic resources of the district, it is not necessary for us to include these items in the budget for maintenance and clothing.

15. *Subsidiary income.*—We have not attempted to estimate the income from subsidiary sources which is undoubtedly considerable (*vide* notes on village surveys). According to the cultivators' own statements the income from subsidiary sources averaged Rs. 214 per family in the villages surveyed by us. This, of course, includes the income of some big men from money-lending and shop-keeping.

We have discussed this subject at length in Chapter II of the report. But we can safely assume that for the district as a whole the income from subsidiary sources per average family is not less than Rs. 50 per annum.

We may now draw up the average cultivator's balance sheet. As explained above, the average area held per cultivating family is 23 acres.

The average net profits after deducting the costs of marketing and cultivation for the district as a whole works out at Rs. 18-12-0 per occupied acre.

This is of course the district average only. In the most fertile tracts the outturns will be more, while in the light soil tracts it will be less.

16. *Rent.*—The rent varies greatly according to the quality of the soil between some 3 annas and Rs. 5 per acre, but for the district as a whole the total rental demand works out at Re. 1-15-0 per acre or Rs. 44-9-0 per average family with 23 acres.

The average costs of maintenance we have taken at Rs. 250 per family.

The net balance in an average year to the average family will be Rs. 135-11-0 to which the income from subsidiary sources has to be added. Actually the balance will vary between *nil* and a fairly considerable surplus as the gross crop outturn varies.

17. *Communications.*—The district is traversed throughout its length by the main line of the Great Indian Peninsula Railway from Itarsi to Jubbulpore, there being, inside the district, the following railway stations going from west to east :—Babai, Gadarwara, Bohani, Kareli, Narsinghpur, Karakbel, Gotegaon and Bikrampur.

18. *Marketing.*—There are well established wholesale grain markets at Gadarwara, Kareli, Narsinghpur and Gotegaon. There are also smaller markets for the purchase of grain with local grain merchants at the other stations, except Bikramghat on the north-east border of the district. There is a large wholesale grain and cattle market at Dangidhana on the main road from Narsinghpur to Seoni, 6½ miles south-east of Narsinghpur headquarters. The district on the whole is well served with roads.

There are practically no villages, excluding those in the jungle tract in the south-east corner of the district, more than 12 miles from wholesale grain market, whereas the majority of the villages are within 6 miles of one of these markets. The petty cultivators sell their grain to local merchants who go to the villages at the time of harvest and make purchases on the spot. The larger tenants bring their own grain to the wholesale market. None of these markets, although the Gadarwara and Kareli markets have a very large business, are governed by any such regulations as have been enforced in the cotton markets of Berar and various complaints are received from time to time with regard to malpractices and petty exactions by the dealers in these markets. It appears to be necessary to enforce, by legislation, rules similar to those in force in the cotton markets of Berar, *vide* Chapter VII of the report and our separate note on Kareli Ganj market.

19. *Finances.*—There is no joint stock bank or branch of a joint stock bank anywhere in the district, although the Imperial Bank of India send a representative in the season to Kareli and Gadarwara, who occasionally makes advances to big merchants against grain in their possession. There are frequent complaints at Kareli and Gadarwara of shortage of cash and there seems to be a real need for a branch of some reliable commercial joint stock bank in this district to finance the moving and marketing of the crops.

20. Here, as elsewhere, the indigenous sowkar is the principal source of agricultural finance. In Gadarwara town, Narsinghpur, Gotegaon and Kareli there are a number of big money-lenders who also do grain business. The richest money-lenders in the district are Rao Sahib Seth Laxminarain of Gadarwara and the family of the Singhpur Kalars. The history of this latter family is of interest. Their grandfather was a petty pedlar or hawker carrying groceries for sale from bazar to bazar. The present family has now divided into three branches. They hold many villages, large areas of absolute-occupancy and malikmakbuza land and pay income-tax upon a very large

non-agricultural income. They do no business other than money-lending and malguzari in the villages which they have acquired. All their estates have been acquired either in payment of debts or by purchase out of the profits of money-lending.

Until recently, substantial sums were obtainable in this district on first class mortgage at rates from 6 to 9 per cent per annum; but the rate appears to be rising rapidly and the local money-lenders stated that this is due to the general shortage of money and the difficulties of recovery. They state that the application of the Insolvency Act and the Usurious Loans Act and other restrictions, coupled with the increasing intelligence of the cultivators who at times endeavour to misuse the provisions of those laws, have much added to the difficulties of collection and owing to the recent crop failure, most of their available capital is locked up in loans. Money is not ordinarily available at present on mortgage at less than 12 per cent, while the ordinary rate of interest on unsecured debt is 24 per cent.

21. Apart from the big money-lenders and so-called local indigenous bankers, there are the usual money-lenders to be found in all the big villages and many of the malguzars also finance their own tenants. As elsewhere, in the wheat-producing districts, where seed is one of the main items of expense, a large number of cultivators also take grain advances or seed. The minimum rate of interest on grain advances is 25 per cent, while 50 per cent is often charged. There is nothing particular about the financing of agriculture in the Narsinghpur district which differs materially from the practice in other districts.

22. *Debts.*—In addition to our intensive surveys in four villages, we have examined in detail the indebtedness of 4,669 persons in 73 villages. For this purpose, we have made a detailed enquiry into the indebtedness of all the individuals in at least one patwari circle in each Revenue Inspector's circle in the district. These villagers are therefore situated in all parts of the district and the results obtained by this sampling method are representative of the indebtedness in the district as a whole, with the exception only of the Dhobi group. This patwari circle was chosen by us for examination owing to the peculiar conditions prevalent therein. As was noted by the Settlement Officer at settlement, in this patwari's circle, some big money-lenders of the large village of Chawarpatha allowed some years ago debts to swell by high rates of compound interest, to large sums, for the repayment of which they have fixed instalments spread out for a large number of years. The Settlement Officer wrote with regard to these persons on 1st December 1925 as follows:—

"These persons have bound themselves to pay instalments of Rs. 60 and over per annum for periods of 50 and 100 years. The total debts due to Megraj here amount to Rs. 21,800. I find on enquiry that these debts had been incurred in the time of Megraj's father, Sukhlal who has secured a permanent income for his family by involving absolute-occupancy tenants in debt and then inducing them to execute bonds

for payment of instalments for these long periods. The instalments paid annually in some cases much exceed the present rental demand on the land encumbered."

Similar conditions have been found to prevail in some parts of the Saugor and Damoh districts; but such conditions are not found in the Narsinghpur district outside this particular tract. The incidence of indebtedness in this patwari circle is very much higher than the average elsewhere. We have, however, to be on the safe side, included the figures for this circle in working out the all round average for the district as a whole.

23. It will be seen that the total debts of the district as calculated by this method are as follows:—

		Rs.
Malguzars	...	15,83,842
Malik-makbuzas	...	2,11,714
Absolute occupancy tenants	...	20,44,602
Occupancy tenants	...	32,28,469
Total		70,08,627
		Per cent.
Secured	...	27.0
Unsecured	...	73.0
Sources.		Per cent.
Landlord	...	20.2
Mshajan	...	64.0
Government	...	12.0
Co-operative	...	3.8
Purposes.		Per cent.
Payment of old debts	...	29.5
Marriage and ceremonials	...	7.3
Maintenance and household expenses	...	3.85
Payment of revenue or rent	...	4.5
Agricultural expenses	...	22.2
Field embankments and land improvement	...	17.95
Purchase of land	...	10.9
Litigation	...	2.3
Purchase of improved implements	...	1.5

24. During the last year, owing to crop failures, land revenue and rent has been suspended in many villages and, in addition, Rs. 6,08,824 taccavi has been advanced by Government for seed and other agricultural operations. For this reason, a much larger percentage of the total cultivators are, at present, temporarily indebted; but these sums will be recovered during the next two years in the ordinary course and are not normal debts at all. At last settlement, when a village to village survey of indebtedness was made as usual, the total indebtedness of the tenants was as follows:—

Malik-makbuzas and tenants—

49 per cent had no debts at all.

16 per cent had debts over Rs. 200.

Total debts, Rs. 38,63,103.

The total tenants' indebtedness at present, according to our sampling methods, is shown to be just under Rs. 55,00,000, an increase of about Rs. 16,00,000 since then, of which Rs. 15,83,842

was due to malguzars, much of which was suspended rent and Rs. 6,08,824 due to Government for taccavi advances owing to crop failure. The district during the last two years has passed through an unusual period of crop failure. Crop failure in the haveli is, as a rule, unknown and nothing like the serious damage from rust and frost had occurred during the last thirty years. On the other hand, several years of excellent crops had been received before this. The increase in indebtedness during the period seems, under these circumstances, small.

25. At last settlement, the Settlement Officer made an estimate of the value of the land held in malik-makbuza and tenancy right, based upon the average transfer value during the last thirty years, and he estimated this land to be worth Rs. 3,50,00,000. In addition, the value of the cattle held exceeded Rs. 50 lakhs, and the total value of their landed property and farm-stock was estimated at 4 crores of rupees. Our intensive enquiries show that land values have continued to rise. Taken as a whole, therefore, the general economic condition of the tenantry of the Narsinghpur district would appear to be better than in many other districts.

The average transfer value of malguzari villages during the last few years in the Narsinghpur district exceeds thirty times the land revenue. Therefore the value of the rights which the malguzars hold cannot be less than Rs. 2,00,00,000.

26. Although the economic condition of this district, in spite of two previous bad years, is undoubtedly superior to those of some other districts in the province, the interest charges are a very heavy burden. The average rate of interest is not less than 20 per cent and the total interest charge on the tenants is, therefore, not less than Rs. 11,00,000 per annum which is nearly as much as the total amount of rent which they pay.

27. *Distribution of debts.*—Our intensive enquiries show the following distribution of debt:—

	Percentage of total cultivators.	Percentage of total debt which they bear.
1	2	3
Indebted beyond any reasonable hope of redemption ...	4.5	26.6
Free from debt ...	38	Nil.
Indebted within means ...	57.5	73.4

28. The co-operative credit societies' figures are as follows:—

Average debt per member owing to the society ...	Rs. a. p.
Average debt per member owing to others ...	166 10 0
	575 0 0

As elsewhere, the members of the co-operative credit societies are much more heavily indebted than the average cultivator.

The co-operative credit societies on the whole appear to be unpopular in this district mainly for the reason of joint and unlimited liability; but in course of time the movement may find a wider scope for its activities. It appears that, in a secure and fertile tract like Narsinghpur, a land mortgage bank would have a wide field for beneficent work. The principal cause of debt here, outside the ordinary short-term loans for agricultural expenses and the exceptional indebtedness arising from the crop failure of the last two years, would appear to be extravagance. Throughout the wheat zone, there is, of course, a wide scope for the development of seed unions.

APPENDIX J-XV.
SATPURA PLATEAU ZONE.

Note on Betul district.

The Betul district is the first of the four districts of the plateau zone going from west to east. Its total area is 3,910 square miles and it forms a compact block of country, roughly circular in shape occupying nearly the whole width of the Satpura range and lying on a mean elevation of about 2,000 feet. It is bounded on the north and the east by Hoshangabad and Chhindwara districts, respectively, on the south by the Amraoti district of Berar, while the forests of Hoshangabad and for a small distance Nimar march with its western borders.

There are three tahsils in the district: Betul, Multai and Bhainsdehi, the very name of the latter tahsil indicating its importance as a cattle-breeding centre. Bhainsdehi means literally the buffaloes' pasture land.

There are 1,175 malguzari and 91 ryotwari villages.

Government reserved forest in this district is particularly important, covering 1,864 square miles or 48 per cent of the total district area. Only 46 per cent of the district area is occupied for cultivation.

There are numerous valleys and pockets of rich black soil, but the dominant feature of the trap country, which has stamped its character on the habits, the agriculture, and almost on the faces of the cultivators are the wideswept, exposed undulations of stony uplands locally known as the "bardi" or the "barra". The clearing of this "bardi" areas has been in comparatively recent times, for there are living witnesses to the depredations of tigers in villages near Multai, where a partridge can scarcely find cover to-day. In the variety of its natural scenery the Betul district can hold its own with any in the province. The view from the Khamla plateau at a height of over 2,700 feet, north-west across 60 miles of broken country to the towering hill fortress of Bhawargarh, Gibraltar-like in its massive isolation, is impressive in the extreme.

2. This district provides an interesting example of the insecurity of agriculture in the Central Provinces. For 12 years continuously up to 1901 the seasons were unfavourable, and each year the crop outturn was below normal, while in two years there was a disastrous famine. From 1901 onwards to 1918 there was only one year, 1908, in which there was anything approaching crop failure, and the combined yield exceeded the normal in 10 years. From 1918-19 to 1921-22 the crops were again seriously injured by deficient rainfall, producing scarcity conditions. Since that year to date the district has had a succession of good years. But the mere fact that for some years past the crop outturn has been good should not be allowed to obscure the great

variations in rainfall and outturn over a cycle of years and the possibility of a number of poor years occurring in succession.

3. The cropping in 1927-28 was as follows :—

	Acres.
Rice	16,126
Juar	32,362
Cotton	25,138
Kodo and kutki	155,696
Til	23,877
Wheat	148,632
Linseed	5,229
Others	391,228
Total	798,288

Cotton is principally grown in the portions of the district adjoining Berar.

In this district sugarcane has always been important. In most villages, where the soil is suitable, will be found very valuable plots of irrigated sugarcane, and the cultivators of this district are also habituated to irrigating small areas of wheat and garden crops from wells which they dig for the purpose. The water level is fortunately high.

4. The most important crop in the district is wheat. It is only grown in the better soils and in years of good rainfall yields very heavy outturns. As in the other districts of the plateau the longer cold weather gives the winter crops a longer period for development, and for this reason the average rabi outturn in the plateau districts and in the wheat zone to the north thereof are considerably heavier than in the southern districts, where, with the coming of the hot winds at the beginning of March, these crops are hurried to stunted maturity at least one month earlier than in the north. The average outturn for wheat in the Betul district is 600 lbs. per acre.

5. Kodon-kutki covers the largest area after wheat. This, however, is grown only on the lighter soils and is liable to extreme variations in outturns as was noted by Mr. Beohar, witness No. 133, from Betul and has a low money value, though an important food crop. Juar is also an important food crop in this district. Wheat is partly grown for food, but largely for export, the more important staple food grains in this district being juar and kodon-kutki.

It is interesting to note that a considerable area is reserved as grass bir for hay and pasture land. Cattle-breeding and dairy-farming are very important.

6. Owing to the very valuable assistance rendered to us by the local revenue officers we have been able to have examined the individual indebtedness of all cultivators of all villages of the district, and have not confined our enquiry to the sampling method.

7. We have made the usual intensive economic enquiries in the following villages :—

- (1) Sasundra, in the Multai tahsil, typical of the good wheat and irrigated sugarcane villages.
- (2) Padha, a village of inferior soils, important as a rural trading centre.
- (3) Bhikarmandwa, in the Bhainsdehi tahsil, typical of the upland cotton and juar tracts towards Berar.

8. The total population of the district at last census was 363,737, of whom 12,727 reside in the headquarters town of Betul and 151,961 in Multai, an old established town of some religious interest at the source of Tapti river: 351,010 resided in rural areas.

A compilation of vital statistics of births and deaths since then indicates an all round increase in population by 10 per cent. Census figures have, therefore, been increased by this percentage in estimating numbers at present.

There are at present 1,342 families of landlords separately holding malguzari property.

9. *Cultivators*.—If we add 10 per cent to the figures of last census, the total number of persons belonging to the rent-paying cultivator class comes to 225,995. There are therefore, in round figures, 45,199 families of tenants.

The total village area is 1,743,069 and the total area occupied for cultivation is 1,172,437 acres, divided among 1,266 villages. The average village, therefore, is as follows :—

	Acres.
Total area	1,377
Area occupied for cultivation	926
Cropped area	630
Population	317 persons.

Of the occupied area, 115,731 acres are held in the malguzars' home-farm and 1,056,706 acres in tenancy and ryotwari right, giving an average cultivator's holding per family of five of 23 acres of which 15 acres are under crop.

10. There are in the district 138,703 plough-cattle, 100,630 cows and 157,976 she-buffaloes, including calves, giving an average of over 3 plough-cattle and over 2 cows and 4 she-buffaloes, including calves, per family of malguzars and tenants.

11. We have discussed in our intensive enquiries (1) the ordinary costs and profits of agriculture, (2) the average cost for the maintenance of a family, *i.e.*, for their food and clothing, and (3) the ordinary income from sources other than agriculture.

In the villages where we held our surveys, we found that according to the cultivators' own statements the value of the normal gross outturn from agriculture was Rs. 88,954 and their subsidiary income from other sources Rs. 45,798. In this district the extraction of timber and fuel for Berar and the haveli and of other forest produce, such as harra, mahua, etc., and the breeding of cattle and dairy-farming are very important. Mr. Beohar, who was locally in charge of our enquiries in this district, stated before us as a witness that his enquiries showed that the net income in rural areas from agriculture proper after deducting expenses was actually less than the total income from sources other than agriculture.

12. The population in this district contains a large percentage of aborigines. The main castes are as follows:—

	Per cent.
Aboriginals, <i>i.e.</i> , Gonds and Korkus	... 31
Kunbis, Kurmis, Bhojars, Kirars and Raghbunsis	31
Brahmans, Rajputs, Kalars, Telis and Banias	... 8
Mahrats	... 8
Gaolis and Ahirs	... 6
Others	... 16

The Kunbis, Bhojars, Kirars and Raghbunsis are cultivators, first and last, proud of their hereditary calling, and in the words of Mr. Chenevix Trench, the Settlement Officer, "the real heirlooms of Krishi-vidya, the farming science, upon the plateau". Their numbers are no greater than half that of the aboriginals, but they hold more valuable land and their rental payments are, therefore, much larger. They have been described as the backbone of the district. Mr. Trench writes: "Stoically patient under seasonal calamities, they attack the stony barras with a fury of industry, piling the stones, year after year, into walls and cairns and towers, and sinking their shallow wells with heroic disregard of past failures. Fortunately, the water level is high over nearly the whole of the trap area".

13. In this district the expenses of agriculture are less than in many other parts of the province owing to the low rates of wages prevailing, and owing also to the fact that the cultivators do as much work in their fields as is possible themselves and only resort to hired labour when really necessary. But wheat seed is always expensive. We give below an estimate of the cost of producing the various crops and an estimate of the average value of the gross outturn in a normal year. These estimates

are based on our enquiries in the district as is explained in greater detail in our intensive enquiry notes :—

Crop.	Area.	Gross outturn per acre.	Total value.	Cost per acre.	Total cost.
1	2	3	4	5	6
	Acres.	Rs.	Rs.	Rs.	Rs.
Rice transplanted irrigated.	...	...	...	...	...
Rice transplanted unirrigated.	...	...	...	...	...
Rice broadcast irrigated.	...	...	...	...	...
Do. unirrigated...	16,126	31	4,99,906	10	1,61,260
Juar ...	32,362	20	6,47,240	6	1,94,172
Juar and arhar ...	141,197	22	31,06,334	8	11,29,576
Kodo, kutki and bajra.	155,696	15	23,35,440	4	6,22,784
Wheat ...	148,632	35	52,02,021	10	14,86,320
Wheat and gram ...	41,965	30	12,58,950	9	3,77,685
Arhar urad. and mung.	16,992	25	4,14,800	6	1,01,952
Gram ...	39,993	25	9,99,825	8	3,19,944
Teora and batra ...	8,799	20	1,75,980	6	52,794
Masur ...	16,839	20	3,36,780	8	1,34,717
Other cereals ...	4,119	20	82,380	8	3,29,520
Til ...	23,877	30	7,16,310	6	1,43,262
Linseed ...	5,229	25	1,30,725	8	41,832
Linseed and gram ...	343	25	8,575	8	2,744
Other oil seeds ...	51,999	20	10,39,980	6	3,11,994
Spices ...	3,993	55	2,19,615	20	79,860
Sugarcane ...	2,745	250	6,86,250	80	2,19,600
Cotton ...	25,138	22	5,53,036	9	2,26,242
Others ...	23,845	20	4,76,900	6	1,43,070
Garden produce ...	1,328	60	79,680	25	33,200
Total ...	798,288	...	1,89,70,727	...	60,32,278
Double cropped ...	46,020	...	...	...	...
Net cropped ...	752,268	...	...	...	...
Gross value of outturn per cropped acre.	...	25	...	...	...
Cost of cultivation per cropped acre.	...	8	...	...	...

14. *Marketing.*—Only a relatively small part of the crop is marketed, but communications are poor.

We can allow 10 per cent for expenses of marketing as is explained in Chapter VII of the report.

After deducting this and the costs of cultivation the balance comes to Rs. 1,10,41,377.

15. The total area of a holding in cultivation is considerably greater than the area actually cropped each year. Total occupied area is 11,72,437 acres. The net outturn, therefore, comes to Rs. 9-7-3 per occupied acre.

The average holding is of 23 acres of which 15 are under crop from which the average net income would be about Rs. 218. In the better soil areas the percentage of fallow land is of course less and the crop outturn more valuable, while in the stony uplands the percentage of fallow is usually greater, but here the area of the holding is far larger.

16. *Costs of maintenance.*—The amount of grain and cash required for the food and clothing for an average family of five persons varies considerably in different parts of this district according to the status of the individual family. The wants of the dwellers in all but the richer villages are very few, the standard of living and culture is on the whole much lower than in the wheat and cotton zones. Mahua abounds in nearly every village and is collected free by the villagers forming a very important article of diet for a great part of the year. Having regard to the low money value of kodon-kutki and juar, which are the staple food grains in a large part of the district, we are satisfied that we shall be on safe ground in estimating the average expenditure under this head for the district as a whole at Rs. 175 per family, although in some cases it may be more.

17. In addition the cultivator has to pay his rent. The average rent per acre of the district as a whole works out at 9 annas, so that the average rental payment per family will be Rs. 13.

18. *Subsidiary income.*—In addition there is the subsidiary income from other sources which is very important.

19. *Communications.*—The Nagpur-Itarsi broad gauge line now passes through the district from south-east to the north with a number of railway stations.

There are excellent I class roads to Chhindwara and Itarsi and to Morsi and Ellichpur and Amraoti in Berar.

The advent of the railway has turned Betul Khas which is in the middle of the district into a leading market for agricultural produce and timber for the centre and the north. The southern half of the district economically and culturally has been described as an annexe of Berar. Prices in the north are governed by Itarsi and in the south by the Amraoti and Ellichpur bazars, and the competition of Berari purchasers is very keen.

The jungles abound in good timber and the export traffic of forest produce is very heavy.

Bhikar Mandwa (Appendix F-XXI) provides an interesting example of the large income obtainable from carting and exploitation of timber and fuel to Berar.

Cattle-breeding, and the *ghee* industry are also important.

Bamboos, harra, mahua, chironji, gulli, etc., are exported in great quantities, the collection and carting of these articles providing employment to large numbers.

20. We do not consider that we should be justified in attempting to estimate the total income of the district from sources other than agriculture without a much more elaborate enquiry than it was possible for us to make in the short time at our disposal, but it is important to note that in our intensive enquiries we found that the average income earned by the cultivator from sources other than agriculture amounted to 77 per cent of his net income from agriculture proper:

We may safely assume that the average cultivator's family of five persons earns between them at least Rs. 75 per annum from other sources in addition to the net Rs. 218 from agriculture. Mr. Beohar was of the opinion that the subsidiary income was far more than this. This would leave a balance of Rs. 105 after deducting costs of maintenance and rent.

The Settlement Officer noted at last settlement that nearly all the smaller tenants rely on, and obtain, outside employment in addition to agriculture. He records that outside the few large tenant farmers, he did not find a single tenant who lived exclusively by agriculture.

21. There is no doubt that cultivation on the whole is precarious, and that although the monsoon in this district has been continuously favourable for several years, the district is liable to severe crop failure if the monsoon is defective. Whatever degree of economic stability exists, is undoubtedly largely due to the subsidiary income which cultivators can rely on when the crops fail.

22. *Agricultural finance and indebtedness.*—The total indebtedness in the district at the time of our enquiry was—

	Rs.
Malguzars' debts	... 8,82,183
Tenants' debts	... 40,70,114
Total	... <u>49,52,297</u>

23. *Malguzars' debts.*—The total land revenue is Rs. 3,51,433. The average sale price of malguzari villages sold during the last three years was 43 times the land revenue. We can safely estimate the value of the malguzari estate as a whole at Rs. 1,51,11,791.

The total debts of malguzars, *i.e.*, Rs. 8,82,183, then represent only 5½ per cent of the value of their landed property. They hold cattle, house property and other movables in addition and many have a good income from grain and money-lending as well.

Their economic position on the whole, therefore, is very sound.

Of the total of 1,342, only 444 are indebted and 968 free from debt.

Tenants' debts.—It is difficult to get an accurate average figure of land value for the district as a whole. The irrigated sugarcane land is worth at least Rs. 500 per acre. The wheat land averages Rs. 50 per acre, the cotton land Rs. 75 and the other land from Rs. 5 to Rs. 15 per acre.

Mr. Beohar estimated the average price of land at Rs. 40 to Rs. 50 per acre for the district as whole. The total tenants' debt Rs. 40,70,114 represents Rs. 4 per acre and Rs. 92 per cultivator's family. If we take the low figure of Rs. 35 per acre as the average value of land for the district as a whole, the total debt would even then represent only 11 per cent of this. The total agricultural debt represents 26 per cent of the value of the gross crop outturn. The principal debts are in the more valuable wheat-growing tracts, but here of course cultivators' assets are far greater than in the stony uplands. In the uplands relatively few cultivators are indebted at all.

In the district as a whole 35 per cent only owe any debts and 65 per cent are entirely free from debt.

24. *Purposes for which loans were borrowed:—*

	Per cent.
Payment of earlier debts	28·4
Marriage and ceremonials	15·5
Maintenance and household expenses	1·9
Payment of revenue or rent	6·6
Agricultural expenses	19·56
Improved agricultural implements	1·7
Field embankments and land improvements	12·1
Purchase of property	12·64
Litigation	1·6

25. *Sources of finance.*—Loans were obtained from the following sources:—

	Rs.	Per cent.
Government (taccavi)	37,090	0·74
Co-operative Credit Bank	2,09,621	4·2
Landlords	13,50,279	27·68
Sowkars	33,55,307	67·38

26. The amount of taccavi advanced is insignificant. Mr. Beohar's evidence on this subject is of interest.

27. There is a co-operative credit bank at Betul founded in 1905. Its general condition at present is not very satisfactory.

We have recorded our conclusions separately with regard to the society formed in Bhikar Mandwa (Appendix E-LXXI).

Lack of proper scrutiny of assets, and paying capacity of borrowers, lack of training and supervision of societies, slack collections, and the failure to educate members of societies in the real meaning and principles of the co-operative movement are admittedly the causes of failure.

It cannot be said that the co-operative movement has up to now been successful in this plateau district. But if proper attention to the educative side is given, it may now succeed under proper supervision in the more advanced tracts if the prejudice created against the movement by liquidations, etc., can be overcome.

28. *Landlords*.—Here, as elsewhere, many landlords make advances of cash and grain to their tenants when seasonal loans are required.

But the Settlement Officer recorded that in this district “the chief characteristic of all landlords new or old, agriculturists or financiers, is the complete absence of any feudal or sentimental tie between them and the tenants”. He noted also that the Hindu tenants of the country are generally more than a match for the “landlords”.

29. *Mahajans and sowkars*.—67.38 per cent of the total debt owed by malguzars and tenants is due to mahajans. There are some big money-lenders at Betul, some of whom we interviewed (Appendix F-I), and at Multai. There are the usual petty men in the interior.

The average rate of interest is 12 per cent on secured and 25 per cent on unsecured loans. Of the total debt 16.6 per cent is secured and 83.4 per cent unsecured.

The annual total interest charges would then approximate to 9½ lakhs of rupees or over 2½ times the land revenue. There is also the usual stipulation for a higher rate of interest in default of repayment. The interest charges must be a heavy burden on the agriculturists of the district although the amount of capital debt is relatively small.

The financial system in this district seems rather primitive. In the aboriginal villages the aboriginal is at the mercy of the money-lender, if he borrows from him (*vide* Bhikar Mandwa, Appendix E-LXXI).

The credit of these people is low though they are generally honest. At present many of them are afraid to borrow through fear of being cheated.

Some regulation of the petty money-lending in these backward tracts seem necessary.

In the absence of the prospect of competition by some modern financing agency in these backward tracts in the early future, we feel that to bring interest rates down the only means available is to finance the genuine needs of cultivators by a much wider system of taccavi loans employing a special staff for the purpose if found necessary. It is in these backward tracts that the strongest justification for Government loans exists.

APPENDIX J-XVI.

PLATEAU ZONE.

Note on Chhindwara district.

1. *Descriptive.*—The Chhindwara district is the second of the districts in the plateau zone going from west to east, lying between Betul on the west and Seoni on the east. Although owing to its geographical position and the general characteristics of a large portion of the district, it belongs properly to the plateau zone, it is much more heterogeneous than the adjoining districts of Betul and Seoni. The district has been rather happily compared to a flight of three steps. In the north, we have a line of rugged hill country inhabited by aboriginals and divided into nine petty hill chieftainships or jagirs and held on quit rent. Here the soil, on the whole, is very inferior and the principal crops are kodon-kutki and the minor millets. The middle step consists of the plateau proper of Chhindwara and includes the khalsa portion of the Chhindwara and Amarwara tahsils. Here there are numerous stretches of fine wheat-growing country cultivated almost entirely by the usual Hindu wheat-growing castes. Below this, to the south, comes the low country of the Sausar tahsil, with its strong Marathi-speaking cultivators and intensive cultivation of cotton and juar, forming in reality a portion of the true Maratha cotton zone. In the southern tract below the ghat, which, though it has been included in the Chhindwara district for administrative reasons, has little in common with the plateau zone, the cultivation, rents and the general conditions are those of the rich Nagpur country adjoining it to the south. The rational boundaries of the district then are the Nerbudda valley to the north, the plains of Nagpur and Berar to the south, and the adjoining districts of Seoni and Betul to the east and west.

In considering the general economy and financial conditions of the district, it is important, however, to bear in mind that the southern Sausar country below the ghat is entirely dissimilar to the rest of the area included in the plateau zone. Here the principal crops are cotton and juar and the general economic life of the people similar to that of the adjoining cotton zone.

The district is divided into three tahsils. There are in all 1,955 villages, of which 1,323 villages are held in malguzari right, 545 villages are held in zamindari or jagirdari right and 87 villages in ryotwari right.

2. *Area.*—The total area of the district is 4,578 square miles, of which 662 square miles are reserved Government forest.

3. *Population.*—The total population of the district, at the last census, was 491,535 of which 93 per cent were recorded as residing in rural areas. The vital statistics since then indicate an all round increase by 11 per cent. At last census the total number of persons belonging to the malguzari or jagirdari class, including

dependents, was 5,208, and belonging to the rent-paying cultivating class, including dependents, 236,703 and belonging to the class of agricultural labourers and farm servants, including dependents, 136,925.

Assuming a general all round increase by 11 per cent, the total population would now be 547,958. Average area occupied for cultivation per village is 681.

But the villages vary very greatly in size, the villages in the cotton tract of Sausar and in the best wheat portions being on the whole considerably larger than those in the light soil hilly tract of the north.

4. *Cropping*.—The cropping in 1927-28 was as follows :—

	Acres.
Rice broadcast	3,909
Rice transplanted	538
Juar	136,086
Cotton	106,857
Kodo, kutki	140,090
Wheat	160,780
Til	16,881
Linseed	2,081
Others	495,601
Total	1062,823

5. *Agricultural indebtedness*.—We have, as usual, applied the sampling method for estimating agricultural indebtedness in this district, and, for that purpose, have examined in detail the debts of 7,029 persons situated in 164 villages in all parts of the district. For the purposes of a closer economic survey, we have made intensive enquiries in three villages :—

- (i) Saoli, typical of the rich cotton and juar tract of the Sausar tahsil;
- (ii) Linga, a village typical of the richest portion of the Chhindwara tahsil; and
- (iii) Panjra, a village on the border land of the wheat haveli.

We have not thought it necessary or possible, at the time at our disposal, to make an intensive survey of one of the more jungly villages, where the people depend for their maintenance upon the precarious kodo-kutki crops supplemented by the extraction of forest produce, such as mahua, etc. The Gond aboriginals in those particular tracts have practically no credit and, as a rule, are not indebted. They are primarily forest dwellers rather than cultivators.

6. The average family, including women and children, at the last census, was found to consist of five persons and there would, therefore, now be 52,525 such families of rent-paying cultivators, including a certain number of nominal tenants, whose principal source of livelihood is agricultural labour, but who also cultivate small patches of land in addition. The average tenancy holding per family in this district would be about 20 acres. But the holdings in the light soil jungly areas are much larger than in the more fertile tracts.

In the villages intensively surveyed by us the distribution of land was as follows :—

District and village.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.	Size of the average holding.
1	2	3	4	5	6	7	8	9	10	11
<i>Chhindwara district.</i>										
Linga ...	27	16	12	8	...	3	1	4	71	...
Panjra ...	5	6	5	3	5	2	...	4	30	...
Saoli ...	18	13	14	15	5	1	3	3	72	...
Total for district.	50	35	31	26	10	6	4	11	173	18

7. *Costs of cultivation.*—We have made the usual enquiries into the costs of cultivation and normal outturns of the principal crops. The results are tabulated in a statement below :—

Crop.	Area.	Value of outturn per acre	Total value.	Cost of cultivation.	Total cost of cultivation.
1	2	3	4	5	6
	Acres.	Rs.	Rs.	Rs.	Rs.
Rice transplanted irrigated.	...	...	...	...	...
Do. unirrigated	538	42	22,596	10	5,380
Rice broadcast irrigated.	...	...	...	...	...
Do. unirrigated	3,909	30	1,17,270	9	35,181
Juar	136,086	25	34,02,150	6	8,16,516
Juar arhar	137,415	25	34,35,375	6	8,24,490
Kodo, kutki, bajra	140,090	14	19,61,260	3	4,20,270
Wheat	160,780	30	48,23,400	10	16,07,800
Wheat and gram	68,536	28	19,19,008	8	5,48,288
Arhar, urad, mung, etc.	16,889	25	4,22,225	6	1,01,334
Gram	67,014	26	17,42,364	7	4,64,098
Teora and batra	4,628	25	1,15,700	5	23,140
Masur	5,103	20	1,02,060	5	25,515
Other cereals	65,194	20	13,03,880	5	3,25,970
Til	16,881	25	4,22,025	5	84,405
Linseed	2,081	28	58,268	6	12,486
Linseed and gram	2,019	28	56,532	6	12,114
Other oil seeds	103,255	25	25,81,375	5	5,16,275
Spices	3,416	45	1,53,720	15	51,240
Sugarcane	2,083	200	4,16,600	80	1,66,640
Cotton	106,857	30	32,05,710	12	12,82,284
Others	9,826	20	3,55,560	6	1,06,668
Garden produce	2,271	60	1,36,260	20	45,420
Total	1,062,823	...	2,67,53,339	...	74,70,514
Double cropped	44,489	...	...	...	...
Net cropped	1,018,334	...	...	...	...

These are, of course, average figures. In a good year, the outturn would of course be greater and in a bad year less than the average figure adopted by us, while the costs of some cultivators, who carry out their cultivation entirely by hired labour, would be above our average figure of costs, while those tenants who perform their agricultural operations themselves in small holdings without the employment of any hired labour, would be less—

Costs	...	Rs.	74,70,514
Outtura	...	...	2,67,53,338

8. We can allow here, as in the adjoining districts, 10 per cent deduction to cover the expenses of marketing the portion of agricultural produce actually sold as is explained in Chapter VII. It will be seen, therefore, that the net average profits from agriculture after deducting costs of cultivation and marketing will come to Rs. 14-5-6 per acre in a normal year or for the average holding of 20 acres Rs. 287.

From this must be deducted the rent. Rents in this district vary from under 4 annas per acre in the hilly tracts to Rs. 2 or more in the most fertile villages of the cotton tract. The all round average for the district works out at little under 8 annas per acre. The total rent payable on the average holding would be about Rs. 10, giving a balance of Rs. 277.

9. *Costs of maintenance.*—We have also, as usual, estimated the ordinary cost of maintenance for the ordinary family of five persons, *i.e.*, the amount of grain and cash required for the food and clothing of the average family. This question is discussed, in greater detail, in the intensive enquiry papers. In the hilly tracts where the villagers' requirements are the minimum and where jungle produce, such as mahua, achar, and kodon-kutki are the staple diet, the total expenditure in cash and grain for a family of five persons will certainly not, at present, exceed Rs. 150 per annum. In the richer wheat and cotton-growing tracts, the ordinary figure might approximate to Rs. 240. We shall be on safe ground if we take an all round figure of Rs. 200 per average family for the district as a whole.

10. In a normal year there would be a small balance of some Rs. 77 from the average holding. But this varies enormously in individual cases according to the quality of the soil and size of holding, etc. In years of poor harvest there may easily be a deficit.

11. *Subsidiary incomes.*—We have discussed this subject in the main body of the report. In the villages intensively surveyed by us the average income from subsidiary sources per family according to the cultivators' own statements works out at Rs. 241 per annum.

We can rest assured that for the district as a whole the average income from the subsidiary sources is not less than Rs. 75. The coal mines of the Pench Valley provide employment to large numbers.

12. *Sources of finance and debts.*—Our enquiries alluded to above indicate the district volume of debt to be as follows:—

	Debt.
	Rs.
Malguzara	28,03,512

This is 6 times the land revenue. The sale value of villages recently sold in this district averages 69 times the land revenue.

The malguzars have in most cases a substantial income from their home-farms and siwai income while many of them are money-lenders.

13. *Tenants.*—Total debt Rs. 60,45,771 which represents 8 times the rent and Rs. 5-12-0 per acre. Most of the debt in the Sausar tahsil which has all the characteristics of the cotton zone.

14. *Sources of loans.*—

	Rs.	Per cent.
Government	33,294	3
Co-operative	1,28,981	1.4
Malguzars	16,63,649	17.8
Mahajans	70,23,359	80.5

The purposes for which loans were incurred are as follows:—

1. Old debts	...	28.1
2. Marriages and social functions	...	17.5
3. Maintenance expenses	...	5
4. Arrears of rent	...	1.1
5. Cultivating expenses	...	18.3
6. Improved agricultural implements	...	1.6
7. Field embankments	...	12.9
8. Purchase of land	...	17.5
9. Litigation	...	2.5

The co-operative credit bank in this district has considerable outstanding arrears and charges relatively high rates of interest.

15. All other economic questions are discussed in the report itself. The rich Sausar tahsil must undoubtedly feel severely the fall in the price of cotton.

The cultivators' debt represents an average of Rs. 115 per family.

16. Our enquiries at our intensive surveys with regard to gold and silver in the possession of cultivators explained in Chapter XVI of the report indicate an average of Rs. 122 worth per average family according to the cultivators' own statements.

The debt is as usual unevenly distributed. The distribution in the intensive enquiry villages was as follows:—

Statement of debt in the villages intensively surveyed by the Committee.

Total debt in villages surveyed	...	Rs. 73,925
Percentage of debtors hopelessly indebted	...	4
Debts owed by them	Total amount	Rs. 23,050
	Percentage of the total	31.5
Percentage of cultivators free from debt	...	31
Debts owed by cultivators not hopelessly indebted	Total amount	Rs. 50,875
	Percentage of total debt	68.5
Percentage of total tenants	...	65

17. The principal need of this district like other districts is a land mortgage bank for amortizing old debts, improved investment facilities and an intensive campaign to stimulate thrift and investment.

APPENDIX J-XVII.

RICE ZONE.

Note on Chhattisgarh Division.

The three districts of Raipur, Bilaspur and Drug, known as the Chhattisgarh Division, may conveniently be considered together owing to their general homogeneity.

For centuries Chhattisgarh was ruled by a Rajput family called the Hai-hai-bansis, whose headquarters was at Ratanpur, with a junior branch at Raipur.

In 1741 the Marathas invaded the country and conquered it almost without a blow.

From 1818 until 1830, while the Nagpur kingdom was under management, Chhattisgarh was administered by a British Superintendent. In 1830 Chhattisgarh was handed back to the Marathas, as the Raja had attained his majority. In 1854 the Bhonsla kingdom lapsed to the British and Chhattisgarh from that time onward became a part of British territory.

2. *Communications and markets.*—The railway from Bombay did not reach Nandgaon, which is about 10 miles beyond the western border of Chhattisgarh, until 1883. It reached Raipur in 1887, while through communication with Calcutta was not opened until 1892.

It is on record that in the old days before the coming of the railway the surplus grain in bumper years was sometimes allowed to rot on the threshing floor in the absence of a demand for export. But with the opening of the railway and the construction of a number of internal roads there has been a rapid and continuing development, while prices of agricultural produce in rural areas now approximate to the market rates.

The main line of the Bengal-Nagpur Railway passes through the three districts of the division. There is a branch line from Raipur to Dhamtari and Rajim, and there are 28 railway stations in all at present. A broad gauge line from Raipur to Vizagapatam has already been completed for 72 miles as far as Jonk. There are now many good first class roads converging on the district headquarters and big markets.

Many of the railway stations have good wholesale grain markets, the principal being at Raipur, Drug, Bilaspur and Bhatapara. There are also numerous markets at important centres on first class roads in the interior.

By far the most important crop is rice and during recent years numerous rice hulling factories at the railway stations and at other places have been opened providing wide facilities for the rapid husking and hulling of paddy for sale as cleaned rice.

Chamar. A strong movement of social uplift has been at work in the caste for years past. But the standard of living is still simple and possibly owing to the solidarity of this caste, the

3. *Castes.*—By far the most important caste is the Satnami Vaishya money-lender has obtained very little foothold.

4. *Area.*—The total area of Chhattisgarh is 22,050 square miles, of which large areas are under Government forest and zamindari forest. The total village area at present is 10,239,490 acres and the total occupied area is 6,389,122 acres, distributed among 10,533 villages of which 3,448 villages are included in the zamindaris, the landlords of whom have a superior position to the ordinary malguzars, and who pay a quit rent or takoli instead of the full malguzari revenue, but whose tenants hold the same rights as tenants in the khalsa.

The area of the three districts separately is—

	Miles.
Raipur	9,787
Bilaspur	7,618
Drug	4,645

5. *Population.*—The population of the three districts at the last census in 1921 was returned as follows:—

Raipur	1,406,676
Bilaspur	1,231,765
Drug	743,246

Our calculations from the vital statistics of births and deaths since then indicate the following increase in population:—

	Per cent.	Total population.
Raipur	7	1,505,143
Bilaspur	10	1,354,941
Drug	7	795,273
Total		3,655,357

Applying these percentages of increase to the returns of last census, we may assume that the number of families of five persons, of the following classes is as follows:—

Rent-paying cultivators. Total number of families of five persons.

	At census.	Now.
Raipur	148,668	159,075
Bilaspur	163,060	179,366
Drug	83,087	88,903
Total Chhattisgarh	394,815	427,344

Agricultural labourers and farm servants.

	Number of families of five persons at census.	Now.
Raipur	69,279	74,128
Bilaspur	34,631	38,094
Drug	38,578	41,278
Total	142,488	153,500

6. The percentage of cultivators is higher and the percentage of agricultural labourers is lower than in any other part of the province. This at first sight seems astonishing, having regard to the great amount of agricultural labour required in rice cultivation. The reason is that many families have small holdings in which they employ no outside labour (e.g., Pindari, Bilaspur district, Appendix E-LXXIX), while a large number of the persons whose main source of livelihood is really agricultural labour, but have in addition small holdings of an acre or so, were at census included among the rent-paying cultivators' class. We stress this point hereafter in relation to Bilaspur. This fact has increased our difficulties in estimating the costs of cultivation.

7. We have decided to adopt figures representing fairly the average expenditure of the cultivator who employs the normal amount of hired labour. Actually, however, very large numbers spend less than this, particularly in Bilaspur, and the total wages bill and the actual total costs of cultivation are therefore probably considerably less than the liberal estimate made by us hereafter.

8. *Cultivation.*—The culturable portion of Chhattisgarh may be described as a fairly level plain traversed by the usual rivers and cut up by a large area of hill and jungle, which is out of cultivation. Some parts of the zamindari areas are extremely backward, cultivators belonging to forest tribes and practising sporadic cultivation in plots cleared from the jungle. For the purposes of our enquiry these people are not of much importance, as their credit is *nil*, and they are, therefore, neither in the habit of nor capable of obtaining appreciable sums of money on loans.

Soils on the whole are sandy, varying between a rich sandy clay and a coarse sandy soil. In the heavier soil a certain amount of wheat and rabi crops are grown, but the most important crop and the staple food of Chhattisgarh is rice, for the growing of which the heavy rainfall and the sandy nature of the soil are peculiarly suited.

9. *Cropping.*—The cropping in 1927-28 for each of the three districts separately and for Chhattisgarh as a whole is shown hereafter:—

	Raipur.	Bilaspur.	Drug.	Chhattisgarh.
1	2	3	4	5
	Acres.	Acres	Acres.	Acres.
Rice broadcast ...	15,53,553	12,27,618	7,11,838	34,92,989
Rice transplanted ...	40,605	6,071	2,375	49,051
Cotton ...	5,632	2,826	1,444	9,902
Kodo and kutki ...	1,53,304	1,22,604	2,72,484	5,48,392
Til ...	35,509	11,418	5,356	52,283
Wheat ...	34,962	1,07,375	1,51,918	2,94,255
Linseed ...	1,71,580	1,20,827	1,41,030	4,33,437
Others ...	6,59,502	5,74,902	5,63,280	17,97,684
Total ...	26,54,627	21,73,641	18,49,725	66,77,993

10. *Irrigation.*—There are several large Government irrigation works in Chhattisgarh, and the total area irrigated from these works in 1927-28 was 226,336 acres. In addition there are a large number of private tanks, which are also used for irrigation. In the Bilaspur district alone at last settlement there were 7,080 such tanks.

At the time of settlement a small area adjoining these tanks, which were known to be protected from crop failure, was classed as irrigated.

But the area which actually obtains some water from these tanks in ordinary years is far greater. For instance, there is a tank for every 85 acres under rice in the Bilaspur tahsil, but the area classed as irrigated from those tanks is not more than 10 acres per tank.

This is of importance when considering the all round rice outturn. It appears that in a normal year, a considerable area which is classed as unirrigated, as a matter of fact receives some advantage from these tanks.

11. *Intensive surveys.*—We have made the usual economic enquiries in a number of villages in the Chhattisgarh districts (*vide* Appendix E-LXXV to LXXXVII) and have made our usual enquiries into the average cost of cultivation of the various crops, the normal expenditure of an average family of cultivators upon food and maintenance and the value of the gross crop outturns in normal years, etc., etc.

12. *Rice outturn.*—Rice is not only by far the most important crop in Chhattisgarh, but is also the staple food grain.

Throughout our enquiries we have been assured that the average Chhattisgarh cultivator, both male and female adult, consumes one seer of chawal or cleaned rice per day and that the children, who eat many times in a day, consume nearly as much. We consider this to be an over estimate because had it been correct it would imply a gross outturn of paddy in Chhattisgarh per acre far exceeding the Government estimate of the standard outturn in a normal year. For practically everybody throughout Chhattisgarh rice is the main article of diet, and if we assume for the purposes of calculation that the average family of five persons throughout Chhattisgarh consumes on an average only $3\frac{1}{2}$ seers of chawal (cleaned rice) per day, the result would be that the 731,071 families of five persons would consume 2,558,748 seers of chawal or cleaned rice per day. That is to say, that, as 10 seers of dhan or paddy produce 6 seers of cleaned rice or chawal the total amount of paddy required or the food per annum of the population of Chhattisgarh would be 1,556,571,112 seers.

13. As the total area under rice in 1927-28, a normal year, was 3,542,040 acres, this would imply that the food requirements of Chhattisgarh alone work out at an all round figure of 879 pounds of unhusked rice per acre.

But in addition a large amount of rice is exported from Chhattisgarh by rail and in 1927-28 the rail-borne exports from

Chhattisgarh were 167,731 maunds of 42 seers of dhan (unhusked rice) and 3,758,196 maunds of 42 seers of cleaned husked rice, which is equivalent to 6,263,660 maunds of dhan (unhusked rice). That is to say, that the total exports of rice by rail in that year were equal to 6,431,391 maunds of 42 seers of unhusked rice or 270,138,422 seers. The total food requirements and the total amount of rice actually exported in that year then came to 1,826,709,534 seers of dhan or unhusked rice.

The Central Provinces has framed the following estimates of the standard crop outturns of rice per acre in a normal year based on numerous crop experiments over a period of years:—

	Unhusked rice.
	lbs.
	per acre.
Irrigated broadcast rice	1,500
" transplanted rice	1,600
Unirrigated rice	950

The area of transplanted rice in Chhattisgarh is relatively insignificant. But if we apply these figures to the total area actually cropped with rice in 1927-28, which was a normal year, the resulting total for the whole of Chhattisgarh comes to 3,542,206,050 lbs. of dhan or unhusked rice, or an all round average of 1,000 lbs. per acre, for the whole rice area irrigated and unirrigated.

This is a figure 1,112,113,018 lbs. less than the total amount of rice actually exported in that year plus the amount of rice required for the feeding of the population of Chhattisgarh, assuming that the average family of five persons consumes $3\frac{1}{2}$ seers of chawal per day.

Or in other words the actual amount of rice required for export and food in 1927-28 works out at an all round average on the 3,542,040 acres cropped with rice at 1,032 lbs. per acre, or 32 lbs. per acre more than the amount estimated by the Government standards.

17. Quite apart from the food and export requirements we have the requirements for seed. According to the estimates of the cultivators about 80 to 90 lbs. per acre are required for seed. In addition, as is well known, there is always a certain amount of wastage, drriage, etc., not only in harvesting operations and in threshing and in transport but in the barn where rice is stored. At least 5 per cent or say, 50 lbs. of unhusked rice per acre must be allowed for this. So the total requirements for food and for seed, etc., and the amount actually exported would together represent an outturn of at least 170 lbs. per acre more than the outturn indicated by the Government standard crop outturns for a normal year. If we assume that the average family of five persons consume only 3 seers of chawal per day for food the total requirements for food, for seed and for actual export will still amount to 40 to 50 lbs. per acre more than the figure obtained from the estimated standard outturn.

18. Although the urban population represents only a very small percentage of the total population of Chhattisgarh it is true that the upper classes in the towns consume less rice, while in some of the more backward tracts the rice diet is supplemented by kodon-kutki. But none the less the above figures would indicate that the Government estimates are on the low side.

As caution is our watchword, we have not however, thought it desirable for the purposes of calculating the normal gross outturn to go above the Government's estimates of the normal crop outturn in an average year for irrigated and unirrigated rice.

Apart from the above calculations, our enquiries from the villagers themselves indicate that all round these estimates are not in any case too high. We have obtained a similar result by a different method of calculation in the main report.

We have discussed this question further in our village enquiry notes.

19. *Costs of Maintenance and clothing.*—To return to the question of costs of food and maintenance we find that, according to the cultivators' own estimates, the normal expenditure in grain and cash averages about Rs. 180 per annum per household of five persons.

Clothing requirements are few owing to the great heat. As is well known, the Satnam's sole article of clothing consists of a rough spun sari. Cholis are not worn by this caste.

We are of course concerned only with average figures, individual cultivators may elect to spend more, while some persons may spend less, and it is certain that in the more backward tracts expenditure will be considerably less. But for the purposes of calculating the total requirements for food and clothing for Chhattisgarh as a whole we are satisfied that we shall be on very safe ground if we assume that the average requirements under this head of a family of five persons of cultivators do not exceed the equivalent of Rs. 180 per annum in cash and grain.

As is explained above, even this estimate implies an average outturn of rice in excess of the Government's estimate of standard outturn.

Although throughout we have, as usual converted the expenditure in grain into its cash equivalent at present prices, it should be noted that in Chhattisgarh outside the environs of the towns the cash transactions are relatively few, most payments still being made in grain, cultivators retaining for their food seed and agricultural expenses as much grain as will be required out of the crop outturn; and as a rule selling only that portion which is actually surplus over what is required, for certain cash payments, such as payment of rent, purchase of clothing, etc., etc.

We do not therefore mean to imply that the average cultivator actually makes all these payments in cash.

20. *Cost of cultivation.*—The costs of cultivation are, as usual, a thorny question. By far the most important crop in

Chhattisgarh is rice. The area of transplanted rice is relatively insignificant, and the biasi system may be said to be almost universal. For the biasi system the land generally receives some three ploughings one or two during the showers of spring and one or two after the first shower of monsoon. The crop is sown broadcast. When the crop is about a foot high a plough, usually yoked with buffaloes, is driven across it while the field is full of water. After that it is weeded either once or twice according to the character of the season and the quality of the soil. Nothing more than is done until the crop is cut and gathered. In addition a large part of the rice area, excluding the inferior soil, is double cropped with teora, peas, masur, linseed or gram. This seed is usually thrown broadcast into the standing rice, while the field is still wet before the rice is cut, and the second crop comes up among the rice stubble later on. The expenses for the second crop beyond seed and the cutting, are very slight.

The cost of rice cultivation varies considerably according to the size of the holding and the individual industry of the cultivator concerned. It involves a good deal of manual labour in weeding and cutting, etc. We have discussed this question in detail in our intensive enquiries notes.

21. In estimating the average cost per acre over large areas it is however, most important to bear in mind that the percentage of persons returned as whole-time farm servants of agricultural labourers at last census was very much lower and the percentage of persons returned as belonging to the rent-paying cultivating class was much higher in Chhattisgarh than in many other parts of the province.

The actual agricultural expenses of the small cultivators are much lower than those of the big cultivator, who is compelled to employ hired labour for much of his agricultural work.

We have given this question our most careful consideration in estimating the average cost of cultivation per acre. The estimate of the cost of cultivation includes the capital depreciation on the price of plough cattle, the cost of the seed, feeding of plough cattle in the working season and the wages of hired labour.

22. We give below in the following statement an estimate of the normal cost per cropped acre of producing the crops of Chhattisgarh. The average figures per acre adopted by us will of course be exceeded in some cases by those persons who do their cultivation entirely through hired labour and through hired cattle, but the cost of those persons who do all their labour themselves and use their own cattle will be considerably less than our average figure. The subject is discussed in greater detail in our village notes. It should be borne in mind that the wages of labour are normally paid in kind.

23. These estimates do not include the rent and water rate which are separately considered.

Statement showing the cost of cultivation of all crops separately, in each district of Chhattisgarh :—

Crops.	Raipur.			Bilaspur.			Durg.		
	Area under crop.	Cost per acre.	Total cost.	Area under crop.	Cost per acre.	Total cost.	Area under crop.	Cost per acre.	Total cost.
1	2	3	4	5	6	7	8	9	10
	Acres.	Rs.	Rs.	Acres.	Rs.	Rs.	Acres.	Rs.	Rs.
Rice transplanted irrigated.	3,842	14	53,788	618	14	8,652	405	14	5,670
Rice transplanted unirrigated.	36,763	10	3,67,630	5,453	10	54,530	1,970	10	19,700
Rice broadcast irrigated.	130,327	12	15,63,924	33,474	12	4,01,688	1,42,131	12	17,05,572
Rice broadcast unirrigated.	1,423,206	10	1,42,32,060	1,194,144	10	1,19,41,440	569,707	10	56,97,070
Juar ...	419	6	2,514	348	6	2,088	33	5	165
Juar and arhar ...	16	6	96	6	6	36	35	5	175
Kodo, kutki ...	153,304	3	4,59,912	122,604	3	3,67,812	272,484	3	8,17,452
Wheat ...	34,962	9	3,14,658	107,375	9	9,66,375	151,918	9	13,67,262
Wheat and gram.	459	9	4,131	602	9	5,418	921	8	7,368
Arhar, urad, etc.	373,657	8	29,89,256	189,522	8	15,16,176	276,897	8	22,15,176
Gram ...	54,589	8	4,36,712	27,703	8	2,21,624	38,778	8	3,10,224
Geora and batra.	129,158	5	6,45,790	191,880	5	9,59,400	159,366	5	7,96,830
Masur ...	21,293	6	1,27,758	52,263	6	3,13,578	36,403	6	2,18,418
Other cereals	28,905	6	1,73,430	38,920	6	2,33,520	11,557	6	69,342
Pil ...	35,509	7	2,48,633	11,418	7	79,926	5,356	7	37,492
Linseed	171,580	7	12,01,060	120,827	7	8,45,789	141,030	7	9,87,210
Linseed and gram.	2,626	8	21,008	237	8	1,896	209	8	1,672
Other oilseeds	12,425	5	62,125	42,306	5	2,11,530	9,766	5	48,830
Spices ...	4,228	20	84,560	5,511	20	1,10,220	5,578	20	1,11,560
Sugarcane ...	2,116	80	1,69,280	3,816	80	3,05,280	127	80	10,160
Cotton ...	5,632	6	33,792	2,826	6	16,956	1,444	6	8,664
Others	11,019	5	55,095	6,131	5	30,655	9,680	5	48,400
Garden produce.	18,582	20	5,57,460	15,857	20	3,17,140	13,930	20	2,78,600
Total ...	26,54,627	...	2,38,04,672	2,173,641	...	1,77,11,729	18,49,725	...	1,47,93,012

It will be seen that the costs of cultivation vary very greatly for the different crops according to the price of seed and the amount of agricultural labour involved in producing the crop.

The only accurate method of calculation must be on an estimate of costs for each area cropped with each crop. There are as a matter of fact considerable areas double-cropped with teora, etc., over rice. The costs of each crop are calculated separately, e.g., for irrigated rice we have taken an average of Rs. 12 per acre and for teora, lakhori, etc., Rs. 5 per acre. That is to say, for fields actually double-cropped our estimate is Rs. 17 per acre. These figures are undoubtedly higher than the actual expenditure in many cases. But we desire always to be on the safe side.

25. For Chhattisgarh as a whole, according to our estimates, the wages' bill works out at an average of approximately Rs. 5 per acre for the whole cropped area, including all kinds of cropping, though it is of course more for some crops than for others. The total cropped area in 1927-28 was 6,677,993 acres, so that this implies that we have provided for expenditure of Rs. 3,33,89,965 in wages of hired labour.

This would imply that the all round average sum received in wages per annum in cash or kind by each family of this class was Rs. 217. This class of the community as a matter of fact in addition also earns a good deal from subsidiary sources, as is explained in our village notes.

26. But there is no reason to believe that the average income from agricultural wages per family of this class actually exceeds Rs. 150 per annum.

The balance of the wages bill represents the savings of those who do not employ hired labour, and the amount earned by those small cultivators, who themselves also work as labourers in the fields of others.

This digression serves as a valuable cross check upon our estimate of the costs of cultivation, and shows that our estimate is a very liberal one.

The balance of wages of labour above an average of Rs. 150 per family of agricultural labourers might fairly be included in the subsidiary incomes of cultivators.

27. *Crop outturns.*—We now give below the value of the normal crop outturn at normal prices. The normal prices are

the actual average of prices prevailing over a number of years;
prices vary slightly in the different districts :—

Crop.	Raipur.			Bilaspur.			Drug.		
	Area under crop.	Value per acre.	Total value.	Area under crop.	Value per acre.	Total value.	Area under crop.	Value per acre.	Total value.
1	2	3	4	5	6	7	8	9	10
	Acres.	Rs.	Rs.	Acres.	Rs.	Rs.	Acres.	Rs.	Rs.
Rice transplanted irrigated.	3,842	55	2,11,310	618	55	33,990	405	55	22,275
Rice transplanted unirrigated.	36,763	35	12,86,705	5,453	34	1,85,402	1,970	34	66,980
Rice broadcast irrigated.	130,327	50	65,16,350	33,474	50	16,73,700	142,131	50	71,06,550
Rice broadcast unirrigated.	1,423,206	32	4,55,42,592	1,194,144	32	3,82,12,608	569,707	32	1,82,30,624
Juar ...	419	25	10,475	348	25	8,700	33	25	825
Juar and arhar	16	25	400	6	25	150	35	25	875
Kodo-kutki ...	153,304	11	16,86,344	122,604	11	13,48,644	272,484	11	30,27,324
Wheat ...	34,962	35	12,23,670	107,375	35	37,58,125	151,918	34	51,65,212
Wheat and gram.	459	35	16,065	602	35	21,070	921	32	29,472
Arhar Urad, etc.	373,657	25	93,41,425	189,522	25	47,38,050	276,897	25	69,22,425
Gram ...	54,589	32	17,46,848	27,703	32	8,86,550	38,778	30	11,63,340
Teora and batra.	129,158	15	19,37,370	191,880	15	28,88,200	159,366	15	23,89,490
Masur ...	21,293	25	5,32,325	52,263	25	13,06,575	36,403	25	9,10,075
Other cereals	28,905	25	7,22,625	38,920	25	9,73,000	11,557	25	2,88,925
Til ...	35,519	30	10,65,570	11,418	30	3,42,540	5,356	30	1,60,680
Linseed ...	171,580	25	42,89,500	120,827	25	30,20,675	141,030	25	35,25,750
Linseed and gram.	2,626	25	65,650	237	25	5,925	209	25	5,225
Other oilseeds	12,425	2	3,10,625	42,306	25	10,57,650	9,766	25	2,44,150
Spices ...	4,228	55	2,32,540	5,511	55	3,03,105	5,578	55	3,05,690
Sugarcane ...	2,116	250	5,29,000	3,816	250	9,54,000	127	200	25,400
Cotton ...	5,632	15	84,480	2,826	15	42,390	1,444	15	21,660
Others	11,019	15	1,65,285	6,131	15	91,965	9,680	15	145,200
Garden produce.	18,582	60	11,14,920	15,857	60	9,51,420	13,930	60	8,35,800
Total	26,54,627		7,86,52,074	21,73,641		6,27,94,434	18,49,725		5,05,93,947

The price of wheat is on the average higher than in the wheat zone which explains the relatively high value of the crops though the normal outturn is only 500 lbs. per acre, considerably less than in the wheat zone proper.

28. The total value of the gross outturn in a normal year on the cropping of 1927-28 is thus Rs. 19,20,40,455 or an all round average for all kinds of crops at:—

		Per net cropped acres.	
		Rs. a. p.	
Raipur	37 0 0
Bilaspur	36 8 0
Drug	35 12 0
Chhattisgarh as a whole.	36 4 0

29. These figures are, however, for the actual net-cropped area. Actually there are always some fallow areas in the occupied area for which rent is paid.

The total occupied area is 63,89,122 and the average gross outturn per occupied acre is—

		Rs.
Raipur	...	30
Bilaspur	...	31
Drug	...	28

30. As only a small portion of the crop is marketed, a 5 per cent allowance of the gross value for the reasons stated in Chapter VII of the report will be ample.

After deducting Rs. 96,02,022 accordingly for marketing, and Rs. 5,63,09,413 the costs of cultivation, the net income comes to Rs. 12,61,29,020 or per occupied acre as follows:—

		Rs. a. p.
Raipur	...	20 2 8
Bilaspur	...	21 12 9
Drug	...	18 3 6

31. The tenantry in Chhattisgarh consists largely of Satnami Chamars. Next in importance come Telis and Kurmis.

We have shown above that the numbers based on last census after allowing for the all round increase since then are as follows:—

		Rent paying cultivators.	Agricultural labourers or farm servants.
1		2	3
		Families.	Families.
Raipur	...	1,59,075	74,128
Bilaspur	...	1,79,366	38,094
Drug	...	88,903	41,273
Total		4,27,344	1,53,500

The average area occupied and cropped by the average family of rent-paying cultivators is—

	Total area occupied.	Occupied area per family.	Net cropped area per family.
1	2	3	4
	Acres.	Acres.	Per cent.
Raipur ... ..	...	12	10
Bilaspur ... ..	...	10	9
Drug ... ..	...	13	10
Total Chhattisgarh ...	49,20,452	11½	9.75

32. The distribution of land in the villages intensively surveyed by us was as follows:—

Statement showing the size of holdings in the villages intensively surveyed by the Committee.
Chhattisgarh Division.

District and villages.	Below 5 acres.	From 6—10 acres.	From 11—15 acres.	From 16—20 acres.	From 21—25 acres.	From 26—30 acres.	From 31—40 acres.	Above 40 acres.	Total.	Total size of the average holding.
	2	3	4	5	6	7	8	9			10	11
<i>Raipur district.</i>										
Barodia ...	3	16	13	7	6	3	1	2	51	...
Pateba ...	1	8	3	3	...	1	1	2	19	...
Charra ...	68	32	25	14	6	5	5	4	159	...
Kokadi ...	28	21	10	2	1	2	...	1	65	...
Total for district ...	100	77	51	29	13	11	7	9	294	11
<i>Bilaspur district.</i>										
Pendari ...	32	17	2	3	1	1	...	...	56	...
Jarhegaon ...	90	16	5	4	3	3	...	...	121	...
Patpura ...	107	30	12	6	1	...	...	1	157	...
Total for district ...	229	63	19	13	5	4	...	1	334	6
<i>Bilaspur zamindaris</i>										
Bacharwar ...	181	59	26	7	7	9	4	...	293	...
Champa ...	96	35	9	3	1	8	1	1	149	...
Seoni ...	129	70	23	14	6	1	4	2	249	...
Total for district ...	406	164	58	24	14	13	9	3	691	6
<i>Drug district.</i>										
Purena ...	21	19	3	3	5	2	2	2	57	...
Baiji ...	14	14	6	6	3	...	3	1	47	...
Paras ...	23	15	9	2	...	2	1	3	55	...
Total for district ...	58	48	18	11	8	4	6	6	159	10
Total for Division ...	793	352	146	74	40	32	22	19	1,478	...

In our intensive village surveys we included as tenants all those who held land at all including the "Bari" holders or persons holding back-gardens.

These figures indicate an average holding smaller than in most parts of the province, but as is already explained, include a large number of persons with petty holdings some of which cover only a fractional part of an acre who are not properly speaking cultivators at all and whose main source of income is agricultural labour.

This is particularly the case with regard to Bilaspur where the total number of families of so-called cultivators. But it must be class at last settlement was nearly five times the number of the agricultural labourers and farm servants. For the province as a whole the proportion of agricultural labourers and farm servants is far bigger, as is explained in Chapter II in the main body of the report.

33. For the purposes of our provincial estimate, however, we have preferred to retain our estimate of the size of the average holding in the three districts of Chhattisgarh at the figures obtained by dividing the total area of land held by them by the total number of families of so-called cultivators. But it must be borne in mind that as a matter of fact a large number of these cultivators incur no material expenditure on the wages of hired labour, while many of them earn substantial incomes as agricultural labourers. This is particularly the case in the Bilaspur district.

34. In addition there is the rent and the water rate.

The average rent per acre is—

			Rs. a. p.
Raipur	...	...	0 10 0
Bilaspur	...	...	0 10 0
Drug	...	...	0 12 0

The total area under state irrigation is—

		Rs.
Raipur	...	98,900
Bilaspur	...	3,939
Drug	...	1,23,474
Chhattisgarh	...	2,26,335

Assuming the average water rate at Rs. 4 we get a total of Rs. 9,05,344 against a total occupied area of 6,389,122 acres. The rent and water rate per average holding for the whole of Chhattisgarh there comes to Rs. 7-8-0 and Re. 1-8-0, respectively.

35. The hypothetical average cultivators' budget then will be as follows in a normal year :—

	Raipur.	Bilaspur.	Drug.	Chhattisgarh.
	Rs.	Rs. a. p.	Rs. a. p.	Rs.
Food and clothing	180	180 0 0	180 0 0	180
Costs of cultivation	110	94 8 0	105 0 0	103
Rent and water rate	9	7 8 0	11 8 0	9
Total expenditure	299	282 0 0	296 8 0	292
Value of gross outturn	370	328 8 0	360 0 0	353
Minus 5 per cent marketing expenses.	=352	=312 8 0	=342 0 0	=336
Balance	53	30 8 0	45 8 0	44

The average surplus will be in Chhattisgarh Rs. 44 per normal cultivating family. These are of course all averages only, e.g., those tenants who take Government irrigation and who pay the water rate will of course pay more than this, but their outturn will be more.

36. It would appear from this statement that the surplus per average family in Bilaspur is less than that of the districts of Raipur and Durg. But this is not, as a matter of fact, correct. Holdings of course vary greatly in size, and the surplus of individual cultivators will vary accordingly. We have explained above the very high percentage of residents in rural areas who were recorded, at last census, as rent paying cultivators although many of them hold only nominal holdings, and are as a matter of fact mainly dependent upon other sources of livelihood. We have also explained that the costs of cultivation of these persons will be much less than those of others and that they also earn a substantial income from agricultural labour. We have already explained that the wages of hired labour included in our estimates of costs work out for the whole cropped area at an average of Rs. 5 per acre, and as the total gross cropped area in Bilaspur is 2,173,641 acres, this implies that in our estimate we have provided Rs. 1,08,68,205 as wages of hired labour. We have also explained that in the Bilaspur district, even allowing a 10 per cent increase on the census figures, there would be only 38,094 families belonging to the farm servants and agricultural labouring classes in this district. If the total wages bill were divided up between them, this would imply that each family of agricultural labourers received Rs. 285 in wages. As a matter of fact, as is explained above, many of the so-called rent-paying cultivators in Bilaspur are primarily agricultural labourers and themselves obtain part of these wages, while many others do not employ hired labour at all. The difficulty of estimating the costs of cultivation under such circumstances becomes obvious. It is clear, however, that our estimate is a very generous one.

37. *Subsidiary income.*—There remains the question of subsidiary income, which is no less important in Chhattisgarh than in other parts of the province. We have discussed this question in our individual notes of the villages where intensive enquiries were made by us and we have found in all these villages that the income from subsidiary sources is very substantial.

According to cultivators' statements in the villages surveyed the average per family for Chhattisgarh as a whole comes to Rs. 82, as is explained in Chapter II of the main body of the report.

We can safely assume the average income of the average family from subsidiary sources is not less than Rs. 50 per annum. The bigger cultivators in many cases may earn a substantial income from money-lending and other sources, though they may earn nothing from agricultural labour, while the income of the small men from agricultural labour would be substantial.

The surplus over expenses which we exhibited above is the normal surplus in a year of average crop outturn and fortunately

for Chhattisgarh there have been a succession of good harvests for the last seven or eight years; but in years of poor outturn, it is clear that there may be no surplus and may possibly be a deficit; for instance, the indicated surplus in the Raipur district in an average year is 53 assuming the value of the gross outturn of the average holding to be Rs. 352. But if the crop outturn is 25 per cent below normal, the value of the gross outturn will fall by Rs. 88, so that in a year when the crop outturn is 25 per cent below normal, there would be a deficit if we exclude the income from subsidiary sources. All these matters have been discussed in the main body of the report.

38. *Sources of finance and indebtedness.*—The total estimated indebtedness of malguzars and tenants is as follows:—

	Malguzar.	Cultivators.	Total.
1	2	3	4
	Rs.	Rs.	Rs.
Raipur	48,18,192	51,19,672	99,37,864
Bilaspur	36,89,646	38,91,600	75,81,246
Drug	49,08,586	22,42,981	71,51,567
Total for Chhattisgarh as a whole	1,34,16,424	1,12,54,253	2,46,70,677

The total area of home-farm is 1,468,670 acres, which shows that the average area of home-farm per village is about 140 acres. The total malguzari land revenue is Rs. 21,19,201—

	Rs.
Raipur	8,03,032
Bilaspur	6,14,941
Drug	7,01,228

During the last three years the average price of all the malguzari villages transferred represents the following multiple of land revenue:—

	Multiples of land revenue.
Raipur	53
Bilaspur	44
Drug	49
Chhattisgarh as a whole	48

Value of malguzars' property—

	Rs.
Raipur	4,25,60,696
Bilaspur	2,70,57,404
Drug	3,43,60,172
Chhattisgarh as a whole	10,39,78,272

These figures would show that the total value of the property held by landlords is not less than ten crores. Actually the total value of the landed property will be considerably more,

because the large zamindari estates are held on takoli or quit rent, which is only a small portion of the total kamil-jama or malguzari land revenue, which would otherwise be assessed, and the total value of the zamindari estates is therefore considerably more than the amount obtained.

39. The malguzars' debt represents the following percentage of the value of the property which they hold:—

	Percentage.
Raipur	11
Bilaspur	14
Drug	11

40. The tenants' debt represents the following incidences of debt per acre and per family:—

1	Tenants' debts.	
	Per acre.	Per family.
	2	3
	Rs. a. p.	Rs.
Raipur	2 8 0	32
Bilaspur	2 4 0	22
Drug	2 0 0	26
Chhattisgarh as a whole	2 4 9	26

41. Our intensive enquiries showed the following distribution of debts:—

District.	Total debt in villages surveyed.	Percentage of hopelessly indebted cultivators.	Debts owed by them.		Percentage free from debt.	Debts of those not indebted beyond their means.	
			Amount.	Percentage of the total.		Amount	Percentage of the total.
1	2	3	4	5	6	7	8
	Rs.	Per cent	Rs.	Per cent	Per cent	Rs.	Per cent
Raipur	32,138	2.5	5,504	16.5	56	26,634	83.5
Bilaspur	49,416	1	5,080	10.3	55	44,336	89.7
Drug	8,965	3	2,390	26.5	47	6,575	73.5

The ordinary cultivator, who does not actually borrow, keeps in hand at least sufficient for his annual food and agricultural requirements. Those cultivators who borrow money are in the habit of taking short-term seasonal loans during the agricultural year, most of which is repaid at harvest time when the crop is normal, and a considerable portion of the disclosed debt was merely the ordinary seasonal short-term loans which were due for repayment at harvest. We have discussed the question of indebtedness and financial requirements in greater detail in our village enquiry notes.

As regards the indebtedness of Chhattisgarh, Mr. Hemingway, the late Settlement Officer of Raipur, has written as follows:—

“Debts are not common except in villages owned by Arang Banias. It is true that Telis and Chamars regularly borrow a large sum at the end of the rains in order to speculate in grain, tobacco and forest produce, which they cart to Raipur, Dhamtari and Bhatapara stations; but these loans are repaid promptly and are not allowed to accumulate. It is a curious thing that such loans, and also loans of seed grain are so promptly repaid, but such is the case. The people as a rule are remarkably honest; and I was informed by one Bairagi money-lender, that a man, who had returned from the West Indies plantations, looked him up and paid debts, which he had long looked on as hopeless. But such debts are always small. It is very rarely that one finds a tenant seriously embarrassed with old debts. Left to himself the Raipur tenant should be free from debt, or at any rate should be able to meet his liabilities at harvest quite comfortably. For his standard of comfort is remarkably low.”

As Chhattisgarh has been fortunate enough to have recently a succession of good years and of normal harvests since 1920, it is not surprising to find that the amount of indebtedness is still very low.

It is in fact far lower than in any other part of the province except Mandla. In many of the tracts at a distance from towns the method of exchange has not gone far beyond those of “barter”. Most payments are made in kind.

Chhattisgarh is still considered an economically backward tract. The figures of railborne traffic show that the total amount of grain exported from Chhattisgarh in 1927-28, a normal year, much exceeded the amount of food grain exported from any other zone in the province. We have explained in the main body of the report that with the great improvement in communications and with the approximation of the prices of agricultural produce in rural areas to those prevailing in the town, the net profit per acre from agriculture in a normal year in Chhattisgarh at present prices exceed those in the wheat and cotton zones.

There are certain features about Chhattisgarh which make us very hopeful with regard to its future.

It is true that the holdings are smaller than in the wheat and cotton zones, but the profits of agriculture are greater.

On the other hand the vast majority of the cultivators work themselves in their own fields, unlike the cotton zone.

The indebtedness of cultivators is on the whole insignificant and in a campaign of economic development we can start with a relatively open field free from the obstacles of accumulated debts.

Cattle epidemics.—Our enquiries have made it perfectly clear that one of the principal causes of such indebtedness as exists in Chhattisgarh is the heavy cattle mortality.

It appears that buffaloes are essential in the present system of rice cultivation in this tract. These are at present not bred locally, but are imported in vast herds from the north of the Province and beyond, every year, bringing in their train cattle epidemics and producing a very heavy mortality of cattle.

One of the main economic needs of Chhattisgarh is the control of these cattle epidemics. The Deputy Superintendent of Veterinary Department from Raipur, Mr. Gouri Shankar, who was examined by us as a witness admitted before us that for various reasons mainly through inadequacy of staff, the Veterinary Department has not yet been able to bring these cattle epidemics under control, or to reduce the mortality.

If the Veterinary Department are able to bring these epidemics under control at their source, or if it is possible to breed buffaloes sufficient for local requirements inside Chhattisgarh, a great economic boon will have been conferred upon the Chhattisgarh.

Fertilizers and fuel.—To improve the outturn of rice upon these sandy soils some kind of manure or fertilizer is essential. At present owing to the denudation of all occupied areas and the absence of any jungle in their vicinity, the Chhattisgarhi cultivator is compelled to use cowdung cakes for fuel, with the result that very little farm manure at present can be made available for agricultural uses. In the province of Bengal it has been found possible to introduce with advantage the use of coal as household fuel, and if coal or some other substitute for cowdung cakes could be introduced as fuel in Chhattisgarh, a very large amount of farm manure would be set free for agricultural purposes, producing an increase in the net profits of agriculture far exceeding any extra expenditure which might be involved in the importation of coal.

There remains the question of artificial fertilizers. Everywhere you may go in Chhattisgarh you will find bones owing to the heavy cattle mortality. These bones are collected by the chamars and exported in very large quantities to Bombay and Calcutta, where they are converted into bone meal, much of which is exported to Europe as an artificial manure.

If the bones of Chhattisgarh could be retained in Chhattisgarh, and if local factories for crushing and preparation of bone meal by acid treatment for use as a fertilizer at reasonable prices could be established, it might be possible greatly to increase the net profits from agriculture. We have considered this question in Chapter XII.

52. These appear to be the main economic needs of this tract, which though in the past considered to be backward, stands now on the thresh-hold of economic development. These are not subjects with which the Banking Enquiry Committee can deal, but we consider that these are subjects which require the close attention of the Departments of Government concerned.

53. *The Co-operative Credit movement.*—The following statement shows the indebtedness of society members. It will be seen that as elsewhere throughout the province they are much more heavily indebted than the rest of the cultivators. But many of the latter do not borrow at all while the Co-operative Credit members include a large number of the heavily indebted persons. We have discussed in detail in Chapter XI the mistake of attempting to liquidate old debts through the Co-operative Credit movement. Much of the indebtedness is a relic of the period of deterioration.

Statement showing the indebtedness of members of Co-operative Credit Societies in Chhattisgarh.

Central bank.	No. of societies.	Number of members.	Land they hold.	Rent they pay.	Debts.			Per member.	Per acre.	Multip of ren
					To society.	To others.	Total.			
1	2	3	4	5	6	7	8	9	10	11
			Acres.	Rs.	Rs.	Rs.	Rs.		Rs. a. p.	
Raipur ...	243	5,001	37,938	44,865	1,91,307	84,079	2,75,386	55	7 6 0	6 times
Bilaspur ...	228	3,772	38,893	34,524	2,42,294	1,89,924	4,32,218	114	11 11 0	12½ times
Drug	94	1,384	25,440	16,329	92,661	1,24,231	2,16,892	156	8 12 0	13 times
Total for Chhattisgarh.	565	10,157	102,271	95,718	52,26,262	3,98,234	9,24,496	91	9 0 0	9½ times

We find, however, that the co-operative credit banks in Chhattisgarh are on the whole in a much better condition than in many other parts of the province. Some mistakes were made in the past as elsewhere, and a number of societies have been brought into liquidation, and where this has been necessary a campaign of re-organization is being carried out. The Bilaspur Central Bank is reported to stand first in efficiency in the Central Provinces. Statistics with regard to its working will be found in Chapter XI.

We examined with great interest Mr. Udaisingh Bisan, B.A., LL.B., Pleader, the Secretary of the Co-operative Credit Bank, Bilaspur (witness No.). We were very interested to find that the Bilaspur Bank has from the beginning concentrated on a certain area. It concentrated first on the Bilaspur tahsil and is now extending its activities elsewhere. This bank has recognized the

need for concentration, close supervision and an intensive campaign for training the societies in their duties and in the principles of co-operation, if the movement is to be successful. If all the other Central Banks of the province could have followed the example of Bilaspur we should have been able to take a much more optimistic view of the future of the co-operative credit movement in the Central Provinces. But even in Bilaspur the members of societies owe considerable sums to other credit agencies while very little has been achieved up to date in stimulating investment and thrift.

In the main body of the report in Chapter XI we have sketched the future lines of development of the movement. It should develop rapidly in Chhattisgarh where prior debt is not a serious problem, and where there is urgent need for establishing the thrift and investment habit. The series of good years may cease at any time, but the degree of prosperity to which Chhattisgarh can attain must depend upon the success achieved in building up invested reserves of savings in the good years to meet the expenses of the bad years which must come sooner or later.

We have discussed the habit of purchasing gold and silver ornaments in Chapter XVI of the report. In the villages of Chhattisgarh surveyed by us the value of the gold and silver ornaments stated by the cultivators themselves to be owned by them produced the following averages :—

			Rs.
Raipur	...	...	56
Bilaspur	...	...	57
Drug	...	...	110

The number of malguzars and tenants who are heavily embarrassed with debt is relatively small.

At present a land mortgage bank would have probably less immediate scope here than in the wheat and cotton zones.

But here too it can serve a valuable purpose in helping those persons whose debts have amounted to a substantial sum.

This question is discussed in Chapter VI of the Report.

APPENDIX K.

Classified list of witnesses who appeared before the Provincial
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11. Mr. G. A. Bhonsle, Manager, Central Provinces and Berar Provincial Co-operative Bank, Limited, Nagpur	501-506
12. Mr. P. D. Salway, B.A., LL.B., Pleader and Honorary Secretary, Co-operative Central Bank, Limited, Wardha	538-545

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13. Mr. G. R. Wakhale, Honorary Secretary, Central Bank, Limited, Saugor	609-611
14. The Honorary Secretary, District Bank, Limited, Mandla	616-622
15. Rao Sahib K. H. Datey, Vice-President, Co-operative Central Bank, Jubbulpore	645-653
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20. Mr. A. K. Ghatpande, B.A., LL.B., High Court Pleader and Hono- rary Secretary, Central Bank, Chhindwara	780-789
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21. Mr. W. B. Lakhe, B.A., LL.B., Pleader and Honorary Secretary, Central Bank, Raipur	866-889
22. Mr. M. L. Gupta, Honorary Secretary, District Bank, Drug	925-928
23. Mr. Udai Singh Bisen, B.A., LL.B., Pleader and Honorary Secre- tary, Central Bank, Bilaspur	957-966

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7. Mr. B. G. Khaparde, B.A., LL.B., Advocate, M.L.C., Deputy Presi- dent, Legislative Council, Central Provinces, Amraoti	423-427
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10. Seth Mathuradas Mohota, M.L.C., Proprietor, Rai Sahib Rek- chand Motilal Spinning and Weaving Mill, Hinganghat, dis- trict Wardha	473
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15. Seth Thakurdas Goverdhandas, M.L.C., Banker and Landlord, Burhanpur, Nimar	810-817
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VII.—OTHERS.

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FORM OF DARSHANI HUNDI IN HINDI.

हुन्डी नम्बर १

रुपया १,००,०००)

मुकाम बम्बई मधे सेठ जीवनजी भाई दुरुग से सेठ राम गोपाल का सलाम बाचना. यहां से रखा राजमल यासे रुपया १,००,०००) रु. येक लाख का आधा रुपया ५०,०००) पचास हजार उससे दुगना १,००,०००) रुपया पूरा लिया है इसकी मुद्दत दरशनी याने देखते हुन्डी मुताबिक पूरी जांच वो अच्छी तरह से रुपया दे दो.

ता. ७-१-३०.

(द. भेजनेवाले का)

सेठ

FORM OF DARSHANI HUNDI IN MARATHI.

श्री

हुन्डी नंबर

मुकाम

ता.

माहे

सन १९३३ .

रा. रा.

यांस,

एजंटस् वन्हाड बँक लिमिटेड उमरावती यांचे सा. न. विनंती विशेष
आपणांवर हुन्डी केली. राखिले

यांजपासून घेतले रुपये ()

यांचे निम्मे रुपये याची दुगुणी करून मुदत दर्शनी उपर

नामे शहाजोग ठाव-ठिकाणा चौकशी करून हुन्डी पावलेवर रुपये

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रु. करुन देजे.

FORM OF DARSHANI HUNDI IN MARWADI.

दसकत _____

नंबर _____



॥ श्रीगणेशजी ॥

१॥ सिद्धश्री _____

महाशुभस्थाने _____

यथायोग्य श्री स्वामगांवसुं

लिखतुं मनसुखदास चुन्नीलाल का श्री जैगोपाल बाचीजो. अपरंच हुंडी १

रु. () अखरे रुपिया _____ का

नीमे रुपिया _____ का दूणा पूरा अठे

राख्या _____ पास

मिती _____ सुं पुग्यां तुरत पीछे नावे साहाजोग

रु. हुंडी चलन का दीजो: संवत् १६७

मिती _____

६.

नीचे का नीचे लपिया का चौगुणा
पुरा लपिया कर दिजो.

TRANSLATION OF FORM OF DARSHANI HUNDI.

To

Messrs. _____

Bombay,

FROM

Messrs. _____

Raipur.

Please accept our salaams and note that we have drawn upon you a hundi for Rs. 1,000 (rupees one thousand only) half of which is rupees five hundred and double of this half, in favour of Messrs. _____ for value received which please pay on demand according to hundi custom. Dated thi (vernacular date, month and year).

(Sd.) _____

FORM OF MUDDATI HUNDI (IN MARWADI).

हुंडी लिखी मदन गोपाल डागा लिखे मुजब स्विकार दिजो दः खुद.

सिद्ध श्री मुंबई बंदर सुथाने साई मगनमल जोग श्री उमरावती से लिखी कीसन गोपाल मुंघडा के जै गोपाल बाचीजो उपरंच हुंडी एक रु. ५,०००) अक्षरी रूपया पांच हजार के निम रूपये अढाई हजार के दुणे पुरे अठे राख्या मदन चंद वंडा पास मीती फादवा सु. १३ ता. १६-६-२६ सुदिन ६१ पीछे नामे शहा जोग रूपये हुंडी चलन का दिजो संमत १६-६ का मीती फादवा स. १३ ता १६-६-२६.

FORM OF MUDATTI HUNDI (IN HINDI).

हुंडी नम्बर २.

रूपयां १,०००)

मुकाम बनारस मधे सेठ गनपतलाल मुकाम दुरुग से सेठ जेमजी
मारवाडी का सलाम बाचना यहां से रखा मीम पास रूपया १,०००)
एक हजार आधा रूपया ५००) पांचसो इस्से दुगना १,०००) रू
येक हजार रूपया पुरा लिखा है इस हुंडी की मुद्दत हुंडी की तारीख से
१५ दिन में मुताबिक हुंडी जांच करवाले अच्छी तरह से रुपया दे दो.

(दः भेजनेवाले का)

ता. ७-१-३०.

सेठ

TRANSLATION OF FORM OF MUDATTI HUNDI.

To

Messrs. _____

Raipur,

FROM

Messrs. _____

Raipur.

Please accept our salaams and note that we have drawn upon
you a hundi for Rs. 5,000 (rupees five thousand only) half of
which is rupees two thousand five hundred and double of
this half, in favour of Messrs. _____
of Raipur for value received payable 61 days after date which
please pay on due date according to the hundi custom. Dated
this (vernacular date, month and year).

(Sd.)

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