

REPORT  
.  
OF  
THE KHEDUT DEBT  
INQUIRY COMMITTEE,  
BHAVNAGAR STATE



BHAVNAGAR.

To

THE PRESIDENT,  
COUNCIL OF ADMINISTRATION,  
BHAVNAGAR.

BHAVNAGAR,

*Dated 1st April 1931.*

SIR,

I have the honour to submit herewith the report of the Khedut Debt Enquiry Committee appointed by the Council Resolution No. 297, dated 12-6-22. The notes of Evidence and Statistical tables are published in a separate volume which has already been submitted ere now.

I have honour to be,

SIR,

Your most obedient servant,

T. K. TRIVEDI,

*Chairman,*

*Bhavnagar Khedut Debt*

*Enquiry Committee.*

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## Introductory.

It might be as well, before coming to the subject proper of the report, to begin by giving a few broad facts regarding the physical features, area and population of the Bhavnagar State and its land revenue administration.

*Area and population* :—The State of Bhavnagar lies at the head and west of the Gulf of Cambay, in the Peninsula of Kathiawar. The area of the State is about 2,860 Sq. miles, or 18,07,810 acres, and it has a population of 4,26,404 souls, as returned by the last census of 1921. Of these, 2,20,303 are males and 2,06,101 females. The mean density of population per square mile works out at 149.09.

*Sub-division of the State into Districts* :—The State is divided for administrative purposes into ten Mahals or Districts, viz., Daskroi, Sihor, Umralla, Gadhada, Botad, Lilia, Kundla, Victor, Mahuva and Talaja. Again each Mahal is sub-divided, according to its size, into a number of Tappas, each comprising a group of contiguous villages. There are in all 37 Tappas.

*Physical aspects and climate* :—The different parts of the State present a wide variety of physical aspects and climate. The Bhal area is a mere salt flat devoid of any vegetation; Lilia is a rich plain of black soil, though more or less bare of trees; the Sihor range and the hills in Kundla, Victor and other parts give an almost mountainous aspect to the country and are found covered here and there with scrubby growth. The southern districts are better wooded; and the rich cocoanut and mango plantations of Mahuva and the rank vegetation so common in the coastal areas, are almost reminiscent of the garden lands of Southern Gujarat.

The climate, especially of the coastal Districts, Mahuva, Talaja, etc., is temperate and pleasant; but the interior parts and especially the hilly districts are much hotter though the heat in the hottest part of the territory is ordinarily much less than that of the Gujarat main-land.

*Area of Darbari assessed land* :—Of the total area of 18,07,810 acres the Darbari land proper assessed and held by Registered Khatedars and inclusive of Darbari Barkhali land, comprises an area of about 7,39,807 acres or 18,49,517 Bighas. This is exclusive of the assessed but unoccupied area of acres 21,892 and the unassessed and unoccupied area of acres 4,05,039. The balance of the total area includes Mul-giras and other Barkhali lands as also the area covered by town and village sites, roads, river-beds, & etc.

*Urban and rural population* :—The total population divided into urban and rural, the first comprises 1,24,570 persons and the second 3,01,834. The urban population is made up of the total of the inhabitants of the ten head-quarter towns of the ten Districts of the State; and as the population of these town areas must include a fairly large number, who are either holders of the agricultural lands surrounding the towns or otherwise dependent on agriculture for their livelihood, the figure of urban population given above

would be misleading, were the same taken by itself as an index of persons earning their livelihood by some urban occupation or other only. The numerical strength of the families of agriculturists dwelling in town areas is alone 7,560 ; and this of course does not include farm and other labourers dependent on agriculture. So if the rural population is taken as inclusive of all persons carrying on agriculture or otherwise dependent on it, the figure of the rural population, *viz.*, 3,01,834 will have to be considerably increased, by including therein cultivators, farm-labourers & etc., dwelling in town-areas ; and the figure of urban population correspondingly decreased.

*Khata-bandhi Tenure.*—The prevailing tenure is what is known as the Khata-bandhi tenure under which the Darbar Khalsa lands are leased out to permanent tenants. The main characteristic of this tenure is that the use and occupation of the Khata land is secured in perpetuity to the registered tenant and his lineal male descendants, so long as there is no default in payment of Darbari assessment dues. The tenant can neither sell nor mortgage his land—in fact, has no transferable interest in his holding, a restricted right of leasing for a period of five years being only recently conceded. The State on leasing a new holding or one that has fallen vacant owing to its having escheated to the Darbar, does so by public auction and levies a Sukhadi or premium charge from the incoming tenant.

*Constitution of the Revenue Department.*—At the head of the Revenue Department of the State is the Vasulati Adhikari or Revenue Commissioner. Under him are the two Assistant Revenue Commissioners the one being in charge of the Northern Division comprising the five Mahals of Daskroi, Sihor, Umrala, Gadhada and Botad ; and the other in charge of the Southern Division consisting of the remaining five Mahals, *viz.*, Lilia, Kundla, Victor, Mahuva and Talaja. Each of the ten Mahals is in the charge of a Vahivatdar ; and each of the group of villages constituting a Tappa or subdivision of a Mahal, as stated above, is in the charge of a Thandar. In the larger Mahals, the Vahivatdar has a Deputy Vahivatdar to assist him. In each village there is at least one Vahivati or Revenue Patel, the larger villages having often more than one.

The total receipts and expenditure for St. 1983, corresponding to 1927, were respectively Rs. 95,65,795 and 92,94,898, thus leaving a balance of Rs. 2,70,897. The above expenditure includes Rs. 2,00,000 contributed to the Cultivators' Amelioration Fund and 11,20,088 carried to the Railway Reserved Fund. The receipts comprise Rs. 28,79,000 of Railway revenue, Rs. 14,66,229 of Customs, which are more or less a wind-fall, and Rs. 12,36,627 under Interest and exchange, which are offset by Rs. 8,10,079 paid by the State as Interest and exchange charges. So, omitting the Railway and Interest and Exchange receipts, and taking the average normal revenue for Customs to be Rs. 4,00,000, one finds that of the total approximate revenue of Rs. 44,00,000 the contribution of land revenue inclusive of Rs. 3,10,365 on account of recoveries of previous arrears, was nearly Rs. 31,00,000. In other words, the State income from land, in a normal year would be about 70.5 per cent of the total income derived from taxation proper. But the contribution of the rural population towards the State revenue is even higher than is indicated by this ratio percentage, for, the

balance of Rs. 14,00,000, derived from taxes other than the land tax is paid alike by the rural and urban population, and as the proportion of the former to the latter is roughly 3 to 1, the rural contribution to the State income from the taxes other than land tax must be presumably higher. For instance, that portion of the customs revenue, which is the result of the levy on sugar consumed in the Bhavnagar State limits, is contributed more by the people living in the villages in proportion to their superior numerical strength, compared to the people living in town-areas.

A consideration of the facts set forth above should leave no doubt in the mind of any one that by far the largest share of the burden of the permanent normal income of the State is borne by the villager, while the contribution of the towns-man is comparatively very small, though, in the inevitable course of things, the latter appropriates the lion's share of the blessings and amenities, which are associated with a civilised administration. Even at the risk of making a digression, one is tempted to add that the present basis of taxation is highly inequitable and unfair to the villager, who has been drained too long without receiving any adequate return. If nothing else, considerations of self-respect should prevent the town-dweller from taking advantage of the comforts and conveniences provided at others' expense and urge him to come forward with his share of the contribution towards the State expenditure. At any rate, it is overdue that the State should spend a progressively larger portion of the State revenue derived principally from the villager, on the development and well-being of the village-life.

#### **Appointment of the Committee.**

##### *Petition of the Kheduts of Sajan-Timba to the Revenue Commissioner :—*

About a dozen Kheduts of Sajan-Timba under Lilia Mahal presented to the Revenue Commissioner of the State a petition dated 3rd January 1922, drawing attention to the desperately low and poor economic condition of their village. This condition, they complained, was brought about by the "monstrous" rates of interest levied by Shah Panachand Jadavji of Mota Lilia and Shah Ramji Bechar of Sajan-Timba itself, the two Sowcars with whom the petitioners had their account. It was further stated that the monstrous rates levied had enabled these Sowcars to obtain, in one year only, civil decrees for amounts four to six times as large as the original sum advanced. Besides these decreed claims, the Sowcars' books contained several bonds outstanding, which, in addition to stipulating for high rates of interest, embodied a penalty clause, binding the debtor-Khedut, in case of default of payment, to deliver one maund of Kapas for each Rs. 2 due. The petitioners, therefore, prayed for steps being taken to put a stop to these oppressive practices of the Sowcars, suggesting as remedial measures that the outstanding claims against them, whether decreed or contained in bonds, might be re-opened and examined judicially and they be asked to pay to the extent of double the principal sum that might actually be found to have been advanced to them. An alternative plan of relief suggested in the petition was the application in their case of the resolution of St. 1960, which limited repayment of decretal debt, to an anna share to be filed by the Revenue Department. The petitioners wound up by saying that unless timely measures were adopted to redeem their indebted



condition they and their agricultural business would be ruined; for it was obvious that while they carried this oppressive burden of past debts, no other good Sowcar would care to make any advances to them.

*Revenue Commissioner's inquiry and report on the petition* :—It was while touring in Lilia Mahal that the Revenue Commissioner received the above petition, whereupon he sent for the books of Panachand Jadavji and examined the same. As a result he found the following practices prevailing :—

(1) That the sum lent was increased by an addition of 25 to 50 per cent and the augmented sum was entered in the bond as principal. For instance, a Khedut borrowing, say, Rs. 70 would be debited for Rs. 100 and interest at 12 to 18 per cent would run on Rs. 100 ;

(2) that the bond stipulated for repayment of the sum lent by a fixed quantity of some commodity, within a prescribed period ; in case of default of delivery, the debtor Khedut was liable to pass a fresh bond for an amount representing the money-price of the stipulated commodity at the prevailing market rate. For instance a loan of Rs. 100 would be made repayable by 50 maunds of Gol (mollasses) from the sugar-cane wadh on Maha Sud 2 ; but in case of default, the Sowcar would obtain a fresh bond for Rs. 300, the monetary equivalent of 50 maunds of Gol at the rate of Rs. 6 per maund. In other words the original sum would be increased three-fold in the new bond ; and

(3) that even when debts were repaid, no credit was given in the books and the bonds left outstanding, which exposed the Khedut to the risk of being sued again for the same amount.

In submitting his above findings to the Council, the Revenue Commissioner added that while the Kheduts of the State continued to be the victims of such usurious practices, there was little hope of their ever achieving redemption from their indebted condition. Needy Kheduts would submit to any terms or burden imposed on them, to obtain a loan which they required. But it was obvious that once they were entangled in dealings of this nature, they would continue indebted to their Sowcar for all time. All this indicated the necessity of some remedial measures being undertaken. The Revenue Commissioner, in concluding his report, stated that the books of Panachand revealed a system of keeping accounts, which would require an experienced and expert accountant to unravel their mystery and find out the truth, and urged that when the truth was ascertained, some arrangement should be made to relieve the Kheduts from their indebted condition.

*Committee Appointed*.—The Council, on a consideration of the Kheduts' petition and the Revenue Commissioner's report, agreed that the same revealed an alarming state of things, which needed immediate attention. But it was thought that any special legislation on the lines of the D. A. R. Act would only do more harm than good. The co-operative movement did benefit the Khedut. But its progress was much too slow ; and it would take years before the movement would take root and help the cultivators to any substantial extent. So

it was finally decided by the Council to appoint a committee to enquire into this problem of agricultural indebtedness and suggest remedial measures, which would grant some immediate relief to the Kheduts in their present desperate economic condition and minimise the risks of their being exploited and taken undue advantage of by unscrupulous Sowcars. Accordingly by the Council Order No. 297, dated 12-6-22, the Khedut Debt Inquiry Committee was appointed, Diwan Bahadur (then Rao Bahadur) Tribhuvandas K. Trivedi being nominated as the Chairman and the Chief Judge Mr. Bhaskarrao V. Mehta and the Revenue Commissioner Mr. Bapubha N. Gohel as the members of the Committee.

*Preliminary inquiry by the Chairman* :—The Chairman and the other two members of the Committee are very busy officers, the ordinary duties attaching to their respective offices being alone sufficient to occupy them fully; and as they were unable for one reason and another to spare the necessary time, the Committee could not commence the work of investigation for nearly a year and a half. Further, it was naturally felt by the Chairman that before embarking on regular investigation, it was essential to form some idea of the lines on which the investigation was to proceed. So when in the November of 1924, the Chairman happened to go out in the district, he utilized the occasion to visit a number of villages of the Umrata, Gadhada, Botad and Lilia Mahals. He examined a number of Kheduts in each place and tried to obtain an idea of the prevailing economic conditions and generally find out, so to say, how the land lay before the Committee.

Between 16th November 1924, and 19th December 1924, the Chairman visited 22 villages in all, viz., Timbi, Dadva, Dharuka, Dhola and Keria of Umrata, Lathidad, Keria No. 1 and Pati of Botad, Ugamedi, Ningala and Pipalia of Gadhada, and Mota-Lilia, Sanjan-Timba, Bhoringada, Kutana, Panch-Talavda, Eclera, Ingorala, Bhingrad, Ansodar, Amba, and Kankot of Lilia.

As a result of this preliminary survey of the field of investigation, the Chairman found that all the complaints made in the petition of the Kheduts of Sanjan-timba about the economic privation, that was being wrought by the unscrupulous and usurious methods of the Sowcars were not a bit exaggerated; and the characteristic features of the Sowcar's dealings with the Khedut customers, detailed in that petition and the report of the Revenue Commissioner, were, with local variations, met with everywhere. It was observed that while there were a few scattered cases of Kheduts, whose indebted condition could be traced to a time prior to the big famine of St. 1956, a very large number got involved in debts only since St. 1956. In the case of a still larger number, who were well able to pay their way upto St. 1968 or even as late as St. 1970, their large outstanding arrears had their origin to comparatively small debts incurred since St. 1970-72. No doubt the precarious and scanty rainfall of the last decade largely accounted for the debt originally incurred. But considering the nucleus in each case, seldom very large, and the large repayments on account from time to time often exceeding twice the sum originally advanced, the heavy arrears outstanding must be attributed to the accumulations of interest, premium and numerous other varying charges, which the Sowcar's

ingenuity sharpened by greed is fertile in inventing. It was further seen that the Civil Courts working under the ordinary law and procedure were unable to give any relief to the oppressed Kheduts even in cases of extreme hardship, where there was a manifest suspicion of the Sowcar having taken undue advantage of the Khedut's indebted condition. The Sowcar, being familiar with the practice and procedure of the court, took care to so manipulate his books of accounts and obtain from the Khedut only signed and attested bonds, so perfect and flawless in a legal technical view, that the court had no alternative left but to decree the amount sued for, unless it was to disregard and trample under foot the sanctity of the written contract, on which civilized society mainly functions. The execution proceedings also worked no little hardship and oppression, and often when the decree represented a small sum, the expenses of the proceedings, regular and legal as also irregular and unacknowledged, amounted to a sum as large as the one decreed. For whether the decree was for a large or small sum, the whole of the judgment-debtor's standing crop in a field would have to be attached in execution of the decree, and a chowkidar at the debtor's expense, employed to watch over the crops, until the same matured and were cut and gathered. The ordinary machinery of the law was found to be totally inadequate to protect the Khedut and indeed to be helping in his further exploitation and spoliation.

The Chairman further found that in most villages, there were Kheduts, who had not all the requisite implements of husbandry, some being even without bullocks and dependent upon others for having their land ploughed. No doubt the prices of agricultural produce have risen greatly, but this factor was greatly discounted by the increased cost of cultivation, especially the labour charges. Indeed in several villages, the Ubhads or labourers seemed to fare better than the regular Kheduts, a few Ubhads here and there being able to advance moneys to Kheduts from their savings.

*Comprehensive enquiry embracing the whole State decided on, and questionnaire settled and provisional form of tabular statement adopted:—*The alarming conditions revealed in the preliminary inquiry indicated the necessity of a thorough and comprehensive enquiry embracing the whole State, if the same was to serve a useful and practical purpose, and reliable conclusions based on adequate data to be reached. Were the enquiry limited to one or two Mahals only, the generalisations based on partial and incomplete observation and information might have little or no application to the conditions of other Mahals and even prove misleading. So it was decided to investigate at least in a general way the conditions prevailing in all the Mahals of the State; and with this end in view, the Chairman, on the strength of the knowledge and experience gained in the course of his preliminary enquiries, prepared an exhaustive and comprehensive questionnaire and evolved a provisional tabular form in which to collect and enter the details of debts of individual cultivators, their cattle wealth, the size of their holdings, the assessment payable by them, the numerical strength of their families etc. A copy of the questionnaire is attached hereto as Appendix I.

*The Committee visit Lilia Mahal.*—The above preliminaries being settled, the Chairman and the members decided to first proceed to investigate Lilia Mahal, whence the petition, which led to the appointment of the Com-

mittee, had originated. At the same time, at the request of the Chairman, the Council appointed Mr. N. M. Surati, Nyayadhish of Mahuva, as a whole-time Secretary to help the Committee and look after the work, as the same promised to be of an arduous nature and all the members, who had to carry on that work, as already stated, in addition to the ordinary duties of their offices, could not make the necessary sacrifice of time to attend to it from day to day.

Copies of the provisional form referred to above were sent in advance, through the Lilia Vahivatdar to the Thandar of the three Tappas of that Mahal with detailed instructions for their filling in. The Committee encamped at Lilia on 20th January 1925 and at once started visiting each willage to verify the figures of individual indebtedness and other information collected by the Thandars and entered in the provisional tabular form. In this work of verification the Committee was also assisted by the local Vahivatdar. A detailed description of how this work was carried out will be given later. The Committee examined also several Sowcars having dealings with Kheduts as also their books and took down their statements. All this work took about ten days and the Committee returned to Bhavnagar on 30th January 1925.

*Form of tabular statement for entering figures of debts, etc., revised and finally settled:—*As a result of experience gained at Lilia, it was at once seen that the provisional form of collecting statistics of indebtedness etc., was rather defective and required to be radically changed in one important respect at least. The form was based on the Darbari Register Khata taken as the unit, figures of indebtedness of each nominal Khatedar or registered holder being collected and entered in the form. But it was discovered that the Register Khata would not do as a unit and would even lead to confusion. For the Khata land is not always held by a single cultivator but is often divided among a number of Peta-Khatedars, each of whom may again have a share in the lands comprised under one or more other Khatas as well. So the extent of indebtedness per Khata is no correct index of the individual indebtedness of the cultivator or cultivators, in whose name the Khata may be nominally registered in the Darbari books. Besides, it may very well happen that of the several Peta-Khatedars included under a Khata, only one may be indebted in a small sum, while the rest may be totally free from debts of any kind. All the same, if the Khata and the Khatedar are taken as the units and indebtedness considered in relation to them, the whole Khata would be classed as an indebted Khata, and all the nominal holders would be included among the debtor Khatedars, irrespective of their solvent or indebted condition. This, it need hardly be pointed out, would be totally false and misleading. To arrive at more correct results, and to form a juster estimate of the incidence of individual indebtedness, one had, therefore, to consider the same in relation to the Peta-Khatedar, who must be taken as the unit for the purpose. Another reason for taking the Peta-Khatedar as the unit, was that he is usually the head of a separate family living by itself, while the several Peta-Khatedars of a particular Khata, far from forming any cohesive group, might actually belong to such widely differing castes or even communities as Brahmin, Koli or even Mohamedan.

For the same reason, an individual holding must be taken to mean not

the land comprised under a particular register Khata but the total land held and occupied by a Peta-Khatedar or individual cultivator, whether such land constituted a separate Khata by itself or was distributed among a number of Khatas. It was, therefore, finally decided to make the Peta-Khatedar or individual cultivator and his holding the unit of inquiry; and the original form of tabular statement of the figures of debts of Khatedar Kheduts was revised and recast accordingly. The revised form is attached herewith as Appendix II.

*Collecting of the figures of debts and other statistical information by the Thandars:—*This statement was the most important from the point of view of the Committee's enquiry, as it was to supply it with all the basic information; and every care and precaution had to be taken to ensure its accuracy. Copies of the new revised form were printed and sent to the different Thandars with detailed printed instructions regarding the method and care to be used in collecting the figures of debts of each individual holder and entering the same in the printed forms. The Secretary was also sent round to orally explain the forms to the Thandars and to supplement the written instructions where necessary, it being previously arranged for the Thandars to be present at the Head-quarter town of the Mahals to meet the Secretary.

This initial work of collecting the necessary statistical information was necessarily of a very tedious and taxing nature and needed much patient industry and care on the part of the Thandars charged with the preparation of the tabular statement. How labourious and exacting this work was may be gauged from a solitary instance, viz., that it took the Bhadroth Thandar full eight days to prepare the statement of Bhadroth village alone, which has 155 individual holders, and that he had also to prepare similar statements of the remaining 15 villages of his Tappa, having in all 539 individual holders. And the Committee are very glad and grateful to be able to testify that they found, on verification that the Thandars, overworked as they are with other duties, had prepared the tabular statements, on the whole, intelligently and carefully.

*The Committee's tour in the Districts:—*The preliminary work of preparing the statements over, the Committee commenced its first tour by encamping at Koliak under Daskroi, on 21-4-25. Here after a halt of eight days, the Committee moved to Mithi-Virdi and Trapaj under Talaja. From Trapaj, the Committee proceeded to Talaja itself and then to Gopnath. And so going along the coastal line, the Committee reached Malvav under Mahuva on 23-5-25. Here the Committee divided itself the next day into two parts, the one headed by the Chairman going in the direction of Gundarna and Bagdana, and the other making straight for Mahuva. The Chairman's party, after a halt of a couple of days at Bhadroth, also arrived at Mahuva on 28-5-25. The early break of the monsoon in the first week of June compelled the Committee to return to Bhavnagar on 6-6-25 without finishing the Mahuva Mahal as it had hoped to do.

In the first tour, which thus took up 47 days, the Committee investigated the two Tappas of Daskroi Mahal, viz., Bhumbhali and Bhandaria, the whole of Talaja Mahal, and Tappas Malvav, Bagdana, Bhadroth, and part of Mahuva of Mahuva Mahal.

With a break in the weather, the Committee proceeded to Botad on 11-7-25; and after doing Tappas Botad and Lathidad of Botad encamped at Ningala on 18-7-25, it being more convenient to visit from that place the villages of the remaining Tappa Patna of Botad. Botad Mahal finished, the Committee was compelled by the rains to return to Bhavnagar on 21-7-25. Thus the second tour of the Committee occupied 11 days.

The next time, the Committee moved out, was on 7th November 1925, when it first encamped at Sandhida under Umralla. From here one party of the Committee proceeded in the direction of Dhasa, and another towards Umralla itself. Both the parties met at Dhola and returned to Bhavnagar on 19th November 1925 after doing all the four Tappas of the Umralla Mahal and also a few outlying villages of Gadhada Mahal, which could be better tackled from Dhasa. This tour occupied six days.

The Committee again left Bhavnagar for Kundla on 5th December 1925, and after making halts of varying lengths at Kundla, Vanda, and Krankach, finally reached Jesar on 16-12-25. From here the Committee returned to Bhavnagar on 20-12-25. During the tour extending over 16 days, the Committee finished five out of the seven Tappas of Kundla Mahal, viz., Kundla, Jira, Vanda, Krankach and Jesar.

The touring was again resumed on 28-12-25, by the Committee leaving Bhavnagar for Vijapdi under Kundla. From Vijapdi, the Committee proceeded to Thordi, and from Thordi to Victor. From Victor, the Committee again went to Mahuva on 7th January 1926 to do Khuntavda and part of Mahuva Tappa, which the Committee was unable to visit on the first occasion. The Committee returned to Bhavnagar on 14th January 1926, after having finished, during this tour which took up 28 days, the remaining two Tappas of Kundla, viz., Vijapdi and Thordi, Victor Mahal, and the parts of Mahuva Mahal, left unvisited on the first occasion.

The remaining two Mahals of Sihor and Gadhada were visited in February and March 1926, at intervals of a few days; and the total time occupied was 11 days. The villages of the Bhavnagar Tappa under Daskroi were tackled from Bhavnagar in three days between 2-7-25 and 5-7-25. The Bhal tract, which is very sparsely inhabited, was not visited by the Committee; but the tabular statements of indebtedness of the villages of the Bhal Tappa prepared by the Bhal Thandar were verified by the Daskroi Vahivatdar, when that officer had occasion to tour in that part.

The total tourings of the Committee thus amounted to 145 days in all, inclusive of the 11 days spent in the beginning in Lilia Mahal and exclusive of the time taken in the preliminary inquiry by the Chairman alone in November and December of 1924. All the Khalsa villages of the State numbering 522 exclusive of the Doongri villages were visited by the Committee. Some 552 Sowcars were also examined along with their account books in the course of these tourings. Of course it goes without saying that the Committee was enabled to carry out this heavy programme in a comparatively short time, mainly with the help of the motor-car and other facilities placed at its disposal.

What the Committee did was to encamp at a centrally situated place, generally the Head-quarter town or village of the Mahal or Tappa as the case might be, and then divide itself for the day into two or more parties, assigning to each a group of contiguous villages. The services of the local Vahivatdar as well as that of the Assistant Revenue Commissioner of the Division, in which the Committee happened to be moving, were generally enlisted for this work. The different parties moved out simultaneously or one after another in the mornings and the afternoons according as was convenient, and after doing the villages assigned to each, returned to the camp in the evening.

The chief object of visiting each individual village was to verify the statements of indebtedness prepared by the Thandars and to meet the Kheduts face to face. This was in a way the Committee's most important work, as it brought the members into close, intimate and direct touch with Kheduts and enabled them to obtain first-hand information. Besides checking, correcting, adding to or altering the figures of debts etc., entered in the tabular statements by the Thandar, the members of the visiting party subjected each individual Khedut in turn to a little searching cross-examination to elicit the nature of his debts, the occasion and purpose for which they were incurred, the interest, premium and other charges levied by the Sowcar etc. While this process of verification of the statements and examination of the Kheduts was going on, it was made a point to select a few typical cases of harsh and unfair dealings involving exorbitant rates of interest or other hard terms, and the same were gone into at leisure at the Committee's camp by sending for the Sowcars concerned and examining them and their account books. Altogether the Committee examined in this way some 552 Sowcars as stated above.

Further, in most of the villages two or more Kheduts of varying economic conditions were picked up, for preparing their family budgets roughly showing the produce of their respective holdings, the cost of cultivation (which includes the assessment payable to the State), the proportion of the produce retained for domestic consumption, and the price realised by selling the surplus quantity. The questionnaire prepared by the Chairman was also filled in for substantially big villages and this was done by meeting the leading Kheduts of the village in a group and putting questions to them.

Of course in the very nature of things one cannot always vouch for the accuracy of the debt figures collected. But realising that the value of the report would lie in the reliance one could put on the returns of the debt figures, every care and safe-guard was taken from the beginning to ensure their accuracy. In the written instructions to the Thandars, they were enjoined, while preparing the tabular statement, not to meet the Kheduts in a body but to send for each individual holder separately and do everything to win his confidence before questioning him regarding his debts. This method even the Committee had to adopt while visiting the villages for purposes of verification, in regard to the better class of Kheduts, who were naturally unwilling to expose their true financial condition in the public, for fear of injuring their credit. To reassure the Kheduts regarding the confidential

nature of the inquiry, a special Council order was issued to the effect that all communications made to the Committee and all statements prepared and depositions taken by it would be treated as confidential and privileged and the same will not be admissible as evidence in any legal proceedings. The necessity of this order was also indicated to win the confidence of the Sowcar class ; and it is certain that without a promise of secrecy and a preliminary assurance that the Sowcars' statements were to be considered as without prejudice to any legal proceedings pending at the time or that might be instituted in future, it would have been next to impossible to elicit from the different Sowcars the very valuable, and considering the very delicate nature of the subject and the Sowcars' interest in concealment, on the whole, full, fair and candid information which they have supplied to the Committee regarding their method of dealings with the Kheduts and of keeping accounts.

But in spite of every precaution and safeguard taken, the Committee noticed in scattered places a tendency induced by the Sowcars' efforts to conceal the real position regarding indebtedness. For instance almost every holder of Bhaguda under Bagdana declared himself to be free from debt. But the Committee had a suspicion (which was confirmed by later inquiries) that a few Kheduts of Bhaguda, who were more or less indebted, had held reticence on the subject either under the Sowcar's instigation or under a false sense of ' Izat '.

But it may be pointed out here that if some Kheduts here and there have kept silent or understated the amount of their indebtedness, out of a sense of prestige or for fear of losing credit and social status or some other reason, there have not been wanting instances, in which Kheduts have somewhat exaggerated and overstated their debts—and that again perhaps at the Sowcar's instance—under false hopes of obtaining easy relief and redemption of debts or from other equally inscrutable motives.

The Committee took every pains to remove false hopes or undue fears, if any, entertained by Kheduts ; and out of respect for his susceptibilities and in order to put him at his ease and in a communicative frame of mind, he has, as already stated above, been approached individually and separately, and asked to state his debts confidentially and in private whenever that course was thought necessary. And it is hoped that the first careful and patient preparation of the statements of debts by the Thandars and the subsequent verification by the Committee of the debt-figures of each individual Khedut, has reduced the scope for error to a minimum.

One may however grant that with every effort made to avoid errors and discrepancies creeping in, some misapprehension and misunderstanding was inevitable, resulting in overstatement and exaggeration on the part of some Kheduts and understatement, even to the point of total concealment on the part of others. But even allowing for such variations, which help to set off each other's effects, it may be safely assumed that the figures of indebtedness taken as a whole represent the truth approximately, as far or rather as near as approximation is possible in a case of this nature, and that the percentage of variation for the whole State or even a Mahal would be slight and negligible. In all statistical calculations covering such a wide field



and on such an extensive scale as the present enquiry, some allowance has always to be made and is in fact made for small variations of the kind above referred to. But the latter will not affect the truth and validity of the general statements and deductions, that may be based on the figures taken as a whole. It has been thought necessary to deal with this point at some length, as a suspicion of overstatement and understatement on the part of Kheduts here and there might not unnaturally generate a distrust of the general conclusions and deductions arrived at by the Committee, but which, if they otherwise are sound, are little liable to be affected by such occasional over or under-statements, which help to neutralise, as stated above, each other's effects.

When the statements of debts of all the villages were verified and corrected, the next step was to tabulate and classify the data collected in those statements and arrange the same in tabular forms so as to enable one, at a glance, to see the Khedut's economic condition, the incidence of indebtedness, etc., from different points of view. First, a comparative statement in the form shown in Appendix "III", was elaborated, which regards indebtedness in terms of assessment, and groups the Kheduts according to the multiple of assessment, to which their debt liabilities amount. From this comparative statement and the original statement of debts, etc., have been abstracted two more sets of tabular statements. The one gives, on the same lines as the comparative statements above referred to, but in a more compressed form, comparative figures of assessment and debt liabilities, as also the numbers and percentage of individual holders, who are respectively indebted or free from debt. The other set, in addition to giving the number of individual holders and their assessment and debt liability, classifies them according to caste, furnishes numerical strength of their families, their cattle-wealth, averages of holdings and indebtedness, etc. These two statements present in a compact and handy form all the elaborate statistical data and information collected, marshalled and classified by the Committee as a result of several months' labour. These have been embodied in the evidence and statistics volume separately published; only the final abstracted statements for the whole State are appended hereto as Appendix IV and Appendix V.

The preparation of these abstracts was no light work and the same was entrusted to Mr. Chatrabhuj Sanghavi, a Deputy Vahivatdar in the Revenue Department, whose services were requisitioned for the purpose and who was assisted in his work by two clerks viz., Kazi Hasanbhai and Ahmedbhai. The Committee have much pleasure in noting that the thoroughness and precision, with which this very difficult work was carried out, is due to the industry, zeal and conscientious care of Mr. Chatrabhuj and his two clerks. Mr. Chatrabhuj was also useful in preparing a Gujarati precis of the Sowcars' statements and an abstract of the irregularities noted in the Sowcars' dealings with the Kheduts.

This report had naturally to rely on the figures and other information contained in the tabular statements above referred to, and the same have been freely cited herein. So the preparation and printing of these statements entailing much expenditure of time and labour had to precede the writing of the report, which partly accounts for the inevitable delay, which the

Committee regret, has occurred in placing its report before the Council. Another factor that has delayed the writing of the report is the fact that the Chairman on whom the brunt of the Committee's work has fallen, had, in addition to the ordinary portfolios of his office as Member of the Council, to hold for nine months, charge of the important revenue and other portfolios of the Vice-President of the Council and, for about three months, to shoulder the joint responsibility of acting Président and Vice-President of the Council during the absence on leave in England of both these higher officials. The pre-occupation of the other members of the Committee with the ordinary duties of their offices has left them little leisure to attend to the Committee's work in its later stages, though they have, at much inconvenience, generally invariably joined in the Committee's tours and rendered useful assistance in the work of verification, filling in questionnaire etc.

The conditions vary greatly in the different Mahals and Tappas, if not even from village to village. So it is next to impossible—it would be even hazardous and misleading—to attempt to evolve any generalization, which would be applicable to the whole State. Accordingly it has been thought most convenient to take each Mahal and Tappa separately and making a brief analysis of the principal figures of debt, variety of population etc., contained in the tabular statements, to pass under rapid review the conditions revealed thereby and comment on the same in a general way. The different methods adopted by the Sowcars in their monetary and other dealings with Kheduts, the harsh and usurious rates of interest, premium etc., levied by them, the unfair and sharp practices, with which they not infrequently victimise their illiterate, ignorant and “debt-depressed” Khedut customers, the irregularities noticed in the account books kept by them, their carelessness and even worse in acknowledging and giving credit for payment made on account, etc., etc., all these have of necessity been noticed and commented upon at much greater length and in more elaborate fashion in the Evidence Volume, which summarises the more important of the statements of the large number of Sowcars examined by the Committee, and offers general remarks and, so to say, a running criticism on these statements. We now proceed to deal respectively with each Mahal and the Tappas constituting the same.

## CHAPTER I.

### DASKROI MAHAL.

#### 1. TAPPA BHAVNAGAR

There are 13 villages in this Tappa, which pay an annual assessment of Rs. 39,994, and the total debt of the Tappa amounts to Rs. 1,98,457. This gives a ratio of 1 to 4.9 between assessment and debt, the fourth highest ratio in the whole State. The three Tappas, which show a higher ratio are, in the order of the intensity of debt, Tappas Bhoombhali and Bhandaria of this same Mahal and Tappa Tana of Sihor Mahal, their respective ratios between assessment and debt being 1 to 8.4, 1 to 7.8 and 1 to 5.1.

The high ratio is no doubt in a measure due to the comparatively low rate at which the Bhavnagar lands taken as a whole are assessed. But this factor is only very partially responsible for the phenomenon of high ratio, for there is very wide variation in the assessment of the lands of different villages and also in the holdings of the same village. Indeed some lands in Ruwa, Juna-Vadva and other villages close to Bhavnagar are as highly assessed as any other lands in the State, the proximity of the Bhavnagar market no doubt being the principal reason for the high rate of assessment.

The assessment rate thus affords a very partial explanation of the high ratio of assessment and debt, which has therefore to be traced to other factors as well; and one of these is the greater credit facilities afforded by the proximity of Bhavnagar, and another is the greater amount of visible security, which many Kheduts in the villages surrounding Bhavnagar can offer in the shape of their Pomegranate, pear, Mango, and other fruit trees or even vegetable gardens, which abound in these villages, and whose produce is capable of being so easily and profitably disposed of in the Bhavnagar market. In other words, the factor of debt following credit has not a little to do with the high ratio of assessment and debt of this Tappa. This will become even more apparent when dealing with individual villages and considering the incidence of debt in relation to the indebted Kheduts only.

Coming to the classification of individual holders according to castes, one finds that the Tappa, out of a total of 585, has 300 Kanbis, 135 Koli, 31 Rajput, 25 Brahmin, 18 Ghanchi, 13 Thakkar or Luwana, and 11 Kachhia holders. The rest are of miscellaneous castes. Almost all the villages are predominantly Kanbi except Akwada, Ruva, and Malanka, in which the Kolis preponderate. Vartej has 15 Kanbi and an equal number of Ghanchi holders, and 12 Rajput and 5 Brahmin holders. Of the 13 Thakkar holders, 5 belong to Akwada, and 2 to Adhewada. Of the 585 holders of this Tappa, 333 or 57 per cent are free from debt and only 252 or 43 per cent are indebted.

While the greater credit facilities noted above have contributed to the high ratio of assessment and debt, the same have also tended to keep the rate of interest levied in most villages at a fairly moderate level. In villages such

as Juna-vadva, Tarsamia, Nari, Shedhavadar, Adhewada and Budhel, the prevailing rate of interest is at times as low as 6 per cent and seldom exceeds 12 per cent or 15 per cent, though it was noted that besides interest, the loans are subjected to a discount deduction in Shedhavadar, Budhel and Nari. In the first two places, the percentage of this deduction seldom exceeds 5, while in Nari instances of 15 per cent deduction were not infrequently met with.

*Inter se* dealings of the Kheduts especially of the Kanbi class is also a contributory cause tending to keep down the rate of interest. And besides the 6 villages referred to above, *inter se* dealings were met with in varying degrees in the villages of Vartej, Shampara, and Sidsar.

Though instances of a levy of 12 per cent interest are not lacking, the general prevailing rate of interest for Ruva, Vartej, Shampara, Malanka and Sidsar is 18 per cent, besides the initial deduction of discount upto to per cent especially in the villages of Vartej, Shampara and Sidsar. Of course the 18 per cent rate of interest plus the discount deduction amounts practically to Savaya and more per year. Instances of Savaya as such are rare in the Tappa, Akiwada being the only exception where the dealings as a rule are on the Savaya basis.

Omitting the 333 debt-free Kheduts from consideration, one finds that the ratio of assessment and debt for indebted Kheduts is as high as 1 to 16.9 which is the highest of all the Tappas in the State. Naturally this ratio for some villages is still higher and individual holders are still more highly indebted than the debt average of the particular village would indicate.

Juna Vadva with a debt average of Rs. 781 has one Khedut owing Rs. 5,000, another Rs. 2,000, and five each between Rs. 1,200 and 1,500. Tarsamia with a debt average of Rs. 710 has one Khedut owing Rs. 2,875, another Rs. 1,500, a third Rs. 2,012, a fourth Rs. 1,100, and three more each owing between Rs. 800 and 950. Ruva with an average of Rs. 1,644 has one Khedut owing Rs. 2,500, another Rs. 2,300, a third Rs. 2,200, a fourth Rs. 1,500, and a fifth Rs. 1,300. The holdings of Ruva presented the widest possible variation (under the old settlement) in the rates at which they were assessed, the same varying from about Re. 1 to Rs. 5 per Bigha. It is difficult to believe that all these variations are due to the difference of the soil. And it was further observed that one Khatedar of a very heavily assessed holding was more indebted than others. So it would not be incorrect to say in his case that over-assessment was one at least of the causes of the high incidence of indebtedness.

Vartej with a debt average of Rs. 507 has one Khedut owing Rs. 3,000 and four each owing about Rs. 1,000. Nari shows the high average of Rs. 1,366 and has one Khedut owing Rs. 5,000, two each Rs. 4,000, two each about Rs. 3,300, three each between Rs. 2,600 and 2,800, two each about Rs. 2,500, one Rs. 2,200, one Rs. 2,000, four each between Rs. 1,500 and Rs. 1,850, five each between Rs. 1,100 and 1,200, and two each between Rs. 900 and 1,000. As already remarked before the, prevailing rate of interest for Nari is 12 per cent only, though discount is levied at varying rates at the same time; and if the figures of individual indebtedness are as high

as indicated above, the phenomenon must be attributed to the working of the factor of "debt following credit", the credit and capacity to borrow of the Nari Kheduts being greatly enhanced by their flourishing Pomegranate gardens. While it is true that the Nari Kheduts, with the credit they command, have a great and facile temptation to incur debts rather recklessly, it should not be forgotten that the outlay and proper maintenance of these pomegranate gardens must in itself entail a great deal of initial and recurring expenditure necessitating frequent resort to the money-lender.

Shampara with a debt average of Rs. 559 has two holders each owing about Rs. 1,400 and one Rs. 900. Adhevada with an average Rs. 613 has one holder owing Rs. 3,600, another Rs. 1,700 and a third Rs. 1,000. Malanka with an average of Rs. 368 has one holder owing Rs. 1,500 and another Rs. 1,000.

Budhel shows the high average of Rs. 1,235 and has one holder owing Rs. 6,600, one Rs. 6,175, one Rs. 5,050, two each about Rs. 2,000, three each between Rs. 1,300 and 1,500, and three each between Rs. 900 and 1,000. The same factors, which account for inflated debt figures of individual holder of Nari, operate also in the case of the Budhel holders, who have either good vegetable gardens or grow wheat in their garden plots on an extensive scale.

Many of the larger amounts of individual debts of Tarsamia, Vartej, Nari and Budhel holders represent arrears of long-standing, and are consequently swollen by accumulation of interest and premium.

The Koli Kheduts of Akwada, though they have to submit to Savaya levy, are not indebted in large sums individually as their credit is low; and the debt average of the village is only Rs. 231. It has in all 31 holders of whom, 21 are Kolis; and out of the 8 indebted Kheduts of Akwada, except one, all the rest are Kolis.

The Kheduts of Vadva Juna and other villages in the neighbourhood of Bhavnagar are enabled to eke out their income by plying carts for hire.

It may be pointed out that if the assessment of some of the holdings in the villages near Bhavnagar is high, alienated holdings, when they are leased, are also seen to fetch a high rental. For instance, a holding of about 40 Vighas in Juna Vadva belonging to Nilkanth Mahadeo, has been leased by Kanbi Jadav Lavji for a yearly rental of Rs. 170, which works out at a rate of Rs. 4-4-0 per Vigha.

The Kheduts of Shampara and Sidsar etc., are constantly exposed to the risk of their crops being damaged both by the wild animals from Victoria Park and the clandestine grazing of their cattle by the Bharwads etc. of Bhavnagar. Shampara Sim is conterminous with the foreign boundary of such villages as Bhikda, Khokhara and Kharakdi, which makes the danger of damage to crops still greater. The holders of Barkhali fully-assessed Khatas No. 1 and 7 of Sidsar, instead of cultivating their holdings, lease out the same to Bharwads, who use them for grazing their cattle, which either stray or are allowed to stray into neighbouring fields, on which crops may be standing. Leasing of Khata-lands for grazing purposes to professional Bharwads must be discouraged,

Further, to minimize the risk of damage to crops from wild animals or stray cattle, Sidsar, Shampara and other villages similarly situated, should have appointed Chowkidars or Toyas of their own choice and made directly responsible to Village Patels. A stray-cattle pound in Sidsar is also a great desideratum.

Of 252 indebted holders of the Tappa, 24 are each indebted in a sum exceeding 2 years' but not exceeding 3 years' assessment; 98 each in a sum exceeding 3 years' but not exceeding 10 years' assessment; and 100 each exceeding 10 years' assessment. The last lot together pay Rs. 4,802 as assessment and are in arrears to the extent of Rs. 1,46,904.

## 2. TAPPA BHOOMBHALI.

This Tappa also consists of 13 villages. It pays an annual assessment of Rs. 27,766 and its total debt amounts to Rs. 2,33,611. Thus the ratio of assessment and debt is 1 to 8.4, the highest of all the Tappas of the State. The Tappa is very lightly assessed and the low assessment is no doubt partly responsible for swelling the ratio figure.

This is a preponderatingly Koli Tappa, there being as many as 465 Koli Kheduts out of a total of 695. There are 46 Kharaks, 42 Rajputs, 37 Ayars, 26 Kumbhars, and only 14 Kanbis. There are also 14 Bania, 8 Paleval and 6 Brahmin holders. Of the 46 Kharaks, as many as 42 belong to Bhoombhali, which has also 31 Ayar holders, and only 6 Kolis. All the 8 Palevals also belong to Bhoombhali. Of the 695 holders, 260 or 37 p. c. are free from debt and 435 or 63 p. c. are indebted.

Bhuteshwar, Rampar and Bhadbhadia are wholly Koli villages; and Surka, Nava Ratanpur, Hathab, Khadsalia and Lakhanka, though not wholly Koli villages, are over-whelmingly so.

Juna Ratanpur has 5 Kanbi, 7 Koli, and 4 Kharak holders among others. Gundi has many of its holdings possessed by Kheduts from Koliak. The latter has in all 63 holders, of whom 26 are Koli, and 26 Kumbhars. Thalsar has a preponderance of Rajput or more correctly speaking Garasia Kheduts. It has in all 32 holders, of whom 24 are Rajputs. Khadsalia, though preponderatingly Koli, has 11 Rajput and 6 Ayar Kheduts.

After the lines of investigation were settled at Lilia, Bhoombhali was the first Tappa to be visited by the Committee. It was soon found that it would be very hazardous to generalise about the methods of the money-lender as a class, in his dealings with the agriculturist. For these methods vary not only in the different villages but also vary with the particular class to which the Khedut might belong, and again with his individual financial condition and general credit. Further, it would be a mistake to lump all the Sowcars together. At one end, there are a few, perhaps a very few, Sowcars, who are content with a moderate return on their advances; while at the other end, there are those who are most grasping and usurious and squeeze the Khedut at every possible turn, practically reducing him to the condition of a landless labourer, tilling the soil for the benefit of his master, the Sowcar. Between these two classes, there are all kinds of Sowcars, who practise usury and extortion in varying degrees.

The above remarks are of general application, but they are embodied here, as they are suggested by facts, which first came under the Committee's observation in this Tappa, which was, as already stated, the first to be visited after, so to say, the preliminary enquiries at Lilia. Further, the conditions of the Tappa are very variegated, which fact also makes the inclusion of these remarks here very apposite. One not only meets in this Tappa with Sowcars of all the different types referred to above, but also Kheduts of widely varying economic condition. For instance, there, are on the one hand, the Kharaks of Bhoombhali, who might be classed as solvent and possessing fairly good credit, while on the other hand, the Kolis of Hathab, Bhadbbhidia, Lakhanka, etc., are extremely poor, practically insolvent, and live on the verge of starvation.

In some Koli villages, the conditions are exceptionally bad ; and it was observed that the poorer Koli Kheduts, who form the majority, make over to their Sowcar almost the whole of their produce of the soil, immediately it is harvested, without even keeping to themselves, a small stock sufficient to last them for a month ; and then they are dependent throughout the year on the Sowcar, from whom they go on borrowing, both for their own domestic necessities and agricultural requirements. Naturally these Koli Kheduts have very little staying power, if any ; and a couple of years of continual drought would suffice to push them over the brink, dangerously near which they constantly live.

The varying economic conditions of the Kheduts are reflected in the easy and moderate terms or harsh and usurious ones, at which they can obtain their supplies of cash, grain, seed, etc.

In Bhoombhali, Kharaks generally pay for their cash-loans only 9 to 12 per cent and rarely 18 per cent interest. Further, no premium or discount is charged or allowed, as in the case of Koli constituents. The system of Kadhara prevalent elsewhere, is practically absent in Bhoombhali ; and accounts also appear to be well and properly kept, thus minimising the chances of the Kheduts being taken undue advantage of. In calculating interest, due allowance is always made for sums paid on account and credited

A totally different picture is presented by the Koli villages. While the nominal rate of interest charged seldom exceeds one pice per rupee per month, i. e., nearly  $18\frac{3}{4}$  per cent per year, the ingenuity of the Sowcar is very fruitful in devising numerous ways in which to fleece the Kheduts. Besides interest, premium at varying rates is levied ; and when the loan is required for an auspicious occasion like marriage, over and above premium, Paghdi is also levied. These levies occasionally amount to a quarter of the sum lent.

In making up accounts and adding interest, no deduction is made for interim payments on account and interest is calculated on all the debit entries for the full period of one year, irrespective of the different dates on which the borrowings may have been made. Some Sowcars enter the interest item simultaneously with the debit entry of the principal sum lent. The result is that when the accounts are made up, at the end of the year, by adding up the debit-entries, the interest-items themselves also bear interest. In other words, interest is added twice over.

The premium and other charges referred to above plus interest, exceed Savaya. But Savaya as such is also seen practised to some extent in Hathab and, Koliak, and very generally, in Rampara, Nava-Ratanpur, and Bhadbhiddia. Even where Savaya premium is levied, it is not unusual to levy interest from the date of the bond.

While it is not always true that the Khedut sells in the cheapest market, it is not too much to say that the Khedut—especially a poor Khedut of the Koli class—generally buys in the dearest market. And it should be remembered that the Khedut is usually a buyer, and only once or twice a year, a seller.

In Koliak, when the Koli Khedut sells the produce to his Sowcar, the latter pays an anna less than the prevailing rate of price per each maund of Kapas or grain purchased by him and even when the Khedut sells his produce to a third party, the Sowcar is usually paid a commission at a fixed rate of one anna per each maund of Kapas and grain and at the rate of Rs. 2 per each Khandi (125 maunds) of onions sold.

In Lakhanka, which is situated on the extreme boundary of the Tappa, the Sowcar appears to be peculiarly grasping and unscrupulous. As already remarked before, the Koli Khedut, usually keeping in reserve a scanty store of grain sufficient to last him barely a month hands over the surplus produce to his Sowcar. The Khedut, no doubt, receives credit for this in the Sowcar's books, but at a price which is 25 to 30 per cent below the ruling market rate. But the contrary is the case when the Khedut is the buyer and not the seller. For all articles of domestic necessity, which the Khedut buys on credit, in small quantities, the Sowcar usually charges prices which may be anything from 25 to 50 per cent more than the prevailing market-rate, and further, when at the end of 3 or 6 months, or very rarely a year, accounts are settled and a balance is struck, a substantial sum, by way of interest and premium, is added and a fresh Khata drawn up for the whole amount.

The practice of Kadhara is general in all Koli villages. But in Lakhanka, the type of Kadhara practised is peculiarly extortionate and grasping in its nature. The quantity of corn advanced is first increased by 25 per cent and the enhanced quantity is then converted into money at a rate of price, 25 to 75 per cent higher than the prevailing rate. In other words, both the quantity advanced and the price charged are liable to be increased, which inflicts a double loss on the borrowing Khedut.

That the above picture may not seem over-drawn and exaggerated, attention is invited to the numerous concrete instances of unscrupulous and usurious dealings recorded in the Appendix A Volume dealing with Sowcars' evidence (vide pages 3 to 7).

Taking only the 435 indebted Kheduts or about 62 per cent of the total number into consideration, one finds the ratio of assessment and debt to be 1 to 11.7 and as in other Tappas, the ratio for many of the villages is still higher; and each village has again individual Kheduts owing much larger sums than the debt average figure of the village.



Bhoombhali with a debt average of Rs. 758 has one Khedut owing Rs. 3,675, 2 each about Rs. 2,800, two each about Rs. 2,100, one Rs. 1,800, two each about Rs. 1,400, and three each between Rs. 950 and 1,100.

Hathab with an average of Rs. 301 has one Khedut owing Rs. 1,800, and five each between Rs. 900 and 1,050. Kolis, as it is, are bad cultivators comparatively, and this factor is further emphasised in Hathab by the small uneconomic holdings, which would hardly suffice to enable the holder dependent on agriculture alone to make the two ends meet. How small these holdings are may be judged from the average size of the holding being only 17 Bighas. And the Kolis of Hathab and Koliak eke out their living with difficulty partly by their scanty agricultural income and partly by manual labour, plying carts for hire, &c. The pressure of agricultural population in Hathab, Bhuteshvar and other villages is so great that a holding, when leased anew, fetches a very high price as Sukhadi, altogether out of proportion to the economic value of the holding judged by its productivity. And any generalization regarding the nature and value of the soil or the economic condition of the local Khedut based on such stray instances of fabulous Sukhadi prices realised for vacant holdings, would be wrong and misleading.

Bhuteshvar with a debt average of Rs. 606 has one holder owing Rs. 3,025, another Rs. 2,300, and a third Rs. 1,100. Rampara with a debt average of Rs. 387 has one holder owing Rs. 2,000. There are no local Sowcars in Bhuteshvar and the Bhombhali Sowcars claim the lion's share of the money-lending business of Bhuteshvar.

Surka with an average of Rs. 800 has one holder owing Rs. 4,160, another Rs. 2,000 and three each between Rs. 900 and 1,000. Juna-Ratanpur with a debt average of Rs. 1,376, has two holders, each owing Rs. 4,500, one Rs. 1,585, and one Rs. 1,000. In this village there are 7 Koli holders, out of a total of 23, and all these 7 Kolis are indebted, and of the rest only 4 are indebted. The rate of interest charged in Juna-Ratanpur varies from 12 to 24 per cent.

Nava-Ratanpur with an average of Rs. 508 has one holder owing Rs. 2,300, another Rs. 2,000, two each between Rs. 1,100 and 1,200, and two each Rs. 1,000. Alleged instances of interest levy at the rate of 36 to 75 per cent were met with in Nava-Ratanpur. Goondi with an average of Rs. 1,307 has one Khedut owing Rs. 2,000, another Rs. 1,500, a third Rs. 1,225 and a fourth Rs. 1,100. Koliak with an average of Rs. 401 has one holder owing Rs. 1,971, one Rs. 1,600, and three each about Rs. 1,000. Khadsalia with a debt average of Rs. 589 has one holder owing Rs. 4,365, one Rs. 2,802, three each between Rs. 1,650 and 1,850, four each between Rs. 1,200 and 1,325 and three each about Rs. 1,000. Thalsar with an average of Rs. 376 has two holders each owing about Rs. 1,000. In both these last villages, though 18 per cent interest was seen to be levied, numerous instances of only 12 per cent interest being charged were also met with.

Lakhanka with a debt average of Rs. 583 has three holders, each owing about Rs. 2,000, and four each between Rs. 1,200, and 1,350.

Among the indebted Kheduts, 28 each owe a debt exceeding 2 years' but not exceeding 3 years' assessment, 152 each a debt exceeding 3 years' but not exceeding 10 years' assessment, and 222 each a debt exceeding 10 years' assessment. The last together are assessed in the sum of Rs. 7,287 and are in arrears to the extent of Rs. 1,77,761.

### 3. TAPPA BHANDARIA.

There are 8 villages in this Tappa which pay an assessment of Rs. 14,472, and the total debt of the Tappa amounts to Rs. 1,13,199. This gives for the Tappa a ratio of 1 to 7·8 between assessment and debt, which is the second highest in the whole State, next only to that of Bhoombhali. Again the factor of low assessment partially explains this high ratio between assessment and debt.

There are in all 345 holders, of whom 149 are Kanbis, 86 Kolis, 30 Kharaks, 25 Brahmins, 14 Rajputs, 10 Bharwads, 9 Baniyas, and 8 Thakkars. Of the 30 Kharaks 19 are found in Bhandaria and 11 in Thordi, of the 25 Brahmins, 11 belong to Thordi, 6 to Bhandaria, and four to each of the two villages of Nagdhaniba and Sartanpur. The Kolis preponderate in Bhadi, Sartanpur, and Pithalpur; and Kanbis in Bhandaria, Kobdi, Nagdhaniba, and Thordi. In Khantdi there are 4 Kanbi, 6 Koli, and 4 Rajput holders among a total of 16. Bhadi has two and Sartanpur nine Kanbi holders, while Pithalpur has no Kanbi holder. Of the 345 holders 162 or 47 p. c. are free from debt and 183 or 53 p. c. are indebted.

Omitting the 162 debt-free Kheduts or nearly 47 per cent of the total out of consideration, one finds that the ratio of assessment and debt among indebted Kheduts only is 1 to 13·2; and individual villages show a still higher ratio; and further, each village has individual holders, who each owe a sum larger than the debt average of the village.

Bhandaria with a debt average of Rs. 501 has one holder owing Rs. 1,900, three each between Rs. 1,000 and 1,200 and two each about Rs. 900. Bhadi with a debt average of Rs. 549 has one holder owing Rs. 3,200 and one Rs. 1,625. Kobdi with an average of Rs. 478 has one holder owing Rs. 1,700, one Rs. 1,200 and two each Rs. 1,000. Nagdhaniba with an average of Rs. 1,170 has one holder owing Rs. 4,720, two each about Rs. 2,000, one Rs. 1,700, one Rs. 1,200, and one Rs. 1,000. Sartanpur with an average of Rs. 1,170 has one holder owing Rs. 1,700, two each Rs. 1,400, three each about Rs. 1,200, and one Rs. 1,112. Thordi with a debt average of Rs. 722 has three holders each, owing Rs. 2,000, two each about Rs. 1,200, and one Rs. 900. Pithalpur with a debt average of Rs. 700, has one holder owing Rs. 3,000, two each between Rs. 1,500 and 1,600, two each about Rs. 1,200 and one Rs. 1,000.

The general prevailing rate of interest in the Tappa is 18 per cent plus Premium Savaya also is fairly prevalent, and especially in the villages of Bhadi, Nagdhaniba, and Sartanpur. Mol-Savaya was also stated to be practised by some Sowcars of Nagdhaniba. The larger amounts of debt noted above are, many of them, arrears of long-standing carried over many years. Kadhara also prevails to a fair extent in the Tappa.

Among the indebted Kheduts, 19 each owe a sum exceeding 2 years' but not exceeding 3 years' assessment; 51 each a sum exceeding 3 years' but not exceeding 10 years' assessment, and 98 each a sum exceeding 10 years' assessment. The last group are assessed in the total sum of Rs. 4,061 and owe between them Rs. 94,413.

#### 4. TAPPA BHAL.

The Bhal tract lies to the north of the Bhavnagar Creek; and though administrative exigency has found for it a place in the Daskroi Mahal, it has, in the nature of its soil, conditions of living etc. very little in common with the other Tappas of the Mahal. The Bhal area comprises 17 villages in all, which pay an annual assessment of Rs. 50,289, and the total debt of the Tappa is Rs. 68,930. This gives a ratio of 1 to 1.4 between assessment and debt.

There are in all 540 holders in Bhal. Of these, 263 are Kolis, 144 Kanbis, 28 Sepoys, 21 Bharwads, 17 Rajputs, 12 Thakkars, 9 Brahmins, and 6 Charans. Of the 540 holders, 314 or 58 p. c. are free from debt and 226 or 42 p. c. are indebted.

Nava-Madhia, Paliad, Devalia, Kotda, Gundala, Jasvantpur, Bhadbhid, Sandhida, Velavadar, and Ganeshghadh are all preponderatingly Koli. Sanes has 35 Kanbi and 34 Koli holders out of a total of 74. All the 26 holders of Juna-Madhia are Sepoys. Savainagar, Savaikot, and Ontaria are preponderatingly Kanbi. Paliad has 14 Kanbi holders. Adhelai has 11 Kanbi and 12 Koli holders. Rajghadh has 14 Kanbi and 13 Koli holders. Bhadbhid has 18 Kanbi, 11 Thakkar, and 8 Bharwad holders. Velavadar has five and Ganesh-Ghadh 3 Bharwad holders. Of the Brahmin holders, 4 belong to Ontaria, 2 to Bhadbhid, and 2 to Sandhida.

Some of the more inflated cases of individual indebtedness may be noted.

Sanes with a debt average of Rs 282 has three holders each owing about Rs. 1,000. Savainagar has one holder owing Rs. 1,150, Adhelai shows a debt average of Rs. 746, and has one holder owing Rs. 2,175, one Rs. 1,450, one Rs. 1,265, and two each Rs. 1,000. Ontaria with a debt average of Rs. 662 has one holder owing Rs. 1,792, three each between Rs. 1,400 and 1500, one Rs. 1,000 and one Rs. 800.

The generally prevailing rate of interest may be said to vary from 12 to 18 per cent. The Kanbi holders of Savainagar, Adhelai and Ontaria as a rule pay only 12 to 15 per cent interest and occasionally even less. But the Koli holders of Adhelai and Ontaria have to submit to a levy of 18 per cent and very frequently even Savaya. Mol or six-monthly Savaya, (there being only 2 crops at the most in Bhal), which in practice means 56½ per cent profit per year on the original advance was seen to prevail in Kotda, Gundala etc. Instances of Savaya dealing were also met with in Paliad, Devalia, Bhadbhid, Sandhida and Velavadar. A rate of 24 per cent interest which is different from Savaya, was seen charged in a few cases in Sanes and Adhelai. In Juna-Madhia a wholly Sepoy village, the prevailing rate is 12 to 18 per cent never reaching the Savaya level.

That the incidence of indebtedness is more wide-spread among Kolis than Kheduts of other castes, will be seen from the fact that all the six indebted Kheduts of Jaswantpur are Kolis, and out of the 18 indebted Kheduts of Bhadbhid, as many as 14 are Kolis, and out of the 7 indebted Kheduts of Sandhida and 10 of Rajgadh, five, in each case are Koli Kheduts.

Some Sowcars even when making up accounts a short time after the loan do not scruple to add the full Savaya premium or interest.

Of the indebted Kheduts, 33 each owe a sum exceeding 2 years' but not exceeding 3 years' assessment, 90 each owe a sum exceeding 3 years' but not exceeding 10 years' assessment; and 12 each a sum exceeding 10 years' assessment. The last group pay an annual assessment of Rs. 499 and owe a total debt of Rs. 6,760.

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## CHAPTER II

### SIHOR MAHAL.

#### 1. TAPPA SIHOR.

There are sixteen villages in this Tappa. Of these, Mota Surka, Pipalia, Nana Surka, Paldi, Ukharla and Sedarda are predominantly Kunbi, while Karkolia and Bhangadh are practically wholly Koli villages. Rajputs preponderate in Vadia and Usrad, and Ayars in Nesda. There is a large number of Brahmin holders mostly of Barkhali Khatas, which have escheated to the Darbar. These holdings are comparatively small in size; and the Brahmin Khatedars, who seldom depend for their livelihood on agriculture, are generally absent in distant places pursuing other avocations, and rarely till the soil on their own account, but generally lease out the same. Even where they carry on agriculture as a subsidiary occupation, not having bullocks and other implements of agriculture, of their own, they get the land ploughed and sown for hire by some other Kheduts.

The total assessment of the Tappa is Rs. 42,151, while the amount of indebtedness is Rs. 92,955. This gives a ratio of 1 to 2.2 between assessment and debt. But out of a total of 562 holders, 228 or about 40 per cent are indebted, the rest being free from debts; and taking only the indebted Kheduts into consideration, one finds the ratio of assessment and debt to be 1 to 4.2. Of the indebted Kheduts, 31 are each indebted in a sum exceeding two years' assessment, 93 each in a sum exceeding 3 years' but not exceeding 10 years' assessment, and 42 each in a sum exceeding 10 years' assessment. The last group are together assessed in Rs. 2,060 and owe a total debt of Rs. 31,955.

Where the Kunbis lend and borrow *inter se*, as they are found to be doing in all Kunbi villages, the rate of interest charged tends to be low, and where the parties happen to be relations of each other, the rate is at times only 5 per cent and occasionally interest is foregone altogether.

Though the scale on which Kunbis incur debts is much larger than is the case with Kolis, the former enjoying much higher credit and his wants also being comparatively greater, yet the Kolis as a class are subjected to a much higher levy by way of interest, premium, etc., for their borrowings. This is seen by contrasting the varying rates of interest prevailing in Kunbi and Koli villages and the different rates charged in the same village by the same Sowcars to the Kunbi and Koli Kheduts respectively. For instance, in Ghanghli, good Kunbi Kheduts can obtain their monetary and other supplies on credit by paying 6 to 12 per cent interest only, while a Koli Khedut has invariably to pay Savaya premium; and further occasionally, the Savaya Khata is subject to renewal, every Khata season, on failure of repayment. In other words, the bond may be renewed twice or thrice in the year, 25 per cent premium being added each time. This practice of what is popularly known as Mol-Savaya prevails in

Bhanghli in which all the Kheduts are Kolis. Where the loan is not subject to Mol-Saraya increase, the Koli Khedut in Bhanghli has to pay interest at the rate of half an anna per rupee per month, which works out at a rate of 37½ per cent per annum. Again in Sedarda the Kunbis generally pay 9 to 12 per cent interest only, while the Koli borrower pays 18½ per cent interest, even when the loan is secured by a pledge of ornaments. The poorer condition of the Koli Kheduts may also be inferred from the fact that whole families of Kolis from Bhanghli and other villages, after the agricultural season is over, emigrate to Gujarat to earn a little money by working as labourers in fields for the later cotton crops of Gujarat or in industrial factories.

In Nesda, one or two Ayars, and in Rajpara, one Dhedh do money-lending business, and being thoroughly commercialised tend to outbid even the hereditary Bania money-lender in their extortionate greed. The Dhedh Sowcar seldom charges less than 37½ per cent interest; and where the ostensible rate is less, a substantial discount even upto 10 per cent is deducted from the original cash loan. In one case the Ayar Sowcar of Nesda, even where he had received a pledge of ornaments to secure his loan, charged 18 per cent interest.

Contrasting the few Rajput Kheduts of Bhanghli with the Kanbis, the former appear to be inferior as cultivators. But in Usrad, where the Rajput Kheduts have a subsidiary occupation like plying carts for hire, they are generally seen to be free from debts, and the prevailing rate of interest in Usrad is also 18 per cent only.

The general rate of interest for Nesda, an Ayar village, is also 18 per cent though the poorer of the Ayar Kheduts have to submit to a higher levy of 24 per cent interest plus a premium charge of 5 per cent.

In Rajpara also, a few Ayar Kheduts ply carts for hire and thus eke out their agricultural income.

The incidence of individual indebtedness for Sihor is Rs. 962, the highest in the whole Tapa. But out of the 55 individual holders of Sihor, only 10 are indebted; and of these 10, five are Ghanchies and three Barots; and as these classes have other occupation than agriculture, the inclusion on their part of non-agricultural debt seems to have swollen the figure of average debt liability of the indebted Kheduts of Sihor.

In Bhanghli, out of a total of 99 Kheduts, only 38 are recorded as indebted but of the remaining 61, as many as 35 are Brahmin-Khatedars, and with the exception of only one, they are all free from debt. Of the bona-fide cultivating classes, viz., Kunbis and Kolis, only 6 Kunbis out of 23 in all and only 8 Kolis out of a total of 26 Kolis are free from debt. So, taking into consideration the actual bona-fide tillers of the soil only, the pressure of individual indebtedness would appear to be much greater in Bhanghli than the figures by themselves suggest.

The holdings of the Memon Kheduts of Vadia are small; but as each holding includes a small garden plot on which the Memons grow vegetables and other garden crops, they are mostly free from debts.

The occasions for borrowing besides the ordinary agricultural and domestic calls are marriage and death ceremonies and so on; though such social occasions for incurring debts are not so frequent in Siltor as in Gadhadra and the scale of expenditure is also much smaller.

Again one very rarely comes across in this Tappa stipulations for money-loan being paid for by a fixed quantity of Kapas, stipulations which are so common in some other Mahals.

## 2. TAPPA KUMBHAN.

This Tappa consists of 11 villages. Kunbi Kheduts preponderate in Kumbhan, Khakharia, Navagam, Ambla, Jintiri and Nava Sarod; Kolis in Chorvadla and Piparla; and Rajputs in Dhanikankunda. There is also a fairly large number of Rajputs found in Navagam; although most of the resident Kheduts of Juna Sarod are Kolis, a very large portion of the Juna Sarod land is tilled by Kunbi Kheduts from the neighbouring village of Nava Sarod. Similarly Ambla has only a few resident Kheduts, its land being mostly tilled by Kheduts from Kumbhan.

Resort to Savaya practice is very common throughout the Tappa, and even good Kunbi Kheduts cannot generally obtain loans without submitting to the Savaya payment, though where they have dealings *inter se*, the rate of interest is very moderate, and in cases of relationship, interest is at times foregone altogether. The only villages where a 12 per cent rate of interest seems to be fairly common are Kumbhan, Dhanikankunda, Ambla and Nava Sarod. But paradoxical as it may seem, Kumbhan and Nava Sarod show the highest debt averages for indebted Kheduts, viz., Rs. 609 and Rs. 1,894 respectively. This phenomenon is partly explained by the maxim of debt following credit; and partly by the inclusion of exceptionally big figures of debts of a few individual holders. For instance, one Brahmin holder of Navagam, Ishvar Meghji is alone indebted nearly to the extent of Rs. 4,000; and this large figure distributed over the eight indebted Kheduts of Navagam would by itself swell the average debt figure by Rs. 500.

Besides the usual occasions of borrowing for agricultural and domestic needs, resort to the Sowcars is not infrequent to meet such social calls of expenditure, as marriage and death ceremonies and also what is known as the Ana ceremony or the occasion of fetching the wife from her parents' house.

This Tappa pays an annual assessment of Rs. 30,027 and its total debt amounts to Rs. 81,766, which gives a ratio of 1 to 2.2 between assessment and debt; but of a total of 340 holders, 155 or 45.6 per cent are indebted; and the rest are debt-free; among the indebted Kheduts, 19 each owe a debt exceeding 2 years' assessment, 68 each a debt exceeding 3 years' but not exceeding 10 years' assessment; and 21 each a debt exceeding 10 years' assessment. The last group together pay an annual assessment of Rs. 1,622 and owe a total debt of Rs. 35,402.

### 3. TAPPA TANA.

There are 13 villages in this Tappa. All classes of cultivators are to be found in this Tappa, Kunbis, Kolis, Rajputs, Palevals, Rabaris, etc. Kunbis preponderate in Tana, Jambala, Budhana, Gundala and Bekdi; Rajputs in Ratanpur, Kajavadar, Lavarda and Sarkadia; and Palevals in Devgana and Bhankhal. In the small village of Thala, all the Kheduts are Kolis. Bordi has almost an equal proportion of Kunbi and Rajput Kheduts. Rajputs are also fairly numerous in Devgana and Budhana. There are some Rabari Kheduts in Kajavadar and also a few in some other villages.

The Tappa pays an assessment of Rs. 33,587 and its total indebtedness amounts to Rs. 1,67,327, which gives a ratio of 1 to 5.1, between assessment and debt, which is the third highest in the whole State. The two other Tappas, which show a higher ratio of assessment and debt are Bhoombhali and Bhandaria, their ratios being respectively 1 to 8.4 and 1 to 7.8. Excluding the 239 debt free Kheduts out of a total of 520, one finds the ratio of assessment and debt among the indebted Kheduts to be as high as 1 to 8.6. As in the case of the Tappas of the Daskroi Mahal, which show high ratio, the comparatively lighter assessment of this Tappa, which on an average is only 13 as. per Bigha, no doubt accounts to a great extent for the higher incidence of indebtedness compared with assessment. The average assessment per Bigha for a Mahal like Lilia is more than Rs. 2; and the same even for the other two Tappas of this Mahal is between Rs. 1.2 as. and Rs. 1.4 as. Of the indebted Kheduts, 32 are each indebted in a sum exceeding 2 years' assessment; and 120 each in a sum exceeding 3 years' but not exceeding 10 years' assessment; and 95 each exceeding 10 years' assessment. The last group are together assessed in a sum of Rs. 4,910 and owe a total debt of Rs. 1,05,750. In other words each of these 95 Kheduts owes on an average a debt exceeding 20 years' assessment.

The condition of the Kheduts of the two villages of Tana and Ratanpur appears to be much better than that of the Kheduts of any other village of the Tappa, as almost all Kheduts in these villages have the advantage of having garden-plots, irrigated by good wells having plentiful water. Tana and Ratanpur Kheduts make a speciality of growing chilly crops on these garden-plots. The prevailing rate of interest is 12 per cent, though some Rajputs of Ratanpur have to pay 18 per cent and more. Kadhara dealings, which are so widely prevalent in their worst form, in other villages of this Tappa, are absent from Tana and Ratanpur.

Palevals are also good hardy cultivators, and they eke out their income from the soil by rearing and maintaining a large number of milchcattle. Some Palevals of Bhankhal each own as many as 12 to 15 buffaloes. They pay 12 per cent interest only on their miscellaneous borrowings and 12 per cent interest and 5 per cent premium on cash borrowings. Borrowing by Palevals of food-grains under the Kadhara system is not so frequent as with other classes of cultivators.

Kadhara prevails to an alarming extent in the villages of Bordi, Jambala, Kajavadar, Budhana and Thala; and even the Kunbi cultivators, where they are found in these villages, are the victims of the prevailing



vicious practice and have to borrow under the Kadhara system, which is specially aggravated, when the original quantity of food-grain is subject to an increase of 25 to 75 per cent, every harvesting season, which may happen thrice in the year. In Budhāna a penalty clause is also added, which stipulates that on failure of repayment at due date, the borrowing Khedut has to pay so much more.

Kadhara, though not absent from Gundala, Sarkadia and Bekadi, is not so widely prevalent nor so vicious, as in the villages noted above. The general rate of interest in these three villages is also 12 per cent only and rarely 18 per cent, though occasionally 5 per cent premium is added. Savaya is also seen to be practised in a few cases in Gundala.

## CHAPTER III,

### UMRALA MAHAL.

#### 1. TAPPA UMRALA.

There are 13 villages in this Tappa paying an annual assessment of Rs. 86,102, while the total debt of the Tappa amounts to Rs. 1,80,967. This means nearly a ratio of 1 to 2; and the whole amount of the debt divided among the 624 individual holders or Kheduts of the Tappa gives a debt average of Rs. 290 per Khedut. But about 43 per cent of the Kheduts are free from debt; and leaving them out of consideration, the incidence of indebtedness appears to be much heavier, viz., Rs. 511 per each indebted Khedut. There are 112 Kheduts, who are each indebted in a sum exceeding 3 years' but not exceeding 10 years' assessment; while there are 39 Kheduts who pay an assessment of Rs. 3,453 and owe in all Rs. 45,749. In other words the ratio of assessment to debt in their case is about 1 to 13.

The Kanbis preponderate in the Tappa, as many as 443 Kheduts being Kanbi out of a total of 624. Of the remaining, 71 are Kolis, 39 are Rajputs and the rest are of miscellaneous castes. Timba is practically a wholly Koli village and Dhola wholly Kanbi. Chogath, next to Umralla, the largest village of the Tappa, has 95 Kanbi, 31 Koli and 21 Kheduts of other castes. Dam-bhalia and Bochadva, comparatively small villages, have about an equal number of Koli and Kanbi Kheduts. Dadva, though predominantly Kanbi, has a numerous sprinkling of Rajput Kheduts. Of the remaining villages, Umralla, Ujalvav, Hadamtala, Tarpala, Timbi and Dharuka are all predominantiy Kanbi; and the last Thapnath has only 4 Kheduts, three of them being Kanbi and one Koli.

Savaya is fairly prevalent in this Tappa, though there are numerous Kheduts who can obtain loans on much easier terms. Especially where the Kanbi Kheduts have dealings *inter se*, the rate of interest, as noted elsewhere, tends to be low, occasionally as low as 6 to 7½ per cent only. And when the parties are related, interest is sometimes foregone altogether. It should, however, be added that some commercialised Kanbis are not less usurious than money-lenders of any other caste.

Where the bond stipulates for interest only, it may be taken that the interest charges are in addition to the sum added to or deducted from the original loan by way of premium or discount as the case might be. Even where the Sowcar maintains regular accounts including a cash journal, these additions or deductions for premium or discount cannot be traced, as the sums collected by such additions and deductions are not thrown into the general purse but kept in a separate private purse and appropriated to domestic expenditure.

There are some Sowcars who charge interest besides the Savaya premium added at the outset; and instances of six-monthly Savaya additions, though rare, are not absent altogether. Similarly Kadhara dealings, though

not absent, are not so widely prevalent in this Tappa as in some other Tappas of this Mahal. Where grain-supplies are obtained under the Kadhara system, as by the Koli Kheduts of Dambhalia, the same are subject to an increase of 50 to 75 per cent in less than a year.

The more frequent occasions for incurring debts besides the ordinary agricultural and domestic wants, are marriage and Gargharna ceremonies, specially among the Kanbis. One Kanbi Bechar Kalyan of Chogath had to spend about Rs. 1,500, on the occasion of his re-marriage in St. 1975. Further, a fairly large number of loans in St. 1981 appear to have been occasioned by the necessity to meet the assessment calls.

There are also many Kheduts, who carry the load of past debts incurred long ago and representing a small nucleus of original advance. In such cases 12 per cent interest only is generally charged, though the original dealings might have been on the basis of Savaya.

But Dadva seems to be an exception in this respect, the debts of its Khedut being generally of recent origin only. Of course they have to borrow like the Kheduts of any other village. But the borrowings of each year are generally adjusted in the beginning of the ensuing year; and a fresh account is started when the need to borrow again arises. In other words, the Dadva Kheduts are fairly able to pay their way though they cannot be classed as wealthy.

Chogath, the most flourishing village of the Tappa, provides a good illustration of the saying—"debt follows credit" its debt-average per indebted Khedut being as high as Rs. 709, next only to that of Ujalvav, whose average is Rs. 747. As Kheduts of all sorts and conditions are found in this village, there is also a wide divergence in the prevailing rates of interest and premium. Some good Kheduts pay 6 to 7½ per cent interest only, while others find it difficult to obtain a loan on terms of Savaya. The more prominent money-lenders of Chogath are the Desais of the Kapole Bania caste. In good years wheat and gram crops of Chogath are plentiful and account for its fairly prosperous condition.

## 2. TAPPA SANOSRA.

This Tappa also consists of 13 villages and the Kunbi Kheduts again preponderate. The next most numerous castes represented among the Kheduts of the Tappa are Rajputs, Ayars and Kolis. Zanzmer is practically an Ayar village, and Ayars also predominate in Langhala. Rajputs are fairly numerous in the villages of Sanosra, Jharia and Ishvaria, though all these three villages are predominantly Kanbi. Kolis are found in small numbers in the villages of Sanosra, Jharia, Reva, Langala, etc. The total number of holders is 533, of whom 203 or 39 p. c. are free from debt and 322 or 61 p. c. are indebted.

The total assessment of the Tappa is Rs. 89,491 and the amount of indebtedness is Rs. 1,40,854. The debt average per each Khedut is Rs. 269 and the average per each indebted Khedut is Rs. 440. There are 102 Kheduts each indebted in a sum exceeding 3 years' assessment but not exceeding 10 years' assessment, and there are 15 Kheduts who are each indebted in a sum exceeding 10 years' assessment.

Savaya both at the outset and on renewal is fairly prevalent. Loans secured by a pledge of ornaments and other articles are also very common in Sanosra and other villages, and bear interest at rates varying from 6 to 18 per cent and very rarely even Savaya interest.

Debts are incurred mostly for agricultural and domestic needs; but marriage, Ghargarna, Ana, and funeral ceremonies as occasions of large borrowing are also fairly frequent. One Kanbi Bhim Limba spent Rs. 1,200 on his re-marriage, while some Kanbi Keduts of Bajud had each to incur an expenditure of Rs. 400 to 600 on the occasion of their son's first marriage. Numerous outstandings are also traceable to forward sales of cotton crops, or the pernicious practice of making money loans repayable by a fixed quantity of Kapas. Even where the loan is advanced to finance a Sugar-cane Wadh, which by itself affords the best security for repayment of the loan, Savaya premium is not infrequently charged.

*Inter se* lending and borrowing are not confined to Kanbi Kheduts only. The Kolis of Sanosra and Rajputs of Malpar have dealings with each other; and frequently they charge no interest at all or only very low interest.

The Ayar Kheduts of both Langala and Zanzmer appear to be generally solvent; and even when they borrow, they are seldom required to pay more than 12 per cent.

Land leased to a tenant would appear to fetch a yearly rental of Rs. 2-8-0 to Rs. 3-0-0 per Vigha in Jharia and Reva, the Darbari assessment being payable by the Khatedar. In Reva the premium or Sukhadi paid at the auction of a Khata-land was about Rs. 500.

### 3. TAPPA NOGHANVADAR.

This Tappa also comprises 13 villages, and has a preponderance of Kanbi Kheduts. The next most numerous castes to which Kheduts belong are Kolis, Rajputs and Ayars, as is the case with Sanosra. One or two or more Kolis are found in most of the villages of the Tappa. Hanol, which has 50 Kanbi Kheduts, has also 19 Rajputs, and there are 20 Ayar Kheduts in Rangola having also 26 Kanbi Kheduts. Of the 512 holders, 226 or 44 p. c. are free from debt and 286 or 56 p. c. are indebted.

The Tappa is assessed to Rs. 73,435 while its total debt amounts to Rs. 1,30,227. The debt average per Khedut is Rs. 254 while the average per indebted Khedut is Rs. 455. There are 91 Kheduts each indebted in a sum exceeding 3 years' but not exceeding 10 years' assessment; and 18 Kheduts are each indebted in a sum exceeding 10 years' assessment.

Where a Sowcar (e. g. Bania Vrajlal Bhagwan of Nesdi) is a Khatedar, and leases the Khata-land to a tenant, the former supplies the bullocks and the latter his labour, the produce being shared in the ratio of 1 to 3 between the tenant and the Khatedar.

Kadhara of an extortionate type prevails in this Tappa, 50 to 100 per cent increase in the supplies of grain being very common in the villages of Noghnavadar, Nesdi, Hanol, etc. Even when the stipulated increase is 50 to 75 per cent of the original advance, such enhancement (Mol-Savaya) is enforced every harvesting season, i. e., thrice in the year.

Cotton-seed supplied for sowing purposes is made repayable by two thirds or an equal quantity of Kapas of the next year's produce. Forward sales of seed-cotton at low rates and agreements to repay money-loans by a fixed quantity of Kapas are more prevalent in this Tappa than in the other Tappas of the Mahal.

Loans secured by a pledge of ornaments usually bear a low rate of interest varying from 9 to 18 per cent. But in a few cases even secured loans are subject to Savaya increase.

Instances of Savaya at the outset and at the time of each renewal are frequently met with ; though ordinarily after the first Savaya increase, interest runs only at the rate of 12 to 18 per cent.

These extortionate methods of the local Sowcars largely account for the high debt averages of Hanol and Samadhiala, which are Rs. 724 and 709 respectively. The Kanbi Kheduts of both these villages, though good cultivators, are very badly off from an economic point of view; while the local money-lenders fattening on the fruits of the labours of their Khedut constituents are very prosperous and even wealthy. Padapan, though its debt average is Rs. 400, shows nearly 73½ per cent of its Kheduts indebted, which is the highest in the Tappa.

A large number of the more recent loans have been necessitated to meet the assessment-calls of St. 1981. In Noghanvadar alone, which has 31 indebted Kheduts, some 12 Kheduts borrowed in St. 1981 to pay the State demand. A similar phenomenon is also to be observed in the villages of Hanol, Samadhiala, Padapan, Sarvadi, Pipardi and Ranghola.

Marriage, Ghargarna and Ana ceremonies also figure as a frequent cause of debt. In Bhutia alone three Kheduts spent respectively the sums of Rs. 300, 650 and 700 in connection with their Ghargarna. Expenditure entailed by the first marriage is comparatively small, though occasionally it goes up to Rs. 300 and more.

During the last two or three years several Kheduts have obtained loans to improve their supply of well-water by sinking the wells to a deeper level. Financing of Sugar-cane Wadhs is also a frequent cause of debt in this Tappa. Such loans are often stipulated to be paid for by a quantity of Gol at a rate of price which, considering the prevailing market, helps to increase the original advance by 50 to 100 per cent in about six months.

*Inter se* dealings between Kheduts of the same caste, though not so frequent as in the preceding Tappas, is not absent altogether.

Taking both the percentage of indebted Kheduts and the debt average per indebted Khedut which are respectively 24 per cent and Rs. 165, Sarkadia appears to be the best village of the Tappa. This satisfactory condition is traceable in a measure to the absence of any local Sowcars except perhaps one or two. For it should be noted that if the presence of a large number of Sowcars makes available greater credit facilities, it also encourages the tendency to incur debts rather recklessly.

## 4. TAPPA DHASA.

This Tappa also consists of 13 villages; and the Kanbis as usual preponderate. There are only 14 Koliś in all scattered in different villages. Lakhavad may be called an Ayar village, having 10 Ayar Kheduts and 7 Kanbi and 2 of other castes. All the 18 Kheduts of Bhandaria are Rajputs, and Dhasa, though predominantly Kanbi, has 17 Rajput Kheduts. The annual assessment of the Tappa is Rs. 65,386, and the total debt is Rs. 1,11,957. The average debt per Khedut is Rs. 210, and average per each indebted Khedut is Rs. 546. Of the 390 holders, 185 or 47 p. c. are free from debt and 205 or 53 p. c. are indebted.

Cash dealings are generally on the basis of Savaya; and as the bonds are renewable every year, the Savaya dealings extending over a succession of years, together with the practice of obtaining Kapas bonds in lieu of supplies of cash, corn and cotton-seed, has resulted in the high debt averages per indebted Khedut of Rs. 2,224 for Malpara, Rs. 1,377 for Bhandaria, and Rs. 1,146 for Vikalia. The money-lender who has the largest outstandings to recover in Bhandaria and Malpara is Bania Jechand Damji of Malpara, though the same represents mainly accumulation of interest and premium, and sums added by way of difference between the contract and ruling rates of Kapas or Gol stipulated to be delivered. In Vikalia, the principal money-lenders are Premji Shamji and Khushal Premji of Damnagar, Odhavji Vanmali of Umrala and Pandit Parmanand Ambaram and others of Vikalia itself. The debt averages of all these three villages are chiefly swollen, as already remarked, by old debts carried over many years and increased by additions of Savaya premium on the occasion of each renewal.

Both Kanbis and Rajputs have *inter se* dealings at low rates of interest.

As in the case of other Tappas, the State Revenue demand is a frequently recurring occasion for incurring debts.

Successive bad years have also compelled many Kheduts in the whole Mahal to borrow money to pay for their purchases of grass and Kadab.

In the Dhasa Tappa, there are 44 Kheduts each indebted in a sum exceeding 3 years' but not exceeding 10 years' assessment; and the 13 Kheduts, who are each indebted in a sum exceeding 10 years' assessment, pay in all an annual assessment of Rs. 2,551 and owe a total debt of Rs. 37,181. In other words, the ratio of assessment and indebtedness is about 1 to 18.

## Chapter IV.

### GADHADA MAHAL.

#### 1. TAPPA GADHADA.

This Tappa comprising 14 villages in all, pays an annual assessment of Rs. 86,181, while its total debt amounts to Rs. 1,97,672, which means a ratio of 1 to 2·3 between assessment and debt. The total indebtedness divided among the 554 individual holders or Kheduts of the Tappa works out a debt average of Rs. 357 per Khedut. But taking into consideration only the indebted Kheduts, which are as many as 339, *i. e.*, about 61 per cent of the total number of Kheduts, the debt average per capital works out at even a higher figure, *viz.*, Rs. 583. Of the indebted Kheduts, 116 each owe a debt exceeding three years' but not exceeding 10 years' assessment; and there are 39 Kheduts, who together pay an assessment of Rs. 2,845 and owe in all Rs. 57,515. In other words, the ratio of debt to assessment in their case is about 1 to 20.

Analysing the causes of debt, the factor that compels the greatest attention is that the revenue demand for Gadhada Mahal for St. 1981 was fixed unduly high—in some villages such as Mandavdhar it was as high as Rs. 1-2-0—while the crop-yield was only 4 to 6 annas in the rupee. This necessitated large borrowings during that particular year on the part of a fairly large number of cultivators solely to meet the State demand fixed; and further as it was a bad year, leaving no margin of grain or grass to tide over the long months until the arrival of the next harvesting season, Kheduts had also to incur much debt for the purchase of food-grains and fodder for cattle.

Besides borrowings to meet ordinary agricultural and domestic wants, and to pay the State demand, a fairly large number of Kheduts—especially those of the Kunbi class—have incurred heavy loans to meet social expenses on such occasions as marriage, Ghargarna or remarriage, death, Ana ceremony (*i. e.* the sending off or fetching of daughter or wife to her husband's house from her parental home) etc. The more egregious cases of extravagance on this account that have come to the Committee's notice, may be cited here. (1) Ramji Zaver of Gadhada, (2) Dhana Madha of Mandavdhar, (3) Lalji Ganda of Raliana, (4) Nathoo Ganga of Gundala, (5) Devji Zaver of Adtala, all Kunbis by caste, contracted each a debt of about Rs. 1,500, and (6) Kunbi Naran Ganga of Adtala a debt of Rs. 700 to pay the expenses incidental to their own Ghargarna or that of some other male member of the family. Kunbi Lalji Ganda, besides having to spend Rs. 1,500 for re-marriage, had incurred a further debt in the course of the last two or three years of about Rs. 1,000 to defray the marriage expenses of his two sons and the cost of a caste-dinner on the occasion of his mother's death.

The scanty rain-falls of the past several years has given a fillep to the

raising of crops by well-irrigation where that was possible ; and many Kheduts have borrowed money either to sink new wells or to sink to a deeper level old wells, whose beds had gone either dry or in which there was little water.

In some villages, especially among the Kunbis, a kind of spontaneous co-operative borrowing and lending has grown up ; and where the Kheduts deal *inter se*, the rate of interest is generally kept at a low level, unless in some rare cases, the Kunbi lender has been commercialised and corrupted by the evil example of the professional Sowcar. Further, where the parties happen to be relatives of each other, the rate of interest tends to be still more moderate, in some cases interest being foregone altogether.

Interest charges are also comparatively easy, where the borrower has some security to offer such as a pledge of ornaments, though the ability to offer such security has the contrary effect of inciting the Khedut to incur debts rather recklessly, as it increases his credit and makes borrowing easier. In short, debt follows credit.

Vanali is a predominantly Koli village and as many as 75 per cent of the Kheduts are indebted, none being able to borrow, without paying Savaya premium and some having in addition to submit to a deduction of 5 per cent discount. This discount being the initial inducement for lending is graphically described in the vernacular as "Kothli—Chhodaman"—a term, which literally translated means the price offered to induce the Sowcars to unloose his purse-strings and count out the amount. The tight strings of the Sowcars purse will not loosen unless and until some prospect of immediate profit taking is held out in the shape of a discount commission to be deducted from the loan, even before the same is counted out.

Contrasting a Koli village like Vanali with Padvadar, a predominantly Kunbi village, one finds that although the percentage of indebted Kheduts in the latter is higher, being in fact nearly 80 per cent proving the truth of the saying that debt follows credit, the Kunbi Kheduts are able to borrow on much easier terms and where ornaments are pledged, the interest rate is as low as 6 or 9 per cent.

Junvadar, which is a mixed Kunbi and Koli village, presents in juxtaposition in a marked degree the different conditions subject to which the two classes of Kheduts are able to obtain credit to supply their daily needs. While the usual rate of interest paid by a Kunbi on his borrowings is 12 to 18 per cent only, and the occasions for his paying Savaya premium are rare, the Koli Khedut is never able to obtain a loan except on terms of Savaya and not infrequently on additional charge in the shape of "Kothali—Chhodaman" referred to above.

Raliana and Adtala are predominantly Kunbi villages, and several Kheduts of this class do not have to pay more than 6 per cent interest only on their borrowings.

## 2 TAPPA NINGALA.

This Tappa consisting of 12 villages pays an annual assessment of Rs. 66,220 and its total amount of indebtedness is Rs. 1,59,357.4 This gives a



ratio of 1 to 2.4 between assessment and debt. The number of individual holders in the Tappa is 441 and of these 173 *i. e.*, 41.8 per cent are free from debt. Omitting these, the debt average per indebted Khedut is as high Rs. 661. Of the 241 indebted Kheduts, 74 each owe a debt exceeding three years' but not exceeding ten years' assessment; and 31 each owe a debt exceeding ten years' assessment. The latter altogether owe Rs. 69,991 and pay an assessment of 4,063. In other words, in the case of these 31 Kheduts, the ratio of assessment and debt is 1 to 17 and even more.

The consequence of the State revenue demand being fixed unduly high for two successive years are also reflected in this Tappa in the large borrowings of the Kheduts, which have been principally necessitated to meet the assessment calls. For St. year 1891, the Nam, as the anna proportion of the assessment levy decided for a particular year, is popularly called, the permanent yearly assessment being taken as the unit of a rupee, was fixed at Rs. 1-4-0 for some villages as Ugamedi and Ratanpur, although the crop-yield, as already stated in the notes for Gadhada Tappa, did not exceed six annas in the rupee for any village. It need not be added that where the Nam exceeds the Rupee unit as in the present case, such excess goes towards the payment of the arrears of land revenue carried over from past years. The Nam for the current year *i. e.*, St. year 1982 was fixed at 12 annas for a village like Ugamedi, the average crop-yield, as stated by the Kheduts, being only 6 annas. The discrepancy this year between the Nam fixed and the crop produce was much less than in the last year. But with the bad legacy of the past year, leaving no margin of surplus to fall back upon, the current year's Nam, though not half so bad as last year's, has still occasioned numerous large borrowings in most of the Ningala villages to meet the State demand only. The point need not be laboured that the fixing of the Nam out of all proportion to the actual yield subjects the Khedut to a double disadvantage in that besides being compelled to incur debts to pay the revenue demands of the State, he has also to make larger borrowings than would be the case in a good year, to satisfy his ordinary domestic and agricultural needs.

The Nam or anna rate of the revenue demand is fixed in advance, basing the same on the condition at the time of the standing crops. But where the promise of a good crop yield is not realised, due care is not always taken to revise and adjust the Nam fixed to the actual produce. In view of the great hardship that an unduly high anna rate works, it is very desirable that in exceptional years, when the actual yield is much greater or less than was anticipated at the time of fixing the Nam, some means should be devised to raise or reduce, as the case might be, the Nam originally fixed, and adjust the same to the produce actually harvested.

The greed for cotton of the Sowcars some of whom are connected with cotton merchants of Botad, would not let them grant any loans, unless the same are stipulated to be paid for by the borrowing Kheduts, by a fixed quantity of seed-cotton from the next produce, calculated at a rate of price, 50 to 100 per cent less than either the prevailing or prospective rate of Kapas. It should be added that in some cases these forward contracts for the sale of

cotton are more or less speculative ; and the local agents of the Botad merchants egg on even those cultivators, who have no need to borrow to satisfy some immediate pressing domestic or agricultural want, to sell their cotton produce in advance ; and all they receive is a small amount by way of earnest money. It need hardly be added that the Kheduts' hopes of reaping any inordinate profits are seldom realized. For as remarked in the note of evidence for Gadhada Mahal, "pitted against the knowing Sowcars fully in touch with the movement of cotton prices, the cultivator's chances of deriving any unexpected profits from such forward contracts are very small, while the risk of his losing the advantage of an unexpected rise of prices is always present. As generally happens in such speculative transactions, the Khedut finds at the time of the harvest that he has over-sold and is unable to deliver the stipulated quantity ; and the Sowcar obtains a bond for the difference in the agreed price and the prevailing market rate. The practice of borrowing by selling the cotton produce in advance at a fixed low rate is more prevalent in Ugamedi than in any other village ; and one can have an idea of the extent to which these transactions are indulged in by the fact that of the 52 indebted Kheduts of Ugamedi not less than 27 appear to owe small or large sums on account of bonds passed by them for the money-price of the stipulated Kapas they had failed to deliver ; and the large scale of the forward contracts can be inferred from the fact that one Patel Hari Madha of Ugamedi in a single bond agreed to sell 100 maunds of Kapas to Jagjivan Nagji of the same place ; out of these 100 maunds, he could deliver only 50 maunds ; and for the balance of 50 maunds, at the rate of Rs. 11-8-0 per maund he owed Rs. 575 to which a Savaya premium of 25 per cent, was added, and altogether Hari passed a bond for Rs. 700 and odd to Jagjivan. Another instance may be cited. Brahmin Jadavji Gaurishanker of Ugamedi obtained a loan of Rs. 70 from the above mentioned Jagjivan Nagji in the monsoon of St. 1980, and in return agreed to deliver 15 maunds of Kapas in the ensuing Khala season. For default of delivery, Jagjivan obtained from Jadavji a bond of nearly Rs. 220, being the money-price of 15 maunds of Kapas, together with an addition of 25 per cent. For other instances of this kind, a reference is invited to the conspectus of the statements of the Sowcars, where the evil arising from the forward sales of cotton is dwelt upon in more specific detail.

Ratanpur is the only village which, was found practically free from this pernicious practice of obtaining loans by selling cotton produce in advance. Here the Kheduts, as a rule, pay interest only ; and the rate seldom exceeds 12 to 15 per cent, and it is very rarely 18 per cent. Whatever debts the Kheduts of this village incur are generally paid in the next harvesting season ; and there are few cases of large arrears outstanding for many years. The more recent borrowings would appear to be principally occasioned to meet the high Nam fixed and the cost of repairs to houses necessitated by the damage caused by the last year's heavy floods, which also washed away a part of the main railway line. The protective dam of earthwork on the outskirts of the village needs to be raised and strengthened to avoid future risk of damage to the village in case of abnormal rains.

The high scale of expenditure on ceremonial occasions among the Kunbis is also in evidence in this Tappa. Kunbis Khima Mala and Thakersy

Raja of Ratanpur, Lava Lakhman and Madha Khoda of Ningala, Lakhman Nanji of Pipalia and Ranchhod Ganesh Mukhi of Janda have borrowed heavily in recent years to defray the cost of their own or their sons' Ghargarna the second Thakersy having spent more than Rs. 1,500 and the last mentioned Ranchhod as much as Rs. 2,000.

In Pipalia and Janada, the Koli Kheduts preponderate, there being also a few Kunbi cultivators. The juxtaposition of the two classes again afford, an instructive contrast in the easy or harsh terms on which they are able to obtain advances. The Kunbis of Janada generally pay 12 to 18 per cent interest only while the Koli as a rule pays Savaya premium both on the original loan and on its renewal.

The same phenomenon is to be observed in Pipalia where one Koli Jeram Dahya could obtain from Ganda Jetha a loan of Rs. 20 only on agreeing to be debited with Rs. 30, and allowing interest to run on the increased amount as principal while no instance of a Kunbi Khedut can be traced in this village; who had to submit to such an exorbitant levy.

Among the villages of the whole Gadhada Mahal, Vanali, Pipalia, Janada, Hamapur, and Goradka are predominantly Koli and this feature is reflected in the high averages of debt per each indebted Khedut of these villages, which are Rs. 670, 668, 497, 1,294 and 952, respectively in the order mentioned. Hamapur which shows the highest average has 19 Koli Kheduts out of a total of 23. Exclusive of the Kolis the remaining 4 Kheduts are of miscellaneous caste, but there is not a single Kunbi Khedut in the village. The Kunbi Kheduts preponderate in Mandavdhar, Khopala, Ningala, Ratanpur and Pipal, there being no Kolis at all in Khopala which has 90 Kunbi Kheduts; 5 Koli Kheduts only in Mandavdhar which has 60 Kunbis; 10 Kolis in Ningala which has 62 Kunbis; one Koli in Ratanpur which has 40 Kunbis; and two Kolis in Pipal having 18 Kunbi Kheduts. The debt average per each indebted Khedut are Rs. 400 for Mandavdhar, Rs. 355 for Khopala, Rs. 349 for Ningala, Rs. 298 for Ratanpur, and Rs. 228 for Pipal. It is true that Ugamedi, which is predominantly Kunbi, having 90 Kunbi and only 2 Koli Kheduts shows the high average debt incidence of Rs. 1,048 per each indebted Khedut. This phenomenon is explained by the alarming extent to which the practice of buying up the expected cotton produce in advance and stipulating for repayment of loans in seed-cotton prevails in Ugamedi more than in any other village of Gadhada Mahal. But the general proposition that Kolis as a class command less credit than Kunbi Kheduts and are subjected to a more exorbitant levy of interest, premiums etc., for their loans remains true. It should be added that Raliyana and Adtala, though predominantly Kunbi, show high incidence of indebtedness *viz.*, Rs. 781 and 583 respectively. The practice of selling the cotton crop in advance in lieu comparatively small advance in cash and kind is not much in evidence in these villages, where the general rate of interest is 12 or 18 per cent and sometimes even only 6 per cent as already remarked before. And the phenomenon of high debt average is to be accounted for only by the extravagant expenditure on social occasions and by the operation of the rule that debt follows credit.

The comparative low debt average for Ningala might be partly due to the fact that the proximity of the Railway station provides some Kheduts with a subsidiary occupation in the form of plying carts for hire, which goes to eke out their income from land.

How bad the prevailing conditions in Ugamedi are may be judged from the fact that a Kunbi Khedut, Jivraj Zaver of this village, unable to meet the pressing calls of his creditors, has emigrated, having leased his holding for a period of five years to Bania Keshavlal Velsi, presumably as payment towards the decree the latter holds against Jivraj. When the rule permitting a lease of the Khata land was framed, it could not be in contemplation that the facility thus afforded would be exploited by the Sowcar to recover his outstandings even to the extent of ousting the Khatedar and driving him to a distant place to earn his livelihood. Bhat Girjashanker Trikamji is the holder of  $43\frac{1}{2}$  Vighas of land in Ugamedi (Khata No. 2) paying an annual assessment of Rs. 90; but he does not till the land himself but has leased it to Kunbi Madha Dhana, in return for an annual rent of Rs. 130, which includes the assessment. Thus the net rental value of Ugamedi land after payment of the State Revenue would seem to average about a rupee per Vigha, if one may generalise from a single instance. Further, leases of this kind suggest that some Khatedars are nominal holders only and not always bona-fide cultivators. And if the leasing of land is allowed to flourish unchecked, there is some risk that in course of time many holdings would come to be occupied by non-agricultural classes, whose sole interest in the land would be to obtain as much rent as possible from the lessees.

The debt average for Gadhada proper is also high, being Rs. 919 and this appears due to the large proportion of Ayar Kheduts. Their Pasayata holdings are lightly assessed; but under the conceit of being semi-girasdars, they appear to maintain a bit extravagant scale of expenditure and are not as good cultivators as the Kunbis, which accounts for their general indebted condition. One Ayar Ghela Jaga is in arrears with Dosabhai Zunza alone to the extent of Rs. 8,000.

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## CHAPTER V.

### BOTAD MAHAL.

#### 1. TAPPA BOTAD.

There are 15 villages in this Tappa. The total number of individual holders or Kheduts is 806, out of which 187 are Kanbis, 184 Kolis, 22 Rajputs, 89 Kumbhars, and 324 of miscellaneous castes. Botad, the headquarters town, has 386 holders, of whom 45 are Kanbis, 19 Kolis, 13 Rajputs, 88 Kumbhars, 59 Ghanchis, 99 Dalvadis, and the rest of miscellaneous castes.

Haddad, Kaniad, Targhara, Raugpur, and Rajpura are all preponderatingly Koli villages ; and this fact is reflected in the high percentages of indebted Kheduts of these villages, which are all above 50 per cent, though as the credit the Kolis command is not high, the debt average per indebted Khedut for these villages is not so high as one might fear it might be, considering only the large percentages of the indebted Kheduts.

Where the money-lending business of a village is monopolised by one or two Sowcars, it has the result of forcing up both the percentage of indebted Kheduts and the debt average of the village. Samadhiala No. 1 and Dhinkavdi are particularly good instances of this phenomenon. In the former Sheth Harjivan Nathoo is practically the only money lender ; and nearly 56 per cent of the Kheduts of that village are indebted to him and each owes him on an average Rs. 719. Harjivan says he generally charges 12 to 18 per cent only and rarely 24 per cent or Savaya interest and denies levying any premium. But the high figures of debt average and percentage of indebted Kheduts cited above make one suspect that Harjivan must be levying a higher rate of interest, and also premium than he has seemed willing to admit. In Bhinkvali Raichand Jivraj of the same village and Harjivan Nathoo of Samadhiala No. 1 and Oghad Shanghji of Lathidad between them divide the money-lending business of the village ; and there are many Kheduts who are each in heavy arrears to them on account of past borrowings renewed each year with the addition of Savaya premium ; and in the result, 82 per cent of the Dhinkwali Kheduts are indebted ; and the average debt of each of them is Rs. 990.

The same absence of competition is also to be observed in the village of Dhankania, where Sheth Manik Girdhar and Sukhlal Devshi of Botad between them claim the lion's share of the local money-lending business. The evil of this monopoly is further accentuated when these Sowcars, as is the case with Harjivan Nathoo of Samadhiala, are also cotton and corn merchants and as such, are anxious to secure in advance the produce of the village. His position as the village Sowcar gives him an advantage over other buyers if there be any, and he can generally dictate his terms and

rates, and as might be easily imagined, the only limit to such dictation, where the parties are so unequally matched, is such sense of justice and moderation as the Sowcar might possess.

The high debt average of Khakhoi viz., Rs. 2,175, is due to there being only one big Kathi Khedut, who is heavily indebted.

In this Tappa there are 46 Kheduts who are each indebted in a sum exceeding 2 years' but not exceeding three years' assessment, 149 Kheduts who are each indebted in a sum exceeding three years' but not exceeding 10 years' assessment; and 57 Kheduts who pay an annual assessment of Rs. 2,788, and in all owe Rs. 52,440.

Savaya both at the outset and on renewal of the bond is widely prevalent. In Botad proper there is a class of petty money-lenders, who thrive on their unscrupulous dealings with the Dalwadi and other poorer classes of cultivators. Their accounts are highly irregular, and they are but overcareful to give credit for what has been received from their debtors on account. Small sums advanced usually bear interest in the lump, which gives a rate of 50 to 60 per cent. Instances are not lacking of loans bearing interest at the rate of one anna per rupee per month, i. e. 75 per cent per annum; and duplicate bonds also are obtained as a threat to ensure recovery. Miscellaneous accounts are often made up every two or three months, each occasion being utilized to add interest.

Botad is a growing cotton-centre, and the presence of several cotton merchants, who also lend money to Kheduts is not conducive to the Khedut realising the best price for his produce of cotton. Too often the Sowcar makes his business of money-lending ancillary to securing in advance at as cheap a price as possible the expected cotton-crop of the Khedut debtor; and the latter, when he is either over-sold as he often is or the crop-yield does not come upto expectation, has to pass a bond for the money-price of the undelivered quantity of Kapas at the prevailing rate. The remarks in this connection passed in the notes for Gadhada Mahal also apply to Botad.

Many Vora Kheduts of Botad having very small holdings principally depend for their livelihood on the income they derive by playing carts for hire. There are also many Kheduts of the better class, in Botad and the surrounding villages, who supplement their agricultural income by plying carts for hire in Botad during the busy cotton season. But where the Khedut has no cart of his own, he borrows one by paying a rent of Rs. 5 per month or Rs. 60 per year, the price of the hired cart being Rs. 100 or 120 at the outside.

The State Revenue demand is not such a frequent cause of debt as was in the case of Mahals Gadhada and Umrals. This is indicative of the assessment "Nam" for Botad being seldom in excess of the year's produce; and this satisfactory feature may be partly due also to the good yield and price of the cotton-crops of Botad. But the fact that many Botad Kheduts have to borrow money to finance their finances of food-grains and cattle-fodder is also indicative of the excessive growth of cotton at the expense of other cotton and fodder crops.

Some of the Kumbhar Kheduts of Botad seem to be very well-off financially judging by the large sums they spend on the occasion of marriages Ghargharna. etc., One Kumbhar Talsi Moti spent Rs, 1,200 on his Ghar-gharna, a scale of expenditure not less extravagant than what the Kanbis indulge in. There are many sensible members in such communities who are keenly alive to the tyranny of caste customs and social conventions which compel them to indulge in extravagant expenditure and even to incur heavy debts for doing so. To escape from such tyranny, they have attempted to regulate the conduct of the caste-members by making rules and by-laws. But lacking the necessary sanction, the rules and regulations are obeyed more in the breach than in observance; and one is not sure but the caste-people would welcome, in such matters even, State legislation; and where a definite opinion to that effect is found to exist in the caste the State should not hesitate to undertake and enforce suitable legislation under proper safeguards. What is said here in regard to the Kanbis and Kumbhars also applies to the Pancholis and Palevals, who are found in the Coastal Mahals of Talaja and Muhva, and such like communities. Imposing social reform from above and outside is seldom advisable and practicable, but the present case seems to provide the exception, that proves the rule.

## 2. TAPPA LATHIDAD.

There are 10 villages in this Tappa and out of a total of 547 Kheduts, 410 are Kanbis, 31 Rajputs, 17 Kolis, and 82 of miscellaneous castes. There is a majority of Kanbi Kheduts in all the villages; and there is not a single village, which could be said to be predominantly Koli or Rajput. The annual assessment of the Tappa is Rs. 91918, and the total debt amounts to Rs. 204282. About 48.6 per cent Kheduts are indebted; and the average of indebtedness in their case is Rs. 768. Forty Kheduts are each indebted in a sum exceeding 2 years' but not exceeding 3 years' assessment, 118 Kheduts are each indebted in a sum exceeding 3 years' but not exceeding 10 years' assessment, and 36 Kheduts paying an annual assessment of Rs. 4416 in all owe a debt of Rs. 68840.

Both the percentage of indebted Kheduts and the average of indebtedness for the villages of Tajpar, Keria No. 1, Pati, Sarvai, and Zinzavadar are high. In the case of Tajpar, Pati and Zinzavadar the debt averages are respectively Rs. 1,023, 1,492, and 1,435. The debt averages as well as the percentage of indebted Kheduts for the villages of Lathidad, Rohishala, and Sangavadar are comparatively less; but the villages of Lakheni and Kariani shew a high debt average with a comparatively smaller percentage of indebted Kheduts.

There are many Kanbi Kheduts who do money-lending on an extensive scale in Lathidad, Rohishala, Kariani and other villages. They generally charge 11 to 18 per cent but there are several of them, who would not lend except on terms of Savaya.

Even the scale of interest charged by Sowcars of other caste than Kanbi seldom exceeds 18 per cent though there are several who practise Savaya. This may be regarded as a comparatively satisfactory state of things, indicative of good condition of the Kanbi Kheduts of this Tappa, and the phenomenon of high percentage of indebted Kheduts and debt average noted above only provides a fresh illustration of the maxim "debt follows credit".

As in the case of Tappa Botad, the State Revenue demand is not a frequent cause of debt, and the chief causes that have contributed to the high debt averages and percentage of indebted Kheduts in this Tappa are the very widely prevalent practice of stipulating for repayment of loans by a fixed quantity of Kapas at low rates and the comparatively extravagant scale of social expenditure. To take a few instances, that casually came to the Committee's notice, Kanbi Jhaver Thobhan and Shamji Lavji and Hari Raghav of Lathidad spent respectively Rs. 1,000, 1,700 and 1,500 on the occasion of their Ghargharna ceremonies, and Kanbi Harji Jetha of Rohishala Rs. 800. It should not be supposed as is often done, that the Kanbi indulges in this lavish scale of expenditure through improvidence and lack of practical sense. Often than not he is the victim of tyrannous social customs; and the scarcity of brides or eligible wives is another potent cause, which forces up the scale of expenditure on such occasions. As suggested before the advisability of regulating expenditure on such occasion by State legislation deserves to be considered.

Many of the Kheduts in this Tappa also carry the load of past debts, swelled by the addition of interest and premium; and several such old outstanding debts have been converted into decrees. This is also a contributory cause of the phenomenon of high debt average noted above. Some Kadhara dealings were noticed in Tajpar and other villages, otherwise this Tappa appears to be free from this pernicious practice.

### 3. TAPPA PATNA.

This Tappa also comprises ten villages, and is predominantly Kanbi, with a scattered sprinkling of Koli and Rajput Kheduts.

The annual assessment of the Tappa is Rs. 30,707, and the total of debt is Rs. 80,124. Only 160 out of a total of 344 Kheduts, *i. e.*, about 46.5 per cent are indebted. Of these, 35 each owe a debt exceeding 2 years' but not exceeding 3 years' assessment; 57 Kheduts each owe a debt exceeding 3 years' but not exceeding 10 years' assessment; and 14 Kheduts who are assessed to Rs. 1,555 in all owe a debt of Rs. 19,481.

The generally prevailing rate of interest for this Tappa is 12 to 18 per cent though a rate of 24 per cent or Savaya dealings are not absent altogether. Kapas and corn are often promised in return for advances of money-loans, though the rate of price allowed in such dealings nominally approximates the current market rate. But Samadhiala No. 2 provides an exception in this respect, where the practice of stipulating for delivery of Kapas at very low rates often 50 per cent lower than the prevailing rate—in repayment of cash advances prevails fairly widely; and a Savaya levy both at the outset and on renewal characterizes many of the dealings in the villages. Even where the Kanbi is the money-lender, he is observed to charge 24 per cent interest. These methods and practices account for 85 per cent of the Kheduts of this village being indebted and its high debt average of Rs. 602 per indebted Khedut; and the usurious methods and practices in their turn are due to the connection of some big Sowcars and merchants of Botad and Barvala with this village.



The percentage of indebted Kheduts for Chakampur is high viz. 65. But the average of debt is only Rs. 373. This combination of high percentage with a low debt average is accounted for by the low rate of 12 per cent interest prevailing in the village. Loans secured by a pledge of ornaments bear interest at 9 per cent only.

The converse phenomenon of a low percentage of 14 per cent of indebted Kheduts and the high debt average of Rs. 561 observed in the case of Ratanvav is due to the comparatively higher rate of interest viz. 18 per cent and more obtaining in this village.

The prevailing rate of interest for Zamrala is also 12 per cent, though on rare occasions 24 per cent is also charged. This accounts for the low percentage and debt average of this village.

Savaya and even 37½ per cent are levied for interest in Keria No. 2, which has resulted in a percentage of 51 of indebted Khedut and a debt average of Rs. 819. But Keria has also good Kanbi Kheduts, who do money lending on their own account; and when they do so they also usually charge Savaya interest.

Dantratia which has 3 Kanbi and 7 Koli Kheduts is recorded as altogether free from debt. This may be due partly to the absence of any local Sowcars, and partly to its out-of-the-way situation, which perhaps makes it inconvenient for Sowcars of other not very near villages to have any dealings in Dantratia.

Patna, the principal village of this Tappa has 62.7 per cent of its Kheduts indebted and a debt average of Rs. 494 per each indebted Khedut. By far the most important money-lender in Patna is Patel Jasmat Becher, to whom the majority of the indebted Kheduts owe small or large sums. He levies a rate of interest varying from 12 to 24 per cent. But Jasmat's dealings are free from practice of Savaya, which would admit of an addition of 25 per cent irrespective of the interval separating the date of loan and its repayment. Jasmat maintains regular accounts; and in calculating interest makes due allowance for commodities or money paid on account and debited.

From some recent borrowings in Patna, Chakanpur, and some other villages, he would appear to be necessitated to meet the assessment, instalment, though occasions of such borrowing are not very frequent. A more frequent cause of obtaining loans especially among Kanbies is the occasion of marriage, Ghargharna etc. Kanbi Jasmat Bava of Patna spent Rs. 1,300, Kanbi Padma Shivji and Rajput Aja Jesang of Zamrala spent Rs. 1,200, and 1,150 respectively, and Kanbi Narsi Gopal of Keria No. 2 spent Rs. 1,400 either on their own or their sons' Ghargharna. Even first marriages have frequently occasioned an expenditure of anything from Rs. 300. to Rs. 1,200. among Kanbis. All this emphasises the advisability of underaking social legislation of the kind indicated before.

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## CHAPTER VI.

### LILIA MAHAL.

#### INTRODUCTORY.

The Committee commenced its investigation in this Mahal, when the lines of inquiry were not yet definitely settled. Taking the registered Khata as the unit, a provisional tabular form was evolved and figures of indebtedness of each nominal Khatedar of the Lilia Mahal were collected and entered in this form. But it was soon found out that the Khata unit would not do as a unit and would lead to confusion. For the Khata land is not always held by a single cultivator but is often divided among a number of Peta-Khatedars, each of whom may again have a share in the lands comprised under one or more other Khatas as well. So the extent of indebtedness per Khata is no correct index of the individual indebtedness of the cultivator or cultivators, in whose names, the Khatas may be nominally registered in the Darbari books. Besides, it may very well happen that of the several Peta-Khatedars included under a Khata, only one may be indebted in a small sum, while the rest may be totally free from debts of any kind. All the same, if the Khata and the Khatedar are taken as the units, and indebtedness considered in relation to them, the whole Khata would be classed as indebted Khata, and all the nominal holders would be included among the debtor Khatedars, irrespective of their individual solvent or indebted condition. This, it need hardly be pointed out, would be totally false and misleading to arrive at more correct results, and to form a juster estimate of the incidence of individual indebtedness, one must, therefore, consider the same in relation to the Peta-Khatedar who must be taken as the unit for the purpose. Another reason for taking the Peta-Khatedaras the unit is that he is usually the head of a separate family living by itself, while the several Peta-Khatedars of a particular Khata, far from forming any cohesive group, may actually belong to such widely differing castes or even communities, as Brahmin, Kanbi, Koli, or even Mahomedan.

For the same reasons an individual holding must be taken to mean not the land comprised under a particular Khata, but the the total land held and occupied by a Peta-Khatedar or individual cultivator; whether such land constitutes a separate Khata by itself or is distributed among a number of Khatas. It was, therefore, finally decided to make the Peta-Khatedar or individual cultivator and his holding the units of inquiry; and the original form of tabular statement of the figures of debts of Khatedar Kheduts was revised and recast accordingly. Copies of the new revised form were printed and sent to the different Thandars with detailed printed instructions regarding the method and care to be used in collecting the figures of debts of each individual holder and in entering the same in the printed tables. For Lilia Mahal, the figures having been first entered in the provisional form referred to above, the same had to be transferred and entered in the appro-

prate columns of the new forms. Copies of both the provisional and revised forms are attached hereto as Appendix "B" and "C".

### 1. TAPPA SALDI.

In this Tappa, there are 12 villages. The annual assessment is Rs. 1,17,834, while the total debt of the Tappa amounts to Rs. 2,50,556. The ratio of assessment and indebtedness is thus nearly 1 to 2.1. But out of a total of 798 individual holders, some 357, i. e., 44.7 per cent are indebted, and the rest are free from debts; and if indebtedness is considered in relation to the indebted Kheduts only, it is found that the ratio of assessment and debt is 1 to 4. In the case of single villages of the Tappa, this ratio is still higher, in the case of Mota-Lilia it being as high as 1 to 7.4.

There are 606 Kanbi, 13 Koli, 25 Ahir, 10 Kumbhar, 44 Bania, 34 Brahmin, 12 Sagar, and 26 Sepoy holders. The rest belong to miscellaneous castes.

The percentage of indebted Kheduts for most of the villages is in the neighbourhood of 50, the only two exceptions being Pipalva and Bodia, their respective percentages being 71.8 and 70.5. But the figures of debt average of many of the villages are alarmingly high, for Mota-Lilia it is Rs. 1,147, for Hathigadh it is Rs. 878, and for Saldi, Putalia, Pipalia, Godhavadar and Bodia, it is between Rs. 700 and 800. For the villages of Sanjantimba, Bhensan, and Poonjapadar, the debt average is between Rs. 500 and 600. Jantroda and Antalia are the only two villages which show an average below Rs. 300; and the same is in a measure due to the absence of any local Sowcars in these villages.

In each of the villages above mentioned which show a high debt average one meets with individual Kheduts, whose debts are still much higher. In Mota-Lilia there is one Khedut owing a debt of Rs. 4,000 and more, two Kheduts each owing a debt of more than Rs. 3,000, two Kheduts each owing a debt of more than Rs. 2,000 and 10 Kheduts each owing a debt between Rs. 1,300 and 2,000. In Saldi, there is one Khedut who is in arrears to the extent of Rs. 5,000 and more, another to the extent of Rs. 4,125, a third to that of Rs. 2,520 and there are 8 Kheduts who each owe a debt of between Rs. 1,000 and 2,000. In Putalia there are one Khedut owing Rs. 2,307, and five Kheduts, each owing a debt of between Rs. 1,300 and 1,800 and one owing Rs. 1,025. In Sanjantimba, there are 4 Kheduts, who each owe a debt varying between Rs. 1,500 and 2,100. In Hathigadh there is one Khedut, who is indebted in Rs. 9,560, another in Rs. 3,090, and two each in a sum of between Rs. 1,100 and 1,400. In Bhensan, there is one who owes Rs. 1,600 and more. In Pipalva, there is one Khedut in arrears of Rs. 8,215, another of Rs. 1,935 and a third of Rs. 1,394. In Poonjapadar, there is one Khedut who owes a sum of Rs. 3,977, and three each a sum of Rs. 1,000. In Godhavadar there is one Khedut, who owes a debt of Rs. 4,198, another of Rs. 2,372, a third of Rs. 1,750 and a fourth of Rs. 1,075. In Bodia there is one Khedut alone, owing a debt of about Rs. 4,000.

### 2 TAPPA PANCH-TALAVDA:

This Tappa also consists of 12 villages. The annual assessment of the

Tappa is Rs. 1,30,693, and its total indebtedness amounts to Rs. 2,44,820. The Kunbis again preponderate, there being as many as 590 holders of that caste, out of a total of 710. Among others there are 15 Kolis, 27 Rajputs, and the rest are of miscellaneous castes.

The percentage of indebted Kheduts for the whole Tappa is higher compared with Saldi, though the average debt figure per indebted Khedut is less. Taking single villages, Ingorala has the largest debt average viz. Rs. 1,489.

But as in the case of Saldi Tappa, in most of the villages there are individual Kheduts, who owe debts of large amounts. For instance, in Panch-Talavda proper having a debt average of Rs. 371 there are two Kheduts each owing a debt of about Rs. 1,500 and one of Rs. 1,150. In Nana-Rajkote, with a debt average of Rs. 952, there are two Kheduts each indebted in a sum of Rs. 1,600 and one in a sum of Rs. 1,300. In Nana-Kankot with an average of Rs. 452 there is one Khedut owing a debt of Rs. 2,363, and another of Rs. 1,215. In Gundarana with a debt average of Rs. 878 there are three Kheduts, each owing a debt of between Rs. 2,300 and 3,000, one Khedut of Rs. 2,360, one Khedut of Rs. 1,850, and two each of about Rs. 1,000. Eclera with an average of Rs. 777, has two Kheduts each owing a debt of between Rs. 3,000 and 3,500, one of Rs. 2,560, two each of about Rs. 2,000, four each of about Rs. 1,500, and lastly two each of about Rs. 1,200. Ingorala shows the exceptionally high debt average of Rs. 1,489; and among individual holders of Ingorala there is one owing a debt of Rs. 5,825, another of Rs. 4,265, six each of between Rs. 3,000 and 3500, two each of between Rs. 2,000 and 2,400, seven each of between Rs. 1,300 and 1,800, and five each of between Rs. 1,000 and 1,200. Bhingrad having an average of Rs. 427, has one Khedut owing a debt of Rs. 2,681, another of Rs. 2,180, three each of between Rs. 1,085 and 1,300 and one of Rs. 815. Ansodar, with an average of Rs. 749, has three Kheduts, each owing Rs. 2,000 and five each owing a debt of between Rs. 900 and 1,300. Haripur has an average of Rs. 855, and there are in it one Khedut owing Rs. 2,600, four each between Rs. 2,000 and 2,300, and five each owing between Rs. 1,000 and 1,500. Dhangla with an average of Rs. 369 has one Khedut owing Rs. 1,250, and another Rs. 1,160. Khara with an average of Rs. 386 has one Khedut owing Rs. 1,445, and two each about Rs. 1,200.

### 3. TAPPA AMBA,

There are 11 villages in this Tappa, paying an annual assessment of Rs. 86,264. and the total debt of the Tappa amounts to Rs. 1,27,789. The Tappa has a preponderance of Kanbi Kheduts, there being 406 of them out of a total of 501.

The percentage of indebted Kheduts for this Tappa is 40 and the debt average is Rs. 633. Taking single villages Bhenswadi shows the largest average of Rs. 1093. Of course there are individual Kheduts in each village who owe much larger amounts than the average of the village. For instance, Amba has two Kheduts each owing a debt between Rs. 2,500 and 2,600, two more each owing between Rs. 1,500 and 1,700, and two again each owing between Rs. 1,000 and 1,200. Mota Kankot with an

average of Rs. 579, has two Kheduts each owing between Rs. 1,700 and 2,000, and five Kheduts each owing between Rs. 900 and 1,400. Bhen-swadi with an average of Rs. 1,093, has one Khedut owing Rs. 3,820, another Rs. 3,250, two each about Rs. 2,200, four each owing between Rs. 1,200 and 1,600, and one Rs. 1,070. Lonka with an average of Rs. 558, has one Khedut owing Rs. 2,050, and another Rs. 900. Lonki with an average of Rs. 844, has two Kheduts each owing about Rs. 2,200, and three each about Rs. 900. Nana-Lilia with an average of Rs. 767, has one Khedut owing Rs. 2,810, and seven each owing between Rs. 1,000 and 1,400. Vaghania with an average of Rs. 894, has one Khedut owing Rs. 2,175. Bhoringda with an average of Rs. 443, has one Khedut owing about Rs. 2,000, and two each owing Rs. 1,200. Kuntana with an average of Rs. 490, has three Kheduts each owing between Rs. 1,400 and 1,700 and two each about Rs. 1,000.

#### GENERAL.

Saladi Tappa has 44 Kheduts each owing a debt exceeding 2 years' but not exceeding 3 years' assessment, 120 each owing a debt exceeding 3 years' but not exceeding 10 years' assessment; and 63, who pay an annual assessment of Rs. 6,408, and owe a total debt of Rs. 1,16,130.

Tappa-Panch Talavda has 52 Kheduts each owing a debt exceeding 2 years' but not exceeding 3 years' assessment, 118 Kheduts each owing 3 years' but not exceeding 10 years' assessment, and 35 Kheduts who, paying an annual assessment of Rs. 4,145, owe a total debt of Rs. 70,486.

Tappa Amba has 30 Kheduts each owing a debt exceeding 2 years' but not exceeding 3 years' assessment, 75 each owing a debt exceeding 3 years' but not exceeding 10 years' assessment; and 17 Kheduts, who paying an annual assessment of Rs. 1,706, owe a total debt of Rs. 24,975.

*Inter se* dealings among the Kheduts especially of the Kanbi caste were noticed in all the three Tappas, but more frequently in the latter two Tappas.

The figures of high debt averages and the still higher figures of individual indebtedness, detailed above show an alarming state of things. The original debts, it may be conceded, were necessitated, among other causes, principally on account of a succession of bad seasons. But the exceptionally high amounts of individual indebtedness, mostly consisting of accumulation of interest, premia, penalty etc., are no doubt largely attributable to the peculiarly grasping and extortionate methods of the Lilia Sowcars. One would expect that the Sowcar will vary the terms of his loan, in proportion to the risk and uncertainty of recovery, making them harder in the case of poorer cultivators whose credit is low. But in the Lilia Mahal, even good and solvent cultivators, against whom the Sowcar has never had occasion to resort to a Law Court for the recovery of his monies cannot obtain a loan except on what is known as the Savaya system. This system means that a loan of Rs. 100 taken either in the month of Jeth or Ashad, or even Bhadarva or Aso, for sowing, weeding and other agricultural purposes, will have a quarter of that sum added to itself, by way of premium from the beginning; and the augmented sum, viz. Rs. 125, mentioned in the bond

as the actual advance, and the same made returnable in Magsar or Posh of the ensuing year. In other words the sum of Rs. 100 will earn in the short space of 4 to 8 months, an interest of Rs. 25. In other words, the rate of interest per cent per year will not be anything less than  $37\frac{1}{2}$  to 75 per cent. This is how even a good cultivator fares in the matter of his loans contracted for strictly agricultural purposes. But in the case of the poorer cultivators, who form the majority, the conditions of borrowing are still more exacting. In their case, besides adding as usual a quarter of the sum actually lent by way of premium the Sowcar stipulates to receive from the borrowing cultivator, instead of a money-payment, a fixed quantity of Kapas in the ensuing harvesting season. To take a concrete example, if Rs. 100 is advanced in Ashad or Bhadarva, Rs. 125 as stated above would be shown in the bond as the sum actually lent, and the cultivator further binds himself to deliver in the ensuing Kartak or Magsar a maund of Kapas per every Rs. 2 due, i. e.,  $62\frac{1}{2}$  maunds in all for the whole sum of Rs. 125. Further, suppose that the cultivator fails to deliver wholly or partly stipulated quantity of Kapas at the time agreed to. The result in most cases would be that the whole stipulated quantity of Kapas or the balance remaining due, as the case may be, will be converted into its money value, at the prevailing rate, and a fresh bond passed for the same occasionally added to again by 25 per cent. For example, if in the case cited above, the borrowing cultivator is unable to deliver the whole of the  $62\frac{1}{2}$  maunds of Kapas stipulated in the bond, and the prevailing market rate at the time fixed for delivery is Rs. 8 per maund, the cultivator will be called upon at the end of 4 or 8 months only to pass a fresh bond of Rs. 500, representing the money-value of  $62\frac{1}{2}$  maunds of Kapas. In other words the Sowcar will have the satisfaction of seeing the sum of Rs. 100 originally advanced by him increase five-fold in 6 or 8 months only. That this is by no means an exaggerated and over-drawn picture will be evident from the numerous instances of money-transactions of this nature recorded in the depositions of the Sowcars themselves supported by entries from their books. The Sowcars' statements are summarised and reviewed in Appendix "D" (Vide pp. 39 to 48). Nor should it be supposed that transactions of this nature are exceptional or isolated. They rather seem to form the rule. The whole atmosphere is so demoralized by the prevalent grasping methods of money-lending in this Mahal that even where the cultivators lend and borrow *inter se* as they often do, the terms they impose on one another are hardly less exacting. Where the majority of Kheduts are involved in monetary transactions of this nature, there is small chance of their ever achieving redemption unaided. In their present circumstances, the only means wherewith they can hope to pay off the arrears of past debts is the narrow margin of profit left to the Kheduts. What is this margin? In ordinary years, the average net produce of a moderately sized holding after paying the State demand and defraying the cost of cultivation, is just sufficient to support the cultivator's family; and any balance of saving it may leave behind, if at all, is never very great—certainly not worth much more than a sum equal to the annual assessment of that holding. Of course in exceptionally good bumper years, when the prices of the agricultural produce are also ruling high the net balance of saving, one may grant, would be much greater. But such years are few and far between, judging from the experience of the last one or two decades;

and as a set-off against such exceptionally good years, one has to reckon with the frequently recurring seasons of short or abnormal rains.

So all things considered, one would not be far wrong, in estimating the average normal net gain of an individual Khedut at a sum equal to the yearly assessment payable by him to the State. If that be taken as a fairly correct estimate, it will be at once seen that the cultivator already indebted in a sum several times larger than the amount of the annual assessment of his holding, and further faced with the ever-recurring necessity of making fresh borrowings, is not only not in a position to achieve his redemption unaided, but has also his labour and what little surplus wealth he may be able to produce, permanently mortgaged to the Sowcar. The Khedut's unaided exertions to free himself from indebtedness may therefore be aptly compared to the hellish torments of Sisyphus, who no sooner had rolled up his burden to the top of the hill, than it fell down upon his devoted head with redoubled violence. So, unless outside help and relief are brought in good time to the Khedut already heavily indebted and almost insolvent, he seems doomed, if not to extinction, at least to a whole life of what would practically amount to economic serfdom.

Considering the alarming state of the Lilia peasantry (and what is true of Lilia is more or less true of the peasantry of the other Mahals), and the low financial conditions to which they have sunk, it will be readily granted that the present inquiry has been started none too soon.

But while what has been stated above indicates the urgency of relief, the present low margin of profit of an agriculturist also very forcibly suggests that mere relief of indebtedness without simultaneous efforts to increase that margin cannot achieve much.

Indebtedness is both a disease and a symptom. So far as it is a disease it might be amenable to ad hoc measures designed to provide cheaper agricultural finance. But in *so far* as it is a symptom, the treatment must prove deeper and the question of indebtedness must be considered and dealt along with several other cognate and connected questions. To indicate the nature of these questions even briefly would be too long a digression here. But reduced to its smallest proportions, the whole problem is of enabling the Khedut to produce the maximum his land and labour are capable of yielding and to realize and retain the best price for that produce.

Lest it be supposed from what has been said before regarding the peculiarly usurious and grasping methods of the Lilia Sowcars that these methods are solely responsible for the financially reduced condition of the Lilia peasantry it should be pointed out that while such methods are the principal cause of the accumulation of the load of debt and the main obstacle in the way of the cultivator regaining his economic freedom, they are not the originating causes of debt, which must be rather sought in the frequent recurrence (as remarked before) of bad seasons, in the over-assessment of the State revenue demand for at least a few of the Lilia villages, for instance, Nana-Rajkote, Nana-Kankote etc., the small margin of profit even in good years, and rather undue expenditure especially among Kanbis, on death, marriage and like occasions. But the last factor is likely to be over-estimated

as an originating cause of debt. No doubt on occasions of Ghargharna, Ana ceremony etc., sometimes very large—too large—sums are spent by Kanbi Kheduts. But otherwise, the sums ordinarily spent on such occasions are by no means such as can be called excessive, taken by themselves, and considering the cultivator's status in society and the inflation of prices all round. But the expenditure of even moderate sums may be regarded by some as improvident in one point of view, when one remembers, that their expenditure necessitates on the cultivator's part, the incurring of fresh loans, which he may be absolutely incapable of liquidating owing to the burden of past obligations.

But if the expenditure of such small sums necessitates resort to the Sowcar, that is only further fresh proof of the fact that the cultivator's surplus of savings from past years is too small to enable him to meet even the calls of social obligation occurring only occasionally and which do not entail any very great outlay.

It may be as well to remove here another possible misapprehension: It has been stated before that the majority of the cultivators are poor, and have to submit to very exacting terms at the hands of the Sowcar in obtaining their loans. This statement might seem to conflict with the fact of more than 50 per cent of the Lilia peasantry as being shown as free from debt in the tabular statement. But it should not be supposed, that all Kheduts classed as free from debt are very wealthy and flourishing. Many of them are just able to pay their way and make two ends meet with difficulty; and the margin of saving being never very great, two or more successive bad seasons would find them without anything left to fall back upon; and they are sure to be pushed over the brink near which they constantly live.

Further paradoxical as it might seem, the committee came across numerous cases of Kheduts being free from debt, not because they had no pressing need to borrow but because they were so poor and their credit so low that no Sowcar would care to lend them any money. The truth of the *dictum* 'debt follows credit' has been remarked more than once in the course of these notes. But of course, the reverse proposition is not always true. On the contrary, lower and less credit only spells the imposition by the Sowcars of harsher and more usurious terms for his loans. But extreme poverty and total absence of credit, while they accentuate the need of borrowing, often result in freedom from debt, thus partially establishing the reverse *dictum* "no credit, no debt." This paradoxical phenomenon of Kheduts being free from debt, because none would care to lend them, should further warn us against basing any general inference of economic wealth and prosperity on the fact of 50 per cent of the Kheduts, in this and other Mahals being classed as debt free.



## CHAPTER VII. KUNDLA MAHAL.

### 1. TAPPA KUNDLA.

There are 8 villages in this Tappa paying an annual assessment of Rs. 90,125, and the amount of indebtedness is Rs. 1,57,825, there are in all 585 individual holders of whom 408 are Kanbis, 77 Kumbhars, only 2 Kolis and 4 Ayars ; and the remaining 94 Kheduts are of miscellaneous castes. Of the 77 Kumbhars, 73 belong to Kundla which has only 15 Kanbi Kheduts. All the other villages are preponderatingly Kanbi.

277 Kheduts or about 47 per cent of the total number of individual holders are indebted, and the debt average in their case is Rs. 570. 47 Kheduts are each indebted in a sum exceeding 2 years' but not exceeding 3 years' assessment, but 95 Kheduts in a sum exceeding 3 years' but not exceeding 10 years' assessment. 24 Kheduts assessed to Rs. 2,619 owe a total debt of Rs. 35,540.

The levy of Savaya and even more premium is widely prevalent. Outstanding of miscellaneous borrowings are also subject to Savaya increase when stating accounts and striking a balance. It is a frequent complaint that several Sowcars of Kundla, Savar, Moldi, and Amratvel first add 25 to 50 per cent premium to the sums lent and then obtain bonds for double the augmented amounts as a threat to ensure timely recovery. Specific instances of such unscrupulous dealings are noticed in the notes of evidence.

Petty Sowcars of Kundla lending small sums to the poorer class of cultivators are seen charging interest in the lump which works out at a rate of 50 to 75 per cent.

*Inter se* dealings between Kheduts are not so common as in some other Mahals ; and where a few Kumbhars of Kundla or some Kanbis of Charkhadia and other villages are found lending money to other Kheduts, they usually appear to do so on the same terms as the professional Sowcar.

Even where 50 per cent premium has been added at the outset, interest at 18 per cent is charged from the date of the bond by some Sowcars of Amratvel. Such usurious charges and obtaining bonds for fictitious amounts account for the high debt averages of Moldi and Amratvel, which are respectively Rs. 814 and 566, though the percentage of indebted Kheduts in these villages is not so high.

But Charkhadia shows both a high percentage of indebted Kheduts, *viz.* 90 per cent, and a high debt average of Rs. 962. This is due to the large borrowings of good Kanbi cultivators chiefly to finance the costly operation in connection with their Sugar-cane Wadhs.

The State revenue demand appears as a frequent cause of debt especially in Kundla, Amratvel and Charkhadia.

Savaya, though not absent in Savar and Badhada, is less common in

these villages than in others ; and many Kheduts only pay 12 to 18 per cent interest for their loans. This is reflected in the low percentage of indebted Kheduts and debt average of Badhada; and if the debt average for Savar is high, viz. Rs. 535, the same is due to the necessity of large borrowings to finance Sugar-cane Wadhs, which are so common on this side.

In contradistinction to Savar, the Kumbhar Kheduts of Kundla have to submit to exorbitant levies of Savaya and more premium and interest for their loans as already remarked. This marked difference between two adjoining places or rather between two parts of the same town separated by the thinly flowing out perennial stream of the Navli River is due to the fact that the Kumbhar Kheduts of Kundla, who form the majority, are poor cultivators compared with the Kanbi Kheduts who preponderate in Savar Sama-Padar.

Kadhara dealings also are not absent, though not to be met with so frequently as in some other Mahals and other Tappas of Kundla Mahal itself.

## 2. TAPPA JIRA.

There are 9 villages in this Tappa. The number of individual holders is 745, out of which as many as 641 are Kanbis. The assessment of the Tappa is Rs. 1,25,677 and the total debt amount is Rs. 1,54,323. 46 Kheduts are each indebted in a sum exceeding 2 years' but not exceeding 3 years' assessment, 95 Kheduts each in a sum exceeding 3½ years' but not exceeding 10 years' assessment ; and 29 Kheduts assessed to Rs. 2,206 in all owe a debt of Rs. 36,287.

Taken all in all, this is a fairly good Tappa in an economic point of view. The prevailing rates of premium and interest are not excessive ; and the percentage of indebted Kheduts is only 39.6. And if the percentage of indebted Kheduts or the debt average per indebted Khedut or both, for the villages of Nesdi, Karjala and Olia are comparatively high, that is due more to the fact of many Kheduts carrying the load of old debts swollen by addition of interest than to the prevailing rates of interest which are fairly moderate, seldom reaching the Savaya level. Both the "indebted" percentage and debt average for Bhamodra and Khadkala are very low, and it is noticed that the generally prevailing rate of interest in these villages is only 12 per cent.

*Inter se* dealings among Kanbi Kheduts are noticeable especially in Jira and Bhuva. But Savaya is not uncommon in these viliages and also in Simran and Borala, which accounts for their debt averages being higher, compare with Bhamodra and Khadkala. . But Savaya of Savaya is practically absent in this Tappa, the Savaya bond on renewal generally bearing a simple interest rate of 12 per cent only.

The assessment call is noticed as a cause of debt in some villages, especially in Nesdi, Simran and Borala.

A few Kheduts of Jira and Olia have taken to hand-weaving in addition to agriculture ; and Jira Khadi is much in demand, being noted both for its quality and strength, though it naturally finds it difficult to compete with the

cheaper Japanese Mill-made stuff, miscalled Khadi. The causes that retard the growth and spread of the hand-loom industry, which would supply the much-needed subsidiary occupation to the Khedut over-burdened with leisure in the off-season, should be carefully studied and removed.

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### 3: TAPPA KRANKACH.

This Tappa comprises 10 villages. Its annual assessment is Rs. 81,020 and the total debt amounts to Rs. 88,038. It has several common features with the last-named Jira Tappa, there being a preponderance of Kanbi Kheduts and the percentage of indebted Kheduts being only 34.

But Savaya is more widely prevalent in Krankach than in Jira ; and this, combined with the fact of many Kheduts carrying the load of old debts frequently added to with interest and Premium mainly accounts for the high percentage of indebted Kheduts or the high debt average or both of Krankach, Dhar, Bavada, Bavadi, Ingorala and Ghobapati. Even Savaya of Savaya is seen practised in Krankach ; and instances of bonds for double the amount lent are not lacking. The practice of Kadhara is also observed in some villages such as Krankach, Bavada and Bavadi ; and a few cases of money loans being made repayable by a fixed quantity of Kapas at low rates were noticed in Bavada.

The assessment call was noticed as a cause of debt in Krankach, Dhar and Bavada.

The best village of the Tappa would appear to be Shedhavadar, with only one Khedut out of a total of 36 being indebted in a sum of Rs. 125 only. The next best village is Juna Savar, with only 11 per cent Kheduts being found indebted and a debt average of Rs. 141 only ; and the third village which could be classed as fairly good is Kerala, though it has a few Kheduts burdened with old debts. In both these villages Savaya is practically non-existent, and the Kheduts generally obtain their loans by paying 12 to 18 per cent interest. A few cases of Kadhara dealings were noticed in Kerala.

In Krankach Tappa 22 Kheduts are each indebted in a sum exceeding 2 years' but not exceeding 3 years' assessment, 59 Kheduts each in a sum exceeding three years' but not exceeding 10 years' assessment ; and 11 Kheduts assessed to Rs. 1,452 owe a total debt of Rs. 21,793.

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### 4. TAPPA VANDA.

There are 12 villages in this Tappa paying an annual assessment of Rs. 92,964 and its total debt amounts to Rs. 1,37,462. Out of 670 individual holders, 436 are Kanbis, 55 Kolis, 35 Kumbhars, 19 Pancholis, and the rest are of miscellaneous castes. Of the 19 Pancholis 16 are found in Bhenkra which has no Kanbi Kheduts. Nana and Mota Zinzuda, though both predominantly Kanbi, have 8 and 26 Koli Kheduts respectively and the latter village has also 19 Kumbhars. Vadal has 14 Kanbis and 11 Kumbhars. The Koli Kheduts occupy small nominal holdings, and derive their principal income from manual labour.

269 or about 40 per cent Kheduts are indebted. Of these, 39 each owe a debt exceeding 2 years' but not exceeding 3 years' assessment; 70 each owe a debt exceeding 3 years' but not exceeding 10 years' assessment; and 23 Kheduts who together pay an annual assessment of Rs. 3,164 are indebted in a total sum of Rs. 43,010.

Though the percentage of indebted Kheduts for the Tappa is not high, the methods of dealings of several Sowcars of this Tappa are highly extortionate and usurious and even immoral and illegal. For instance, the practice is attributed to Brahmin Bhavanishanker Ranchhod of Vanda, that he first increases the sum lent by adding anything from 25 to 50 per cent as premium and then obtains a bond for an amount equal to double the augmented sum. Of course the stipulation is to repay the latter sum; but in case of default it is open to Bhavanishanker to enforce in Court of Law payment of the amount mentioned in the bond. Bhavanishanker has dealings with Kheduts in most of the village of the Tappa; and his evil example has infected other Sowcars who are also occasionally seen to obtain bonds for double the loan amount increased by the addition of premium. Complaints of bonds obtained for double the amount were made among others by Kheduts of Vanda, Piyava, and Pithavdi and that is one of the causes which accounts for the high debt average of the above villages.

Kadhara dealings in which an increase of anything from 25 to 100 per cent is charged, are fairly common in this Tappa, but especially among the Koli Kheduts of Mota Zinzuda.

*Inter se* dealings were noticed among Kanbis generally and also among the Kumbhars of Vadal. But the rates of interest charged in such dealings are not so moderate as we might expect, and Savaya has been levied in many cases of *inter se* dealings.

Interest at the rate of half to one anna per rupee per month, i. e. at the rate of  $37\frac{1}{2}$  to 75 per cent, was seen to be levied in several cases in Pithavdi, which, along with other unfair practices noticed above, accounts for the high debt average of Rs. 836 for Pithavdi.

The debt averages of Akolda and the Khalpar are high, viz. Rs. 1,053 and Rs. 745 respectively, though they show a low percentage of indebted Kheduts. This is explained by some individual Kheduts of each of the two villages, being indebted in large amounts, which has swelled the general debt average of the village. For instance, out of the five indebted Kheduts of Akolda, one Kanbi Devraj is indebted to the extent of Rs. 2,208, and another Koli Khedut owes Rs. 1,090. Similarly in Khalpar Kanbis Jivraj Bhana and Jetha Jutha each owe a sum of Rs. 3,561 and 1,661 respectively. Of course it goes without saying that such large amounts of individual debts include the burden of old debts carried over a number of years. But it should be added that the general prevailing rate of interest for Khalpar appeared to be 12 per cent and the same also appeared to be the case with Vadal and Vansiali, which accounts for their low debt averages, though Savaya Khatas were not absent in the latter villages. Secured loans in Khalpar bear an interest rate of  $4\frac{1}{2}$  per cent, and of 12 to 18 per cent in Bhenkra and Nana Zinzuda. Though Savaya was seen to be practised in Bhenkra, its Pancholi Kheduts

are on the whole solvent ; and repay their borrowings from year to year without allowing them to fall into arrears. This has kept the debt average of Bhenkra at a low figure, *viz.* Rs. 130. In Facharia only one out of 29 Kheduts is indebted and he owes Rs. 525 in all and in Kunkavav two out of four Kheduts are indebted, the average debt of each being Rs. 175. A few of the holdings of Facharia and Nana Zinzuda are occupied and tilled by Kheduts residing in the neighbouring villages of Vanda and Pithavdi respectively.

#### 5. TAPPA JESAR.

There are 12 villages in this Tappa paying an annual assessment of Rs. 84,658. The total debt of the Tappa amounts to Rs. 1,14,553. The Kanbis as usual preponderate. Out of 568 Kheduts in all, 421 are Kanbis, 29 Kolis, 8 Rajputs, 11 Ayars, and 6 Kumbhars, and the rest belong to miscellaneous castes. The Kolis, Rajputs, etc., are scattered in the different villages in Nal and Kedaria, both very small villages, having 12 and 2 holders respectively ; there are no Kanbis. But there are 6 Bharvads in Nal.

In this Tappa, 34 Kheduts are each indebted in a sum exceeding 2 years' but not exceeding 3 years' assessment; 67 Kheduts are each indebted in a sum exceeding 3 years' but not exceeding 10 years' assessment ; and there are 13 Kheduts who pay an annual assessment of Rs. 1,588 and owe a total debt of Rs. 32,156.

Savaya is fairly prevalent in this Tappa. But in Jesar and Depla, even secured loans in some cases were subject to the levy of Savaya Premium. Instances where 50 per cent Premium was added at the outset and on renewal, or in which the interest rate charged was as high as 75 were noticed in Jesar.

Kadhara of a very extortionate type is practised by a few Sowcars of Jesar. Advances of Bajari or Jowar are made repayable by double the quantity supplied or by Wheat equal in quantity as much or half as much again as the Bajari lent. Default in delivering the stipulated Bajari or Jowar which of course includes the initial Kadhara increase, is penalized by first adding 50 per cent to the quantity due and then commuting the enhanced quantity to Wheat, the same to be delivered in the ensuing Wheat Khala. Accounts of miscellaneous borrowings are also subject to Savaya levy in Jesar and Depla. But on the other hand, there are many Sowcars, who levy simple interest at 15 to 18 per cent and even where they add Savaya Premium at the outset, they usually charge 12 to 15 per cent interest only. The presence of such Sowcars, who are content to charge a moderate rate of interest or premium accounts for the debt averages of Jesar and Depla not being so high as one might be led to anticipate by noticing only the dealings of the more usurious type.

Several Kheduts of Jesar, Gujarda, Thawie, Hipavadli, Kantrodi and Mesanka carry the load of old debts swollen by interest and premium additions; and individual cases of Kheduts owing, on account of past borrowing, anything from Rs. 1,000 to Rs. 8,000 and more, were met with in Gujarda, Pipardi and Kantrodi, which fact has naturally contributed largely to increase the figures of debt average of these villages, which are, in the order mentioned, Rs. 1,043, Rs. 729, and Rs. 515. Several Pipardi holdings are in

the occupation of Kheduts residing in Hipavadli or Gujarda. Loans obtained to finance the Sugar-cane Wadhls also bear Savaya and occasionally even more interest in Hipavadli, Kantrodi and Zadakla; and as instances of such loans are very numerous in Hipavadli, that, together with other causes noticed above, has forced up its debt average to Rs. 645.

The fact of the generally prevailing rate being fairly moderate and the absence of transactions of the more usurious type noticed in other villages of the Tappa have helped to keep at a low level the figures of indebted percentage and debt average in Satpada and Nal.

The two Kheduts of Kedaria are large holders and are both free from debt.

The assessment call has necessitated some borrowings in Thawie, Kantrodi and Zadakla.

#### 6. TAPPA VIJAPDI.

There are 18 villages in this Tappa which pay an annual assessment of Rs. 85,433 and is indebted altogether in the sum of Rs. 92,831. 33 Kheduts each owe a debt exceeding 2 years' but not exceeding 3 years' assessment; 74 Kheduts each owe a debt exceeding 3 years' but not exceeding 10 years' assessment; and 18 Kheduts paying a total assessment of Rs. 941 only owe in all Rs. 17,739.

In this Tappa the Kanbis do not preponderate as in other Tappas. There are in all 663 Kheduts of whom 199 are Pancholis. The next two most numerous castes in this Tappa are the Kanbis and Kumbhars, who number respectively 166 and 120. There are also 27 Kolis and 14 Ayars, and the rest belong to miscellaneous castes.

This Tappa presents varying features of money lending. A few Khoja and Lowana Sowcars of Vijapdi having dealings in Vijapdi, Hadida, Khadsali, Chhapri etc., are very grasping and even unscrupulous in their methods. Adding 50 per cent premium at first and further charging interest at 18 per cent from the date of the loan, is a common practice. Advances of cloth and other commodities are debited at a rate of price 25 to 50 per cent higher than the cash rate; and further interest is added when adjusting accounts and striking a balance. These methods account for the fairly large debt average of the villages mentioned above except Khadsali, which has an average of Rs. 321 only; for, in Khadsali, a few Kheduts obtain their loans on easy terms by offering ornaments as security.

Besides the Vijapdi Sowcars, Hadida has also some local Sowcars who do not scruple to charge 60 to 75 per cent interest, and Kadhara practice also was noticed in this village. All the causes have combined to give Hadida its high percentage of indebted Kheduts, which is 79.4 and its debt average of Rs. 466.

Both Kadhara and Savaya practices were found to prevail in Jambooda; and these combined with the fact of some Kheduts carrying the load of past debts have given Jambooda an indebted percentage of 48 and a debt average of Rs. 426.

In the villages of Dadhia, Chikli, Vanot, Vavera, Ghanala, Bhakshi Meriana, Lowara, and Likhala, which all show a light debt average, the generally prevailing rate of interest varies from 12 per cent to Savaya, though occasional instances of money loans being enhanced by the addition of 50 per cent premium were noticed in Chikli, Bhakshi and Meriana. The majority of debts in these villages were of recent origin; and the Kheduts seemed able to repay their borrowings of the previous year in the year next following. This is specially true of the Kanbi Kheduts of Dadhia, Vavera and Meriana. Dedakdi, which has 10 Kanbi Kheduts out of 12, is altogether free from debt. This satisfactory state of things is perhaps due to the village being recently occupied by new industrious Kanbi Kheduts at a comparatively low assessment. The village originally was in the possession of a Sindhi Jamadar, when most of the soil remained fallow or was indifferently cultivated. And the benefit of the soil remaining practically fallow for years was reaped by the new Kanbi Kheduts who were also lightly assessed as an initial inducement to them to come and occupy the village lands.

The villages Bhuwa and Madhada have respectively only 19 per cent and 16 per cent of its Kheduts indebted, but their debt averages are Rs. 466 and 944. This is not owing to the local prevailing high rate of interest, which seldom exceeds Savaya, but to the fact of one or two individual holders being very heavily indebted. For instance, one Khedut of Madhada alone owes more than Rs. 3,700, which when distributed among the five indebted Kheduts must naturally swell the average of debt. Similarly in Bhamar one Khedut has a debt of more than Rs. 2,000 and another of more than Rs. 1,400.

The assessment call was noticed as an occasional cause of borrowing in Vijapdi, Jambooda, Vavera, etc.; *Inter se* dealings among the Kumbhars of Hadida and Bhakshi and the Kanbis of Likhala are frequent, and nominal interest or none at all is charged in such dealings.

A few of the Bhamar holdings are in the occupation of Kheduts residing in Meriana or Dolti.

All the 41 Kheduts of Goradka are Pancholis; and their condition is not bad. The fact of some Sowcars from Kundla, Gadhakada etc., having dealings with the Kheduts of Goradka has kept their debt average at Rs. 418 though the percentage of indebted Kheduts is 39.

## 7. TAPPA THORDI.

There are 15 villages in this Tappa paying an annual assessment of Rs. 43,443 and owing a total debt of Rs. 26,168. There are 459 Kheduts, out of which 301 are Kanbis, 14 Kolis, 29 Ahirs, 32 Kumbhars, 15 Pancholis, and 4 Sepoys, and the rest belong to miscellaneous castes.

The ratio of assessment to indebtedness in this Tappa is 1 to  $\frac{1}{2}$  only. This is partly due to most of the villages of the Thordi Tappa being situated at a long distance from any important commercial town, and the absence of any large number of big money-lenders or merchants in their midst. Where a few Sowcars of Dedan or Rajula have dealings in Raidi, Pati, Kodia, and

other villages, the Kheduts are occasionally subjected to a levy of 50 per cent premium. But otherwise the generally prevailing rate of interest is 12 to 18 per cent only, and never exceeds Savaya, which is also common enough. These moderate rates charged have resulted in the low incidence of indebtedness, both the percentage of indebted Kheduts and the debt average of most of the villages being comparatively very light. The highest debt averages are Rs. 1,075, 578 and 376 respectively for the villages of Pati, Bagoya and Dolti. But these are due to there being in each of these villages individual holders who are heavily indebted. In Dolti, out of 3 indebted Kheduts, one alone owes nearly Rs. 1,000, in Pati, out of 2 indebted Kheduts, one owes more than Rs. 2,000, and in Bagoya, out of 8 indebted Kheduts in all, one alone owes a debt of more than Rs. 3,000.

There are 13 Kheduts, who each owe a debt exceeding 2 years' but not exceeding 3 years' assessment, 25 Kheduts exceeding 3 years' but not exceeding 10 years' assessment, and 3 Kheduts who pay an assessment of Rs. 228 and owe a total debt of Rs. 3,890.

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## Chapter VIII.

### VICTOR MAHAL.

#### I. TAPPA RAJULA.

There are 18 villages in this Tappa, paying an assessment of Rs. 77,714 and owing a total debt of Rs. 29,710. Of the total number of Kheduts, viz., 531, 83 are Kumbhars, 67 Kanbis, 64 Ayars, 32 Bantias, 18 Brahmins, 13 Kolis, 10 Sepoys, and the rest are of miscellaneous castes. 21 Kheduts each owe a debt exceeding 2 years' and not exceeding 3 years' assessment; 35 Kheduts each owe a debt exceeding 3 years' but not exceeding 10 years' assessment; and four Kheduts who pay an assessment of Rs. 418, owe a total debt of Rs. 5,423.

The prevailing rate of interest varies from 12 to 25 per cent and rarely exceeds the Savaya level. This moderate levy accounts for the low debt average of almost all the villages of Tappa Rajula. The 8 Kheduts of Ringaniala mostly Kumbhars are all free from debt; and of the two Kheduts of Dipadia, one is indebted in Rs. 515. No doubt the percentage of indebted Kheduts varies greatly; but where the debt average is low, the high indebted percentage alone does not argue heavy debt incidence. The percentages of indebted Kheduts for Charodia and Nani Kherali are 61 and 78 respectively; and it may be remarked that all the 18 Kheduts of Charodia are Kanbis and the 19 Kheduts of Nani Kherali are all Pancholis. Their good condition enabling them to command credit and the necessity of obtaining supplies of cotton seed and oil-cake for cattle-fodder for their fairly large live-stock partly account for the high percentage. Many Kheduts on this side seem to maintain, in addition to bullocks, also buffaloes; and the produce of the latter helps to eke out their agricultural income.

#### 2. TAPPA DOONGAR.

There are 22 villages in this Tappa, which pays an annual assessment of Rs. 86,658, and owes a total debt of Rs. 46,194. In other words the incidence of indebtedness is even less than 8 annas per rupee of assessment. There are in this Tappa 21 Kheduts each owing a debt exceeding 2 years' but not exceeding 3 years' assessment, and 44 Kheduts each owing a debt exceeding 3 years' but not exceeding 10 years' assessment; and 8 Kheduts, who are assessed to Rs. 456 are indebted in a sum of Rs. 8,225.

Out of 833 individual holders, as many as 254 are Kolis, the majority of them being found in the coastal villages of Khera, Patva, and Chancli, which last is an island separated from the main-land by a small channel. But Bildi, Visalia, Nana and Mota Pipalva, though situated a little towards the interior have also a preponderance of Koli Kheduts. After Kolis, the next most numerous castes represented among the Kheduts are pancholis 140, Bantias 126, Kanbis 105, Ayars 85, Brahmins 22, and Sepoys 16.

The Savaya is the prevailing rate ; and most of the debts are current and repaid at the end of the year or in the beginning of the next. This explains the low debt average and "indebted" percentage of most of the villages.

Most of the Doongar Kheduts are solvent ; but its three indebted Kheduts owe respectively Rs. 700, 1,300 and 600, which has given a debt average of Rs. 866 to Doongar. Similarly in Nesdi there are 4 indebted Kheduts three of whom are brothers—sons of Ayar Maiya and they owe respectively Rs. 1,500, 800 and 1,400. This accounts for the high debt average of Rs. 1,038 for Nesdi.

Again in Kathivadar there are 18 indebted Kheduts, with an average debt of Rs. 270. But the average debt is in reality even much smaller than this figure indicates ; for there are three Kheduts who owe respectively Rs. 1,000, 1,200 and 700, on account of old debts ; and their individual high debts have helped to swell the average figure of the whole village.

The same factor of individual Kheduts owing large debts partially accounts for comparative high debt averages of Samadhiala and Dantardi, the first of which has one Khedut owing Rs. 1,310, and the second has one Khedut owing Rs. 1,975.

Many of the Bania holders get the Khata land tilled on their own account while there are also numerous holders of that class who lease out the land to tenants often for a nominal rent. In some cases where the soil is inferior, the holder only stipulates for payment of the Darbari assessment by the tenant.

There are numerous cases of debt arrears, on account of purchases of cloth, the tendency to make such purchases being emphasised in villages like Bildi, Rabhda etc., by the proximity of the Mahuva market. Among other causes of debt is the necessity to buy on credit cotton-seed etc., for cattle fodder; and the same is usually repaid by delivering Ghee for which the creditor allows to his Khedut constituent a little less than the market price.

The Kolis of Khera and Chanch, like those of Katpar under Mahuva, are holders of nominal 'Dhasia' Khatas, and owe little debt connected with agriculture. Their principal means of livelihood is what they derive by working as Khalasis on country crafts or doing other manual labour on land.

Though not directly connected with the question of agricultural indebtedness, it may be profitable to notice here a phenomenon observed at Mandal under Doongar as a matter bearing intimately on the Kheduts' economic condition: The yield of Wheat crop raised by Patel Khoda Bhara of Mandal was about one Kalsi per every two Vighas, while in the case of other cultivators of Mandal 6 to 10 Vighas were required to yield the same quantity. This marked difference in the crop-yield in regard to soil of the same nature is accounted for by the better manuring of his land by the Patel, who was able to purchase and cart manure from distant villages, while the poorer cultivators could not afford the necessary outlay. One way of providing for the better manuring of the land is to wean the cultivator from the age-long habit of using up the cow-dung as fuel and burn wood instead. At present only the excreta of cattle-stock during the four months of rainy season, when owing

to the wet weather dung-cakes could not be dried for lack of sufficient sunshine, is available for purposes of manure, and practically the whole of the animal excreta of the remaining 8 months is absorbed as fuel. But before cultivators will readily take to wood for fuel purposes, it is necessary to arrange for an ample and cheap supply of that commodity. One of the ways to make such a supply available is to encourage the cultivator in every possible way to utilize the waste or salt part of his holding, which it would be profitless to cultivate, and the boundaries of his field for the purpose of growing Babul and other trees thereon. Another measure indicated is the afforestation of suitable areas (i. e. growing and maintenance of small 'Kants') in the neighbourhood of villages, which, besides providing additional grazing facilities, would also help to increase the available supply of cheap fire-wood. With a view to find out such suitable areas even a special *ad hoc* survey might be ordered. Babul trees would also supply the necessary wood for agricultural implements, which it is becoming increasingly difficult to obtain in these days.

The low debt average as well as the low percentage of indebted Kheduts of Victor Mahal as a whole is partly attributable to the predominance of Koli, Kumbhar and Pancholi Kheduts, whose scale of living and standard of expenditure, on ceremonial occasions is less extravagant than is the case with the Kanbi Kheduts. Even the small sprinkling of Kanbi Kheduts found in the Mahal would appear to be favourably affected by the more economical standard of their neighbours of other castes and are generally much less extravagant than their brethren of Lilia and other Mahals; and this is reflected in their comparative low incidence of indebtedness.

Another matter indirectly bearing on the economic well-being of the village may be mentioned here even at the risk of being a little irrelevant. The supply of drinking water in several villages is far from satisfactory, the same being either inadequate or unhealthy or both; and Nesdi under Doongar is an instance in point. The water of its well being unhealthy reacts on the health of the villagers and thus causes great economic loss. A periodic dredging of the well, purification and sterilization of its water by means of Potash-Permanganate, wide-spread instruction to drink only boiled water are some of the remedial measures indicated in this connection. The inhabitants of the village of Kathivadar also suffered a similar hardship, which is now removed by the sinking of another well for supplying drinking water. The original cause in many cases, which renders impure the supply of water at its source, is the insanitary habit of washing clothes, scrubbing water-pots etc., near the well, which habit should be restrained, if it cannot be put a stop to altogether. This digression has been thought necessary as the absence of a pure and adequate supply of drinking water attracted notice in several villages, and as the want could be met by a little additional expenditure and attention paid to small and seemingly trifling details.

## Chapter IX.

### MAHUVA MAHAL.

#### 1. TAPPA MAHUVA.

There are 22 villages in this Tappa. It is assessed to Rs. 86,631 and owes a total debt of Rs. 1,58,408. There are 45 Kheduts, each owing a debt exceeding two years' but not exceeding 3 years' assessment; 134 Kheduts each owing a debt exceeding 3 years' but not exceeding 10 years' assessment, and there are 71 Kheduts whose individual liability exceeds 10 years' assessment. The last pay together Rs. 4,026 assessment, and owe a total debt of Rs. 74,379.

There are 1,157 individual holders in this Tappa. The Kolis preponderate, especially in the coastal villages. Their total number is 435. The next most numerous castes in the order of their numerical strength are Baniyas 130, Kumbhars 97, Pancholis 87, Kharaks 84, Kanbis 63, Khodjas 37, Brahmins 32, Sepoys 30 and Ghanchis 17. The rest are of miscellaneous castes.

It will be noticed that many holders in this and other Tappas of the Mahuva Mahal are of the mercantile class; and while a fair number of them till the land on their own account by keeping their own bullocks etc., and by engaging *ad hoc* servants, there are also many Khatedars, who do not bother about the cultivation of the Khata land but are content to lease the same to others on varying terms and conditions. Sometimes the holder undertakes to pay the assessment; and the lessee, who has to maintain the bullocks and defray all other costs of cultivation, share half and half with the lessor the produce of the soil. On other occasions, where the burden of assessment and costs are rateably borne both by the Khatedar and the lessee, the produce is stipulated to be divided in the ratio of 2 to 3 or even 1 to 5. Again there are some holders who lease out their Khata lands for a fixed money-rent.

The prevailing rate of interest in the Tappa would appear to be 18 per cent to Savaya. Many good cultivators obtain their loans by paying even 12 per cent only. Kadhara, though not absent, is not widely prevalent; and the Tappa would, on the whole, seem to be free from other extortionate and clandestine methods of dealings noticed in other Mahals. All this has resulted in the comparatively low "indebted" percentage and debt average of most of the villages of the Tappa. And if the debt averages of Mahuva, Malia, Bhanwad, Dundash, Amritvel and Kumbharia are large, it is due partly to the fact of the majority of the holders of these villages being of the better class of Kheduts, such as Kanbis, Kharakas and Pancholis, who naturally command greater credit and consequently incur more debts, and partly to there being in each of these villages individual holders being heavily indebted. For instance, in Mahuva, there is one Khedut owing a debt of Rs. 7,500 and more, 5 Kheduts each owing Rs. 1,500 to Rs. 2,200 and so on. In

Bhanwad, there is one Khedut owing more than Rs. 5,400, two Kheduts each owing more than Rs. 1,500 to 1,800 and one owing Rs. 1,100. Similarly in Malia, Amritvel and Kumbhan there are seven Kheduts in all, who each owe a debt whose amount varies from Rs. 1,500 to Rs. 2,600. The same factor of individual holders being heavily indebted accounts for the high debt averages of Neswad, Dudhala and Devalia, though the Kheduts here are mostly Kolis.

The holdings of the Katpar Kolis, who are primarily sailors, are nominal—mere Dhasias as they are called in Gujarati; and if they owe any debts, the same are not connected with agriculture and so they are classed as free from debt.

## 2. TAPPA BHADROD.

There are 16 villages in this Tappa, paying an annual assessment of Rs. 69,729 and owing a total debt of Rs. 1,18,793. There are in all 694 individual holders, of whom as many as 216 are Pancholis, 90 Kolis, 88 Kanbis, 80 Kumbhars, 50 Bantias, 42 Ayars, 34 Brahmins, 17 Kharaks, 15 Sepoys and 11 Khojas, and the rest are of miscellaneous castes. As remarked in the notes for Mahuva Tappa, the Bantias and other holders of the mercantile class are not always bona-fide cultivators. Besides other terms of lease noticed before, it was found that in Bhadrod and Khuntavda some nominal holders leased out their Khata lands, on payment of a rent of Rs. 1 to 1-8-0 per Vigha, in addition to the Darbari assessment, which was also payable by the lessee. In Rajavadar the only rent stipulated was a fixed quantity of corn, for instance, 1 Kalsi Bajri or Jowar, for the whole Khata land, the Darbari assessment of course to be paid by the renter or tenant.

In this Tappa there are 46 Kheduts each owing a debt exceeding two years' but not exceeding 3 years' assessment, 99 Kheduts each owing a debt exceeding 3 years' but not exceeding 10 years' assessment, and 30 Kheduts each owing a debt exceeding 10 years' assessment. The total assessment payable by the latter and the total debt owing by them are respectively Rs. 1,908 and Rs. 30,009.

Savaya is the generally prevailing rate, though a few instances of 50 per cent premium being charged were met with in Bhadra and Nana Jadra. It was the Vedva Vaghris, who have some dealings in Bhadra, who were observed to levy such an exorbitant premium. Numerous good Kheduts obtain their loans for a much smaller rate than Savaya. The generally prevailing rate of interest being thus moderate, the debt averages of most of the villages are comparatively low. Where they are high, as in the case of Tavida, Haripara, and Kantasar, the same is due to the fact of individual holders in each of these villages being in heavy arrears with their creditors. In Tavida, one Khedut owes more than Rs. 2,400, one more than Rs. 1,100, and two each more than Rs. 800. In Haripara one Khedut owes a debt of Rs. 3,072, and another of Rs. 4,062, which large amounts, when distributed among the 14 indebted Kheduts of Haripara, must naturally swell the average debt figure. In Kantasar, which has 11 indebted Kheduts and a debt average of Rs. 860, one Khedut owes a debt of Rs. 4,000, and two each a debt of more than Rs. 2,200.

The Pancholis of Bhadrod and other villages are not inferior to Kanbis as cultivators; and their scale of social expenditure is also not less extravagant. In both these respects the Kumbhars, though slightly inferior, follow closely on the heels of the two classes mentioned above. Where agriculture does not occupy the Kumbhars all the year round, several of them, e. g. the Kumbhars of Bhadra, are seen to emigrate to distant places in Gujarat and engaged in sawing wood and other kinds of manual labour. How extravagant Kanbis, Pancholis and Kumbhars are or rather have to be in obedience to the tyranny of the prevailing caste-customs and conventions, will be seen from the specific instances cited below :—

(1) Pancholi Hada Taba of Bhadrod spent Rs. 600 in a caste-dinner on the occasion of his father's death ; (2) Kumbhar Vashram Bhala of Bhadrod spent Rs. 725 on the occasion of his Ghargharna ; (3) Kanbi Vala Vashram of Talgajarda spent Rs. 1,300 on the occasion of the marriage of a son of his and Rs. 200 on the occasion of the Ana ceremony of the wife of another son of his ; and (4) Kanbi Ram Vashram of Talgajarda spent Rs. 800 on his son's marriage.

Many Pancholis of Bhadrod and other villages have milch-cattle in good numbers, besides the agricultural bullock. For instance, Pancholi Hada Taba mentioned before has, besides six bullocks, 8 buffaloes and 3 cows ; and only his borrowings of cotton-seeds and oil-cake for fodder amounted to Rs. 1,200 in one year.

Pancholis are also large purchasers of cloth from the cloth-sellers of Mahuva, who debit them with a price, which is anything from one to four annas per rupee higher than the cash price. Further the outstandings of such accounts are also subject to the usual interest levy.

As remarked in the notes for Victor Mahal, the Pancholis and Kumbhars of that Mahal are comparatively economical in their living and the expensive taste in clothing, and other extravagant habits of the Pancholis of Bhadrod and adjoining villages are traceable to the proximity of the Mahuva market. But the Kheduts of the more remote villages of the Victor Mahal are saved from the infection of these enervating and expensive habits, which fact partly accounts for their economical standard of living.

Agricultural stock, which are exempt from attachment, are often the subject of private transfer, which suggests the necessity of restraining such private transfer, if the object of the healthy rule which saves bullocks and implements of husbandry from court process is to be fully achieved. In one transaction alone adjusting past outstanding, Parekh Dayal Makan of Bhadrod secured from Pancholi Ebha Naran of the same place 6 buffaloes, 4 bullocks, and one mare besides a large quantity of corn etc. Ebha's mango-trees were previously mortgaged to Dayal Makan and still continue in the latter's possession.

The fruit-trees such as Mango and Gunda of several Kheduts in Bhadrod, Vagh Nagar, Khatsura etc., are mortgaged to Sowcars. But it is hoped that the new rules relating to trees which abolish the Khedut's right of transfer will check the tendency towards his dispossession of the valuable fruit trees grown by his labour.

The practice of Mol-Savaya and Kadhara was noticed in the village of Talgajarda. For instance, Rs. 80 were lent by Bania Mohan Mulji of Ratol

to Pancholi Arsi Govind of Talgajarda in Maha of St. 1980, making it repayable by Rs. 100 in Jeth following. As there was default in payment, the bond for Rs. 100 was replaced in Jeth by a new bond for Rs. 125 to be paid in Magsar of St. 1981. In Magsar Arsi was able to repay only Rs. 25 for interest, when a fresh bond for Rs. 125 was again obtained from him by Mohan. It should be added that the original loan of Rs. 80 was advanced to Pancholi Arsi to enable him to repay Darbari Tagavi debt incurred to finance a Sugar-cane Wadh. The Wadh proved a failure; but as the Tagavi loan had to be repaid by due date, the Khedut was forced to resort to the Sowcar to do so. The object of a Tagavi loan is ordinarily to supply cheap money to Kheduts either to enable them to tide over a crisis or to carry out some special agricultural operations. But that object is defeated when the Tagavi rules are administered in a mechanical spirit. Had there been greater elasticity in their working and the period of repayment of the loan extended as it should have been in the present case in view of the failure of the Wadh, there would have been no necessity for the Khedut to borrow at an exorbitant rate of interest from a Sowcar merely to repay a Tagavi debt.

Similarly Rs. 40 advanced in St. 1979 were doubled in two or two years and a half by the renewal of the bond twice in the year, and the debtor Khedut passed a fresh bond for Rs. 80 in the beginning of St. 1981.

The lion's share of the money-lending business of Talgajarda is claimed by Bania Bauchand Lavji of the same place. He affirms, he ordinarily charges only 12 to 18 per cent interest and rarely Savaya. But several Kheduts attribute to him the practice of Mol-Savaya. How extensive his dealings are may be judged by the fact that as many as 42 Kheduts out of 64 indebted Kheduts of Talgajarda have their accounts in Bauchand's books.

Loans secured by a pledge of ornaments also carry an interest rate of 18 per cent in Talgajarda. Kadhara practice, though not widely prevalent, is not absent in this Tappa.

Bhadrod is a very big village and one or two points which came under observation in connection with it may be noticed here as being typical and also as having more or less a direct bearing on the economic condition of the cultivator. The majority of the Bhadrod Kheduts are Pancholis, a hardy and intelligent class of cultivators, next if at all to the Kanbis only. Their original Khata-holdings were fairly large and economic. But with their progressive sub-division among the heirs and successors of the original holders, the tendency towards fragmentation and uneconomic holding is on the increase; and the numerous and growing Khedut population has so increased the pressure on land that several hard cases were noticed, in which good bona-fide cultivators, simply because their holdings were too small to fully occupy them, were driven to eke out their slender agricultural income by plying carts for hire, farming the fruit-crops of Mango and Gunda trees belonging to others, and even by manual labour.

As remarked before, there are in Bhadrod, as in other villages of the Mahuva Mahal, a good many absentee land-holders, only a small percentage of them getting the soil cultivated on their own account by employing what are called a "Sathi" and supplying him with bullocks and everything. The

rest lease out the land, their interest in the same not going beyond receiving the fixed money payment or a share of the produce, over and above the assessment payable to the State. It hardly needs pointing out that under the leasing system the land tends to deteriorate, as the tenant has no permanent interest in the land and holds it under a most precarious tenure determinable at the sweet will of the superior holder. Besides, the absentee holder escapes the customary levies of Veth Vara (certain kinds of services at prescribed rates) which a resident Khedut has to submit to, and thus causes not unnatural heart-burning among the latter. And so the absentee holder should be given the option of either resuming cultivation of the soil on his own account in a fixed period of time or in the alternative allowing his Khata land to lapse to the Darbar. This will help to relieve the existing pressure on land caused by dearth of cultivable soil and release land for occupation by bona-fide cultivators. This process could be accelerated by making the present rule prohibiting the sub-leasing of Darbari Khata land without the previous sanction of the Vahivatdar, a little more strict, and by enforcing the same rigorously in practice.

The pressure on land resulting in small and uneconomic holdings and dearth of arable soil are no doubt responsible to a certain extent for the low economic conditions of the Bhadrod Pancholi Khedut. But the prevailing indebtedness is in no small measure due to a false sense of social pride and love of fineries especially of the women-folk, which makes the Pancholi Khedut vie with his neighbours in incurring ruinous expenditure on ceremonial occasions. The Mahuva clothier and gold and silver ornament seller is ever ready to sell on credit, debiting the Khedut with a price several points higher than the cash rate and further charging interest on outstandings remaining unpaid for more than a month or two.

The Pancholis have realized the evil wrought by their ruinous social customs and extravagant habits, and have made praiseworthy efforts to bring it under control by enacting caste regulations. But they have not been able to enforce due obedience to them, lacking, as they do, the necessary sanction.

Like the Pancholis, the Kumbhars also have prepared and printed elaborate rules to guide and control the conduct of the caste-members, on social occasions such as marriage, Ghargharna, etc., and concrete instances of extravagant expenditure on such occasions both among Pancholis and Kumbhars have been cited above.

But what has been said in the notes for Botad Mahal in regard to the need of regulating the scale of social expenditure by State Legislation, need not be repeated here. It should only be added that the framing and publication of these rules and regulations, in a way indicate the need and also the preparedness of the castes concerned to undertake social reform by means of State aid and intervention; and it is upto the State to provide the necessary legislative sanction, in the absence of which, these caste-rules have so far remained a dead letter, and have no more significance than the expression of a pious wish. The Committee was assured at least by the Pancholi Patels of Bhadrod that such action on the part of the State to



enforce the caste-rules would be welcomed by the members of the caste as a whole. Indeed such State action seems to be the only way of saving this intelligent and hardy class of cultivators from themselves.

It was further noted in Bhadrod that originally good and solvent Kheduts when they find themselves involved in indebtedness beyond a certain limit and have little hope of saving themselves from the gulf yawning before them, become desperate and develop a tendency to be contumacious. This destroys their credit and capacity for further borrowing ; and ultimately they are driven out of their land ; or if they continue to occupy and till the land, they do so for their master the Sowcar. Of course such extreme cases are rare ; and even where they occur, they are not likely soon to come to the notice of the Darbar, for there is collusion between the nominal Khedut holder and his Sowcar, and there is always present the risk of the Darbar resuming any Khata land, which is the subject of an illegal and unauthorised lease or mortgage.

Lately, a Co-operative Credit Society has been started in Bhadrod ; and one obvious good it has done is to relieve the Khedut member from the necessity of obtaining loans of seed from the Sowcar at inflated prices.

The great factor that has tended to diminish the Khedut's margin of profit is the greatly increased wages he has to pay to labourers employed by him. Where the Khedut's family is large and numerous, he generally avoids employing hired labour. But it was observed in Mofa Jadra and other villages that in the harvesting season, even Kheduts having a numerous family could not help seeking the help of hired labour. For, all the Kheduts simultaneously start "Lani", *i. e.*, the operations of cutting and gathering the ripe crops ; and any one who lags behind, runs the risk of having his crops damaged by the village cattle, which are let loose to graze the stumps and leaves left in those fields, from which the crops have been removed, and which are almost certain to stray into the fields where the crops are still standing as there are no protecting hedges separating the different fields, which are usually divided by bare narrow strips of land. This simultaneous starting of the "Lani" operations causes such an excessive and competitive demand on the limited labour available in the village that the wages of labour increase enormously ; and when they are paid in kind as they often are, the wages of Lani alone not infrequently swallow 25 to 33 per cent of the total crops. The hedging of individual field hardly seems a practical proposition ; but if the fear of the standing crops being damaged by stray cattle from neighbouring fields were removed, there would not be such a rush and hurry to have the crops cut and gathered at the same time by all the Kheduts of the village, and that alone is mainly responsible for sending up the labour wages so high. One way to lessen the possibility of damage from stray cattle would be to strictly prohibit the letting loose of any cattle even in fields from which crops have been removed, unless and until all the fields of a particular "Sim" have been cleared.

It was noticed in Bhadrod that during the last one or two years (*i. e.* Sts. 1981 and 1982) even good cultivators were unable to pay much towards repayment of their old debts, with the result that most of them find themselves unable to obtain any loans except by agreeing to pay Savaya in the next harvesting season.

### 3. TAPPA KHUNTAVDA.

There are 25 villages in this Tappa, paying an annual assessment of Rs. 1,00,981 and indebted in a total sum of Rs. 1,26,847, which gives a ratio of only 1 to 1·3 between assessment and debt-liability. Of the total number of individual holders, viz. 1,011, 406 or about 40 per cent are indebted. Of these, 62 each owe a debt exceeding 2 years' but not exceeding 3 years' assessment, 125 each owe a debt exceeding 3 years' but not exceeding 10 years' assessment and 28 Kheduts who pay an annual assessment of Rs. 1,652 owe a total debt of Rs. 27,118. \*\*

The Pancholis preponderate in this Tappa also, there being as many as 268 of them out of a total of 1,011 Kheduts. Among the rest, there are 160 Kanbis, 122 Kumbhars, 78 Ayars, 63 Baniyas, 61 Kolis, 48 Brahmmins, 40 Bharvads, 36 Sepoys, etc.. Of the 40 Bharvads, 24 are found in Khuntavda and 14 belong to Goras. Tantania is a predominantly sepoy village, though it has also a fairly large number of Kumbhar Kheduts in it.

The Bharvad Khatedars of Khuntavda would appear to be fairly solvent, since several of them are able to obtain loans by only paying 6 to 7½ per cent as interest. Otherwise the generally prevailing rate is Savaya both in Khuntavda and other villages. Complaints of Sowcars charging 50 per cent premium were rare though not absent, a few cases being met with in Tantania and other villages. In Bordi, one or two Sowcars, while they generally stipulate for Savaya payment, further deduct 10 per cent from the sum lent as discount. Thus the discount and premium taken together, mean for the Sowcar a net gain of nearly 40 per cent in the short period in which the loan is repayable. In the last one or two years, assessment-call has been a frequent occasion of borrowing, in Kinkaria, Bordi, Dudhala, and Tantania.

In Vadai, Sandhi Arab Saleman was observed to convert his arable Khata land into a Bid for growing grass. Similarly Rabari Jesa Bhagvan of Tantania grows only grass on his Khata land. The hilly soil is poor; while there is abundance of pasture-land, which induces the Khedut to rear large stock of milch-cattle. But their maintenance also necessitates either a partial or total conversion of the Khata land into a Bid.

Numerous nominal holders lease the land to other Kheduts on varying terms. Usually the cost and produce are shared half and half; or where the assessment is paid by the holder and the bullocks and seed are supplied by the tenant, the produce and the items of cost other than those mentioned above are divided in the proportion of 3 to 2 between the holder and the tenant respectively.

Both the general debt average and the percentage of indebted Kheduts are low in most of the villages; and where the "indebted" percentage is 50 per cent and more, the same is due to many good Kheduts being classed as indebted for small current debts. Where the figure of average debt is high, it is partly accounted for by the fact of individual holders owing large amounts of debts. For instance, in Khuntavda, one Bharvad Kala Rukhad owed a debt of more than Rs. 4,500; and again in Bordi one Pancholi Desur Pata owes a debt of Rs. 2,300 and another Pancholi Bhura Vashram owes a debt of Rs. 1,710. Each of these two villages shows a debt average of more than Rs. 500.

Some Kumbhar Kheduts, after the agricultural season is over, emigrate to Surat and other places in Gujarat and engage in sawing wood and other kinds of manual labour.

Stipulating for repayment of money loans by a fixed quantity of Kapas was noticed in several villages. A few alleged cases of Sowcars first adding 25 per cent premium to the sum lent and then doubling the augmented amount in the bond were met with in Khuntavda proper.

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#### 4. TAPPA BAGDANA.

There are 13 villages in this Tappa, which pay an annual assessment of Rs. 46,584 and the total debt of the Tappa amounts to Rs. 95,037. In other words the ratio of debt to assessment is nearly 1 to 2. Out of 456 individual holders, 211, i. e. nearly 46 per cent, are indebted. Of these, 23 each owe a debt exceeding two years' but not exceeding 3 years' assessment, 78 each owe a debt exceeding 3 years' but not exceeding 10 years' assessment; and 36 Kheduts who pay an annual assessment of Rs. 2,307 owe a total debt of Rs. 36,752.

In this Tappa, there are 60 Kanbi Kheduts, 65 Kolis, 60 Ahirs, 51 Pancholis, 50 Kumbhars, 29 Khojas, 27 Kharaks, 20 Brahmins, 19 Palevals, 10 Sepoys, and 9 Banias. The rest are of miscellaneous castes.

The generally prevailing rate of interest is 18 per cent and occasionally even less. Savaya transactions, though not absent, are less frequent than noticed elsewhere. If in spite of the generally prevailing low rate of interest, the percentage of indebted Kheduts for many of the villages of the Tappa is high, the same is accounted for by a large number of Kheduts carrying the load of old debts outstanding for several years. This was specially noticed to be the case with the Kheduts of Bagdana, Karmadia, Dharai, Ratanpur, Samadhiala, Doodana, Nana-Khuntavda, and Borla. Besides outstandings from the past, a frequent occasion of borrowing in recent years, has been the assessment call, which, it was a general complaint, was not always correlated to the crop-yield of the year. A detailed examination of some of the more important villages will give a better idea of the general economic condition of the Tappa.

Karmadia has about an equal number of Paleval and Koli Kheduts, with a good sprinkling of Kanbis. The lion's share of the lending business of the village is claimed by Jiva Vanarsi, a Kapol Bania of Monpur, to whom nearly almost all the indebted Kheduts owe small and large sums. The rate of interest uniformly charged is 18 per cent, though there is a suspicion of a certain percentage being deducted at the outset as discount. But Savaya in the strict sense of the term is practically absent. Among other causes of debt, the pretty high scale of expenditure on ceremonial occasions among Palevals, is one. The poor nature of the soil is also responsible for the comparative low economic condition of the Karmadia Kheduts. Where the soil is so poor, all holdings of less than 150 Vighas—and they constitute the majority—must be considered uneconomic. There are only about a dozen Kheduts having garden plots; and even in their case, the well water is hardly

sufficient to irrigate more than two or three *Vighas*. The *Kheduts* might be induced to rear more cattle and thus add to their scanty agricultural income. Again, if they take to wood for fuel and breed more cattle, the cattle-dung at present used up for fuel would be saved, and as remarked in the notes for *Victor Mahal*, utilized to better manure the soil and thus enrich the same.

*Bagdana* has in all 55 *Kheduts*, out of whom 23 are *Kanbis* and 12 *Kolis*. Among the rest are to be found *Kheduts* belonging to different castes such as *Brahmin*, *Bania*, *Ayar*, *Rajput* and *Khoja*.

There are a few local *Sowcars* in *Bagdana*; but a fair share of the lending business is claimed by the *Kapole Banias* of *Monpur*. The indebtedness is pretty high, though it cannot be attributed, as in the case of *Karmadia*, to uneconomic holdings, and the soil also is better compared to the latter, though the supply of water in its garden wells is as bad in *Bagdana* as in *Karmadia*.

The high debt average of Rs. 788 and the indebted percentage of 56.4 of *Bagdana* are partly accounted for by a cause of such general applicability as a succession of bad seasons and partly by the high scale of social expenditure especially among the *Kanbis*. The factor of bad seasons is further emphasised by the lack of sufficient elasticity in the fixing of the yearly revenue demand of the State, which is not always done with proper reference to the condition of the standing crops and the expected crop-yield.

It is the general complaint in *Bagdana* and the surrounding villages that this year's (St. 1981) *Nam* was fixed unduly high—much higher than was justified by the condition of the crops. And the complaint is not ill-founded as a large part of the borrowings of the current year is directly traceable to the necessity of having to meet the inexorable assessment call fixed unduly high and which cannot be evaded except on pain of the holding being forfeited to the *Darbar*.

As in the case of *Karmadia*, generally prevailing rate of interest is 18 per cent and even as low as 12 or 15 per cent on occasions, though the poorer *Koli Kheduts* would appear to be unable to obtain the necessary finance except on the basis of *Savaya*. But even where *Savaya* is charged at the outset, after the first year generally interest only is added at a rate not exceeding 18 per cent.

*Ratanpur* is a small village of 18 *Kheduts*, of whom 15 are *Kolis*. There are a few *Rabari* and one *Khoja Khedut* *Alibhoy Meghji*. The latter who also carried on money-lending and other business on a small scale, used to levy *Savaya* and more. But the *Kheduts* now seem to have ceased borrowing from him owing to his harsh and usurious methods. There is no other local *Sowcar* left; and the lending and supplying business of the village is shared by the *Bagdana* and *Monpur Sowcars* between them.

The debt average and 'indebted' percentage respectively are Rs. 685 and 83.4. This high incidence is due partly to uneconomic holdings, poor nature of the rocky soil, lack of sub-soil water, excessive and frequent expenditure on ceremonial occasions like marriage etc. and last but not the least, to harsh and excessive recoveries of assessment. The latter factor has

operated with particular harshness in the current year (St. 1981). How frequent are the occasions of social expenditure and how excessive the scale of expenditure even among the Kolis, can be judged from the fact of Patel Bhabha Rana, a Koli having had to celebrate 4 marriage occasions, and one mournful occasion of the funeral ceremony of an elder in the last ten or fifteen years, and as a result Patel Bhabha to-day owes a total debt of Rs. 2,300. Another Koli Kana is in arrears to the extent of Rs. 1,700.

The Ratanpur Kheduts might do something to better their economic condition by breeding more cattle in view of the large grazing facilities they command in the neighbouring hills.

Dharai is a predominantly Pancholi village, with a fair sprinkling of Kanbi holders. Pancholis are good and industrious cultivators, and having also large and numerous families, they do not find the Dharai soil sufficient to occupy them fully ; and so in addition, they cultivate a large tract of the Borla land. The holdings are fairly large and not uneconomic, and yet the the Kheduts, good cultivators as they are, are not free from indebtedness, which is pretty high. Except for small dealings *inter se*, the lending business is monopolised practically by the Monpur Sowcars, Jiva Vanarsi among them claiming the largest share. The indebtedness is partly due to high and frequent social expenditure, and partly to agricultural factors such as bad seasons, lack of sub-soil water, harsh assessment levy etc., A great part of the current year's (St. 1981) borrowing is the result of the unduly severe Nam fixed for the village.

Gundarna is an important village having a population of 1,331 souls. Of the 27 Khoja holders in the Tappa, as many as 20 are found in this village. Among the rest there are 21 Kharak, 12 Ahir, 9 Kumbhar, and also a few Bania and Brahmin Kheduts. Almost each Khedut has a well irrigated garden, and the Khojas specialize in vegetable gardens, which supply all the surrounding villages, Mahuva, and occasionally even distant Bhavnagar. But greater attention needs to be paid to the selection of seed for vegetable grown, which are not always of the best quality. To encourage growing of vegetable of the better type, good seed might be stored and supplied free or at reduced rates in the first year or two, whereafter the need for such storage and supply would disappear, the Kheduts having realised by experience the advantage of careful selection of seed.

Indebtedness is light and not beyond the capability of the Khedut. The Khojas are mostly free from debt, as besides being vegetable-growers, they are also vegetable-sellers, which supplies them with a subsidiary occupation. The incidence of indebtedness, among the Kharak Kheduts, is comparatively higher, but it cannot be said to be greater than what they can well bear ; and it is partly due to the high scale of social expenditure on ceremonial occasions. One Kharak Jeram had to spend Rs. 1,500 on the occasion of his son's Ghargharna. Where the outstandings are the result of borrowing on account of current agricultural needs, such as supply of cotton-seed, cattle-food etc., no interest, the Sowcars allege, is charged. But the local dealer is apt to add a small percentage to the prevailing market rate in debiting the price of the commodity supplied ; and when the Sowcar

is the buyer of Ghee and other agricultural produce, he usually allows a lower price than what it would sell for in the open market.

Bhaguda is practically a wholly Ayar village, having 22 Ayar Kheduts out of a total of 24. Belampur has a preponderance of Pancholis, with a large sprinkling of Kumbhars. Nana-Khuntavda has among others 17 Kumbhars, 12 Kolis, and 6 Sepoys.

Bhaguda is practically free from debt, though the Committee has a suspicion that some Kheduts of Bhaguda who were indebted, have held reticence on the subject, either under the Sowcar's instigation or under a false sense of shame. It may be mentioned here in passing that if several Kheduts have kept silent or understated the account of their indebtedness out of a sense of prestige, or for fear of losing credit and social status, or some other reason there have not been wanting, one may take it, others, who have exaggerated or overstated their debts, under false hopes of obtaining relief or other equally inscrutable motive. The Committee has taken every pain to remove false hopes or undue fears if any entertained by the Kheduts and out of respect for the Kheduts' susceptibilities and in order to put him at his ease, and in a communicative frame of mind he has been asked to state his debts confidentially and in private, whenever that course was thought necessary. But with every precaution and safeguard adopted to avoid errors and discrepancies creeping in some mis-apprehensions and misunderstanding were inevitable, resulting in overstatement and exaggeration on the part of some Kheduts and understatement even to the point of total concealment of one's debts on the part of others. But allowing for such variations, which help to set off each other's effects, it may be safely assumed that the figures of indebtedness taken as a whole, represent the truth approximately or at least are not very wide of the truth, if at all, and the percentage variation for the whole State or even a Mahal, would be found to be slight and negligible. In all statistical calculations covering such a wide field and on such an extensive scale as the present inquiry, some allowance has always to be made, and is, in fact, made for the small variations of the kind above referred to. But the latter will not affect the truth and validity of any general statements or deductions, that may be based on the figures taken as a whole. It has been necessary to deal with this point at some length, as a suspicion of overstatement and understatement on the part of Kheduts here and there might not unnaturally generate a distrust of the general conclusions and deductions arrived at by the Committee, but which, if they are otherwise sound, are little liable to be affected by such occasional over or understatements, which help to neutralise, as stated above, each other's effects

Only two Kheduts of Bagdana have admitted their indebted condition ; and their total debt, according to them, amounts to Rs. 200 only. This can hardly be true ; and the Committee's suspicion that the Bagdana Kheduts have concealed their real condition regarding indebtedness is well-founded. But allowing for such concealment, the condition of the Bhaguda Kheduts as a whole, would appear to be sound and solvent; and if they have any debts outstanding, they are, one may take it, neither large nor of long standing, and are on account of ordinary current agricultural needs, especially cotton-seed and oil-cakes purchased for cattle-fodder; for, the Bhaguda holders, who are

mostly Ayars, maintain a large stock of milch-cattle — especially buffaloes — besides the agricultural bullocks; and the produce of such cattle substantially adds to their income from agriculture.

The fixing of an unduly high Nam and consequent harsh and excessive recoveries have been a feature of such wide and general prevalence in this Tappa as to deserve more than passing notice. It is sad to think that harsh assessment recoveries should drive the Khedut to have recourse to the Sow-car. To prevent such a result, greater care and attention must be paid in fixing the anna-levy, and a measure of elasticity introduced in adjusting the same to the crop-condition of the particular year and even the capability of the individual Kheduts. But enough has been said on the subject of a due and proper fixing of the Nam under the notes for Gadhada Mahal and the same need not be repeated here.

Not unoften a Khedut seeks relief from the pressure of indebtedness even by parting with agricultural stock and articles, which are expressly exempted from attachment even for decretal debt. For instance, to adjust an old debt, Koli Giga Kala of Karmadia handed over to Jiva Vanarsi of Monpur four Buffaloes, 3 Bullocks, and 6 Bharottas (cart-loads) of Kadab and grass, and Koli Giga then had no bullocks left to till his land. For more instances of this kind see paras 4 and 5 of Appendix. As remarked elsewhere, some means should be devised to prevent the private transfer of such agricultural stock, even as it has been deemed necessary to exempt them from attachment by a court, or the purpose of such exemption, viz. to ensure to the cultivator the undisturbed possession of essential agricultural stock would be defeated.

#### 5. TAPPA MALVAV.

There are 15 villages in this Tappa, which pay an annual assessment of Rs. 58,434; and its total debt amounts to Rs. 1,31,446. The Kolis preponderate, there being as many as 404 Koli holders out of a total of 821. Among others, there are 110 Kanbis, 64 Kharaks, 50 Baniyas, 41 Kumbhars, 20 Pancholis, 19 Brahmins, 17 Sepoys, 12 Rabaris, and 5 Khojas. All the 41 Kumbhar holders belong to Loinga, which has only 3 Kanbi and 7 Koli Kheduts. Of the 20 Pancholis 18 are found in Otha and 2 in Boda. But both Otha and Boda are predominantly Kanbi, having 37 and 11 holders of that class respectively. There are also 4 Bania and 3 Khoja holders in Otha. Among others, Boda has as many as 7 Rabari Kheduts and 3 Baniyas, the principal among the latter being Mehta Mohanlal Purshottam. The two other villages, which are predominantly Kanbi, are Malvav and Longdi. The rest of the villages, which, it will be noticed, are mostly situated on the sea-coast, have a preponderance of Kolis. Many Kolis in Kalsar and other villages occupy nominal Dhasia holdings; and they generally eke out their income by agricultural labour, by plying carts for hire, by working in stone-quarries and so on.

The nominal Dhasia holdings, while they increase the number of the holdings, tend to decrease their average size, which is only 69 Vighas for the Tappa, while the average size of the holding for some villages is even still less.

In several villages such as Malvav, Naip, Longdi, and Loinga, the prevalent rate of interest varies from 12 to 18 per cent ; and if the debt averages of Naip and Longdi are pretty high, viz. Rs. 449 and 557, the same is due to individual holders being heavily indebted. For instance, one Kharak Gaja Govind of Naip owes a total debt of Rs. 1,457 ; and three Kanbi Kheduts of Longdi, viz. Jasa Giga, Bhana Odhav and Jetha Dahya, respectively owe Rs. 1,500, 1,000 and 1,960. The same factor of individual Kheduts owing large debts, accounts for the high debt average of Tared and Valavav, which are respectively Rs. 1,533 and 571. One Vata Kalubhai Gopalji of Tared alone owes a debt of Rs. 3,300; and one Kharak Ranchhod Khoda of Valavav owes Rs. 1,700. The same factor partly accounts for the high debt average of Kalsar, which is Rs. 527. Kolis Nathoo Pata, Gala Pata and Kuka Kala respectively owe Rs. 2,000, 5,600, and 2,800. But the high debt average for Kalsar is due even more to the generally prevailing Savaya rate of interest and to the presence and connection of several rich Sowcars in and with the village, which affords increased facilities for obtaining loans; and these facilities are always a temptation to incur debts rather recklessly. The same factor of increased facilities for obtaining loans is at work in Boda and has set up a tendency to incur debts without pressing necessity. Most of the indebted Kheduts of Kalsar are indebted to Parekh Kalyanji Valji of Mahuva, who himself is an extensive holder of Kalsar. He uniformly charges Savaya both at the outset and on renewal. But it must be added in fairness to the Parekh that his Savaya charges are bona-fide and do not include in addition any other circuitous, clandestine and unacknowledged recoveries of discount and premium, as is the case with many other Sowcars.

In Boda, Mohanlal Purushottam is generally content to levy 12 to 15 per cent interest, only 2 or 3 Kheduts having a poor credit being subjected to a Savaya levy.

Besides Kalsar, the Savaya rate also generally prevails in Valavav, Sathra, Hetha and Uncha Kotada, and Ranivada, though in Sathra and Ranivada the better class of Kheduts can obtain loans on payment of 18 per cent interest only. In Otha the rate of interest varies from 18 to 24 per cent. Kadhara dealings were noticed in most of the Koli villages but especially in Hetha and Uncha Kotada and Ranivada. But the Kharaks of Ranivada do not need to obtain Kadhara loans of grain. In all these three villages the lion's share of the lending business is claimed by the Sowcars of Datha under the Agency. Cash loans are rare and only for small amounts. Among the Datha Sowcars, Keshavji Ladha and Valji Ladha seem to have a practical monopoly of business in the two Kotadas, and they occasionally do not scruple to levy 50 per cent premium on the rare occasions when they advance cash to their Koli constituents. Hetha Kotada has one local Sowcar, Bania Kalyan Nathu, but only one or two Kheduts have their accounts with him. It may be mentioned in passing that one Patel Vira Nathoo of Ranivada owes a debt of Rs. 2,610 which partly accounts for its high debt average of Rs. 561.

One Kanbi and one Kharak Khedut of Malva also carry on money-lending to a small extent, and one Koli Lakha Vija of Dayal has fairly extensive dealings among his brother Koli Kheduts of the same village.



Old debts of long-standing were noticed in Longdi, Kalsar, Dayal, Hetha-Kotada, and Ranivada ; and it was further noticed that with the exception of the Kalsar Sowcars, those of the other villages lowered their rate of interest in respect of old debts, though they had usually charged Savaya at the outset.

Most of the Roisa soil is tilled by Kheduts residing in Loinga, Otha and Boda.

Of the 321 indebted Kheduts of the Tappa, 39 each owe a debt exceeding 2 years' but not exceeding 3 years' assessment, 139 each owe a debt exceeding 3 years' but not exceeding 10 years assessment, and 64 Kheduts each owing a debt exceeding 10 years' assessment pay a total annual assessment of Rs. 3,148 and are altogether indebted in the sum of Rs. 60,081.

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## CHAPTER X.

### TALAJA MAHAL.

#### 1. TAPPA TALAJA.

There are 20 villages in this Tappa, paying an annual assessment of Rs. 55,604 and the total amount of indebtedness is Rs. 2,10,988. In other words, the ratio of assessment to indebtedness is 1 to 3.7. But out of a total of 718 individual holders, 352 or 49 per cent are free from debt; and if only the indebted are taken into consideration, it will be found that the ratio is nearly to 6.3. For individual villages, the ratio of assessment to debt, taking into consideration only the indebted Kheduts and the assessment payable by them, is still much higher. For instance, this ratio of assessment to debt, for Fulsar, is 1 to 14; for Sankhadasar and Shobhavad each it is 1 to 13; for Liliav it is 1 to 11; for Velavadar it is 1 to 10.5; for Surtanpur it is 1 to 10; for Mankhania and Bhaguli each, it is 1 to 7 and more; for Tarsara it is 1 to 7 and so on. This high incidence of indebtedness is characteristic of all the Tappas of this Mahal and is not to be met with anywhere else in the whole State excepting Tappa Tana of Sihor, and some Tappas of Daskroi Mahal. This high ratio of assessment and debt is no doubt in a measure due to the low rate at which the Talaja lands are assessed, compared with Lilia and other Mahals. But even allowing for this factor, the pressure of indebtedness seems pretty high.

It has already been pointed out in the notes for Lilia Mahal that the average net profit of cultivation of moderate sized holding, in a normal year after deducting assessment, the cost of cultivation, and the maintenance charges of the cultivator's family, does not exceed the annual assessment. But where, as in the villages of this Tappa, indebtedness is seen not infrequently to be ten times and more, as high as the amount of the annual assessment, the situation must be pronounced to be well-nigh hopeless. These remarks apply with even greater force to the remaining Tappas of the Mahal, as the ratio of assessment to debt in their case is even much greater.

There are in this Tappa 37 Kheduts each owing a debt exceeding 2 years' but not exceeding 3 years' assessment, 160 Kheduts each owing a debt exceeding 3 years' but not exceeding 10 years' assessment; and 89 Kheduts each owing a debt exceeding 10 years' assessment. The total assessment payable by the latter is Rs. 6,749 and their liabilities amount to Rs. 1,14,869. These figures speak for themselves.

There are in this Tappa 128 Koli, 107 Kanbi, 101 Kharak, 77 Pancholi, 69 Paleval, 48 Bania, 24 Kumbhar, 22 Brahmin, 13 Sepoy, 11 Memon and 10 Khoja holders. The rest are of miscellaneous castes.

Except in a few villages such as Talaja proper, Kundhada, Royal, and one or two more, the prevailing rate of interest is Savaya and Mol-Savaya. Where the ostensible rate charged is 18 per cent, the same together with the discount deduction of 6 per cent and more at the outset, practically amounts

to Savaya. Instances of interest levy of even 75 per cent have been met with; and bonds wherein double and even treble the actual sum advanced was shown as the amount of the loan, have been obtained by the Sowcars from Kheduts. The evil of the Sowcars adjusting their outstandings by receiving, in lieu of money-payment, bullocks and other implements of husbandry, which are exempt from attachment under civil process, was noticed to prevail here more generally than was seen to be the case with Bagdana. Specific instances are given in the evidence volume (*vide paras. 405, 426 & 427*).

The practice prevails in this Tappa of what is known as Jalap, whereby the Sowcar enters with the Kheduts into a forward contract of purchase of his expected cotton but more especially grain crops. The price of the purchased crops is generally much lower than the prevailing market rate and the same, oftener than not, is credited in adjustment of past arrears, without being paid in cash, and where it is paid in cash, it goes to meet some pressing agricultural need.

To call a transaction of this nature a regular contract of sale is rather a misnomer. It is merely the case of a Khedut parting with his crops in advance at a cheap rate either to pay off old outstandings under pressure of the Sowcar's dunning, or to obtain a loan to meet some pressing agricultural necessity. In other words this is the same kind of transaction that one meets with so often in Lilia and other Mahals, where a Khedut is able to obtain a loan, only by promising delivery of a fixed quantity of Kapas or other commodity.

As noted in other Mahals, many individual holders in several villages are indebted in a much higher sum than the debt average of the particular village would indicate. For instance, Pauthi with a debt average of Rs. 489 has one holder owing Rs. 3,000, another Rs. 2,050, and a third Rs. 1,700. Sankhadasar shows a high debt average of Rs. 1,367, and has one holder owing Rs. 5,200, one Rs. 2,090, one Rs. 1,800, two each owing a debt of Rs. 1,500, and five each owing a debt of between Rs. 1,000 and 1,200. These high figures are no doubt due to the extortionate and usurious rates charged by the Sowcars, doing business in the village, the principal among them being Purushottam Bhagwan of Talaja. This Sowcar received, in a single year, from his Khedut constituents, 18 bullocks, 2 buffaloes, and one cart, besides large quantities of Juwar, Bajri &c., in adjustment of past arrears (*vide Evidence Vol. para 405*).

Lilivav has only two indebted Kheduts, one of whom owes a debt of Rs. 2,992. Dantrad has one holder owing Rs. 2,000. Fulsar has one holder owing Rs. 5,400, and another Rs. 1,500. Makhania has two holders each owing about Rs. 4,000, and a third owing Rs. 1,900. Velavadar shows an average of Rs. 1,048, and has one holder owing Rs. 2,600, another Rs. 2,200, a third Rs. 2,000, three more each owing about Rs. 1,700, and two others each owing Rs. 1,000. Dakana with a debt average of Rs. 746 has one holder owing Rs. 2,075, another Rs. 1,200, a third Rs. 1,125 and a fourth Rs. 925. Shobhawad has five indebted Kheduts of whom, one owes Rs. 2,650, another Rs. 1,925, a third Rs. 1,500, and a fourth Rs. 1,200. Tarsara with a debt average of Rs. 780 has three holders each owing between

Rs. 2,400 and Rs. 2,700, two each owing Rs. 1,400, and one owing Rs. 800. Thalia has three holders each owing about Rs. 1,000. Bhegali has two each owing Rs. 1,500, and two others each owing about Rs. 1,000. Belda, with an average of Rs. 370, has two holders each owing about Rs. 1,000.

The scale of social expenditure on ceremonial occasions both among Palevals and Kharaks is pretty high, which, among other factors, accounts for the incidence of indebtedness. One Kharak Jeram Sangha of Dakana, who celebrated one marriage and one Ghargharna ceremony in his family, had to spend about Rs. 2,000. Assessment call also appears as a cause of debt, though not so frequently as in Gadhada Mahal, and Bagdana under Mahuva.

Talaja proper and the surrounding villages have their crops exposed to damage by pigs, which find shelter in the Talaja hill and multiply there as only pigs can. A Lancers party specially sent in St. 1973 to hunt out and kill pigs greatly reduced their number; and the Kheduts were freed from the anxiety of damage to their crops by wild pigs for three years. But the pigs have thriven again, and their number being replenished, are as great a danger for the standing crops as ever. If this danger is to be successfully controlled the Lancers party should be regularly detailed for hunting out pigs, if not every year, at least once in three years; for that seems the only way to check their wild growth.

Complaints of irregular and excessive levy of Makat were common in Lilivav and other villages. Especially where a Khedut residing in one village has a holding in another, he ran the risk of being subjected to a double levy of Makat in both villages. Many Kheduts seemed agreeable to a rateable addition being made to the assessment of the holding to be saved from the harassment and irregularities attendant on the separate collection of the Makat farmer or Ijardar.

## 2. TAPPA DIHOR.

There are 14 villeges in this Tappa, which pays an annual assessment of Rs. 36,437, while its total indebtedness amounts to Rs. 1,71,102. This gives a ratio of 1 to 4.7 between assessment and debt liability. 182 holders out of a total of 450 or about 40 per cent are free from debt; and omitting them from consideration, the ratio of assessment and debt in the case of the indebted Kheduts only is 1 to 7.1, which is even higher than was the case in the Talaja Tappa. No doubt the high ratio is partly accounted for by the fact of the comparative low assessment of the Tappa. In the case of individual villeges this ratio, it need not be pointed out, is still higher.

The Palevals preponderate in this Tappa, there being as many as 142 of them out of a total of 450 holders. Among other castes the more principal are 81 Kanbis, 49 Rajputs, 44 Kharaks, 38 Ayars, 20 Pancholis, 19 Kolis, 11 Brahmins and 11 Ghanchis. Of the last two, 8 Brahmins and 10 Ghanchis belong to Dihor proper.

For cash loans the generally prevailing rate of interest for the Tappa varies from 9 to 15 per cent and rarely 18 per cent though Savaya practice is also met with occasionally in some villeges such as Dihor, Bhadraval, Hubokwad

and Padri. Both in Timana and Hubokwad, 18 per cent and not 12 or 15 per cent seems to be the rule, and when it is combined as it not infrequently is, with the levy of 5 per cent and more discount, it is as good as Savaya.

The evil of what are known as Jalap contracts is even more intense in this Tappa than in the preceding one. Kadhara also prevails, Jowar being stipulated to be returned by Bajaro a quarter as much again as the quantity of Jowar advanced. Failing delivery, a bond for double the quantity of Bajaro due is obtained. Methi advance for seed is agreed to be paid for by half as much again Bajro. Cotton-seed supplied for sowing is to be paid for by Kapas either equal to the quantity of the cotton-seed advanced or only a quarter less. Supplies of miscellaneous commodities are debited at a rate of price 25 to 100 per cent higher than the cash rate.

As noted elsewhere, individual holders in each village are much more heavily indebted than the debt average of the village would indicate. For instance, Dihor with a debt average of Rs. 610, has one Khedut owing Rs. 2,800, another Rs. 2,225, a third Rs. 2,000, a fourth Rs. 1,650 and two more each owing about Rs. 1,000. Bela has an average of 526 and one holder owing Rs. 2,100, and another owing Rs. 1,000. Neswad with an average of Rs. 381, has one holder owing Rs. 1,460, and another Rs. 1,260. Bhadrawal with an average of Rs. 563, has one holder owing Rs. 2,050, five each owing between Rs. 1,500 and Rs. 1,800, and six each owing about Rs. 1,000, Bhakhalka with an average of Rs. 883, has three holders each owing about Rs. 1,500, and one owing Rs. 1,156. Pingali has an average of Rs. 314 and one holder owing Rs. 1,450. Timana shows an average of Rs. 809, and has one holder owing Rs. 2,465, eight each owing between Rs. 1,200 and Rs. 1,400, and six each owing between Rs. 900 and Rs. 1,000. Hubokwad shows an average of Rs. 706, and has two holders each owing about Rs. 1,800, one owing Rs. 1,000 and four each owing about Rs. 800. Isora with a debt average of Rs. 753, has one holder owing Rs. 5,650, two each owing about Rs. 1,000, and two more each owing about Rs. 850. Padri shows an average of Rs. 1,118 and has one holder owing Rs. 3,900, two each owing Rs. 1,600, two others each owing about Rs. 1,200 and two more each owing about Rs. 1,000. Chopda with an average of Rs. 1,306, has one holder owing about Rs. 2,150, another Rs. 1,925, another Rs. 1,700, two each about Rs. 1,500, and two more each owing between Rs. 1,000 and Rs. 1,200.

Palevals are good and hardy cultivators, and besides agriculture, maintain a fairly large stock of milch-cattle, especially buffaloes, whereby they substantially add to their income. But as already remarked before, Palevals have to spend a lot on social ceremonial occasions. A marriage ceremony ordinarily costs from Rs. 500 to Rs. 1,200 and the caste-dinner given on the occasion of the death of an elder in the family does not cost less than Rs. 1,200.

It was noticed in Pangali that many garden wells had practically gone dry; and as a remedial measure, local opinion suggested the bunding of the River Utavali towards the north, where the cross-country road leading to Bhakhalka runs.

Among the indebted Kheduts of this Tappa 17 each owe a debt exceeding 2 years' but not exceeding 3 years' assessment, 119 each a debt exceed-

ing 3 years' but not exceeding 10 years' assessment, and 90 each a debt exceeding 10 years' assessment. The last group pay a total assessment of Rs. 5,216 and are in arrears to the extent of Rs. 91,762.

### 3. TAPPA UNCHADI.

In this Tappa there are 13 villages paying an assessment of Rs. 27,903 and indebted in a sum of Rs. 1,15,765. This gives a ratio of 1 to 4.1 between assessment and debt. Taking only the 246 indebted holders of the Tappa into consideration, this ratio is as high as 1 to 8.2. For individual villages, it is still higher. For Kerala, the ratio is 1 to 19, and for Rajpura it is 1 to 21. No doubt this is accounted for in a great measure by the low assessment levy. For instance, the average assessment rate per Vigha in Rajpura is just a little more than 8 annas ; and assessment being taken as the unit in the ratio of comparison, where the assessment rate is so low, the ratio would proportionately tend to be higher. Suppose in the case of Rajpura, the assessment rate was Rs. 2 instead of eight annas or half a rupee only. Then the ratio of assessment and debt would be at once reduced from 1.21 to only about 1.5. So the ratio alone without taking into consideration other factors would not be a correct index of the incidence of indebtedness.

This is a preponderatingly Koli Tappa, there being as many as 286 Koli holders out of a total of 534. The next most numerous castes represented among the Kheduts are 82 Kanbis, 47 Kharaks, 24 Kumbhars, 23 Brahmins, 17 Rajputs, 17 Baniyas, and 14 Pancholis, the rest are of miscellaneous castes.

There is a preponderance of Kanbi holders in Unchadi, of Kharaks in Khandhara and Pithalpur, and of Kumbhars in Vavdi and Shelavadar. The Kolis preponderate in all the other villages. All the 14 Pancholis belong to Shelavadar. Of the 23 Brahmins 12 belong to Jhanjhmer.

The prevailing rate of interest for most of the villages is 18 per cent though stray cases of adding 25 and even 50 per cent premium at the outset are met with in some villages such as Vavdi, Rajpura, Methla, Partapra and Shelavadar. In the last village it was noticed that though Savaya was generally charged in the first instance, on renewal only 18 per cent interest was levied. In Vejudri, where the Datha Sowcars claim the lion's share of the money-lending business, Savaya appears to be invariably levied. While the Kanbis of Unchadi and Kharaks of Khendhara and Pithalpur generally pay 9 to 12 per cent interest only and rarely 18 per cent on their loans, the Kolis of these villages have as a rule to pay 18 per cent. Similarly in Vavdi while the Kumbhar holders pay only 18 per cent interest on their borrowings, the Kolis have to submit to the Savaya levy almost invariably. Even when 18 per cent interest only is charged ostensibly, it has been ascertained that in villages like Jhanjhmer and Amla over and above the interest levy, premium at varying rates is levied both at the outset and on renewal.

There are individual holders in almost each village, who are each indebted in an amount several times larger than the debt average of the village.

For instance, U'nchadi with a debt average of Rs. 422 has one Khedut owing Rs. 2,075, another owing Rs. 1,450, and three each owing between Rs. 800 and 900. Pithalpur with an average of Rs. 404 has one holder owing Rs. 1,450 and two each owing about Rs. 1,100. Jhanjhmer with an average of Rs. 728, has one holder owing Rs. 2,000, another Rs. 1,500, four each owing Rs. 1,000, and one owing Rs. 800. Partapra with an average of Rs. 367 has one Khedut owing Rs. 1,025. Kerala shows the high average of Rs. 1,373, and has two Kheduts each owing Rs. 3,000, five each owing Rs. 2,000, and one owing Rs. 1,500. Most of these large outstandings are owing to Bhat Pranshankar Dalpatram of Jhanjhmer, and having been carried over many years, perhaps represent a comparatively very small nucleus of original advance. This is also true of many Kheduts of Jhanjhmer who show large arrears of debt outstanding for many years. Methla with an average of Rs. 268 has two Kheduts each owing Rs. 700 to 800 and one owing Rs. 1,000. Rajpara with an average of Rs. 517 has one Khedut owing Rs. 1,400 and another owing Rs. 900. Shela-vadar with an average of Rs. 578 has one holder owing Rs. 2,000 and another Rs. 1,050.

The comparatively low economic condition of the Koli Kheduts is indicated both by the more exacting terms they have to submit to for their loans, and by the large percentage of the indebted Koli Kheduts. For instance, the total number of holders of Jhanjhmer is 61, of whom only 18 are indebted. Of these 18, as many as 15 are Kolis, and only 3 belong to other castes. In Jhanjhmer there are in all 29 Koli holders, and among the rest are Rajputs, Kharaks, Baniyas and Brahmins. The low economic condition of the Koli holders is partly due to their being inferior as cultivators and partly to their small uneconomic holdings.

Most of the Kharak holders of Khandhara and Pithalpur each maintain a large stock of buffaloes and thereby add to their income from agriculture.

In this Tappa there are 25 holders each owing a debt exceeding 2 years' but not exceeding 3 years' assessment; 103 holders each owing a debt exceeding 3 years' but not exceeding 10 years' assessment; and 84 holders who pay a total assessment of Rs. 3,519 in all owe a debt of Rs. 70,370.

#### 4. TAPPA TRAPAJ.

There are 21 villages in this Tappa, paying in the annual assessment of Rs. 42,225 and indebted in the sum of Rs. 2,05,539. This gives a ratio of 1 to 4.8 between assessment and debt, which is higher than all the three preceding Tappas. Omitting the 361 or about 50 per cent of the holders, who are free from debt, one finds that the ratio of assessment and debt for indebted Kheduts is as high as 1 to 9.7, which is also higher than was the case with the three preceding Tappas. For individual villages, it need not be repeated, this ratio is even still higher. For instance in Senshia the ratio is 1 to 36. The high ratios are no doubt partly accounted for by the comparative low assessment of the Trapaj lands.

This Tappa has 717 holders in all, out of whom 186 are Kolis, 135 Kanbis, 119 Kharaks, 97 Palevals, 96 Rajputs, 29 Ayars, 12 Brahmins, 11

Banias, 8 Ghanchis, and 6 Kumbhars. The remaining few are of miscellaneous castes. Trapaj proper, Dhardi, Jaspura, and Sankhadasar are predominantly Kharak; and Sathra and Piparla are predominantly Paleval. Bapada, Panchpipla, Manar, and Rajpura are predominantly Kanbi. Among the rest, Sonshia, Paniali, Mithivirdi, Alang, Mathevda and Bharapara are predominantly Koli. Khadadpur has about an equal number of Koli, Rajput, and Ayar Kheduts.

The Kharaks and Palevals appear to be able to obtain their finance on much easier terms than Kolis. Generally they pay only 6 to 12 per cent interest as a rule, though they frequently have to submit to a levy of 5 per cent and more premium at the outset. In rare cases Kharaks of Trapaj and Palevals of Sathra are seen obliged to borrow under the Savaya system. But Kheduts of other castes in Trapaj, and particularly the Kolis of Jaspura have to submit to very exacting terms, cases of 50 per cent premium being charged at the outset, being not rare.

The Kanbis of Bapada, Piparla and Manar also pay 12 per cent interest only as a rule; and in Panchpipla the practice of the initial levy of premium was also absent, though the Bapada Kheduts have to submit to a deduction of 1 anna per rupee, *i. e.*  $6\frac{1}{2}$  per cent, on their borrowings. *Inter se* dealings among the Kanbi holders of Panchpipla were also noticed.

In the predominantly Koli villages the prevailing rate is either 18 per cent or Savaya, and where it is 18 per cent, initial premium is levied either openly or clandestinely. Mol-Savaya was also seen practised in a few cases in the Koli villages.

In Khadadpur, a mixed Koli, Kanbi and Rajput village, the prevailing rate would appear to be 12 per cent plus the usual discount deduction. Kolis in Jaspura, Sonshia, Kathava, Alang, etc., were observed to have mortgaged their mango-trees in lieu of interest on the loans obtained. Unable to resist the pressure of creditors, some Kolis from Alang and other villages seem to have emigrated to distant places, leaving their holdings nominally in charge of their relatives but practically of the creditors.

Complaints of shortage of manure and well-water were general but specially marked in Piparla and Sathra. The Piparla soil is hard and having little depth is unable to hold water, and the well-water is insufficient to irrigate properly even one crop, especially in the year following a total or partial failure of rains. Sathra in this respect is even worse off than Piparla, the flow of subsoil water even in a year of good rains being unsatisfactory. Where rainfall is so scanty and precarious, and the resources of subsoil water limited and unreliable, some means should be devised to stop the draiagle of the land, and to retain therein as much moisture as possible. The Palevals of Sathra and Piparla, good and hardy cultivators as they are, would be able to get much more out of their holdings than they do at present, were they not handicapped by the general inadequacy of manure and water.

As in other Tappas most of the villages have individual holders, indebted in a much larger sum than the debt average of the village would indicate. Trapaj proper, with a debt average of Rs. 853, has one holder owing Rs. 5,500, another owing Rs. 3,975, a third owing Rs. 3,250, two others each



owing Rs. 2,000, and three others each owing between Rs. 1,000 and 1,400. Bapada with an average of Rs. 611 has one holder owing Rs. 2,161, another Rs. 1,575, a third Rs. 1,300, and a fourth Rs. 1,150. Mithivirdi with an average of Rs. 702 has two holders each owing Rs. 3,250, and two others each owing Rs. 1,200. Panchpipla with an average of Rs. 293 has one holder owing Rs. 1,500 and another Rs. 1,065. Jaspura with an average of Rs. 280 has one holder owing Rs. 1,160. Sonshia shows an average of Rs. 1,241 and has three holders each owing between Rs. 2,400 and 2,800, two each owing about Rs. 2,000 and fourteen each owing between Rs. 1,200 and 1,700. Khadadpur with an average of Rs. 637 has one holder owing Rs. 4,742, and two each owing about Rs. 1,500. Sathra with an average of Rs. 675 has one holder owing Rs. 2,500, and two each owing about Rs. 1,100. Piparla with an average of Rs. 449 has one holder owing Rs. 1,930 and another owing Rs. 1,062. Kathava with an average of Rs. 604 has one holder owing Rs. 1,592 and another owing Rs. 960. Alang with an average of Rs. 701, has one holder owing Rs. 2,150, another Rs. 1,400, two each Rs. 1,000, and two more each about Rs. 900. Manar with an average of Rs. 538, has one holder owing Rs. 2,400, and four each about Rs. 1,000. Mathavda with an average of Rs. 572 has one holder owing Rs. 2,000, another Rs. 1,670, a third Rs. 1,575, and a fourth Rs. 950. Bharapu has five indebted Kheduts with an average debt of Rs. 1,008. Of these five one owes a debt of Rs. 2,600. Rajpara with an average of Rs. 326 has one holder owing Rs. 1,680. Sankhadasar with an average of Rs. 350 has two holders, each owing about Rs. 1,000.

The larger amounts of arrears are outstanding for many years; and this feature of Kheduts carrying the burden of old debts was specially noticeable in Trapaj, Bapada, Mithivirdi, Panchpipla, Sonshia, Khadadpur, Sathara, Alang, and Manar.

Kadhara and Jalap are fairly prevalent in the Mahal though resort to them is more frequent among the poorer Koli Kheduts than those of other castes. Instances of cash loans agreed to be paid for by a fixed quantity of Kapas were also noticed in Kathava and other villages.

Bapasra has no resident Kheduts, its lands being tilled by Kheduts from Bapada.

Kharaks and Palevals maintain a large stock of milch-cattle especially buffaloes and their produce substantially adds to their income.

Of the 356 indebted Kheduts of the Tappa, 34 each owe a debt exceeding 2 years' but not exceeding 3 years' assessment, 133 each a debt exceeding 3 years' but not exceeding 10 years' assessment, 143 assessed in a total amount of Rs. 6,181, are in arrears to the extent of Rs. 1,44,595.

## CHAPTER XI.

### Conclusion.

The grave economic condition of the peasantry, that was revealed as a result of the Committee's enquiry was amply borne in upon the Council, and Sir Prabhashanker D. Pattani, the President of the Council, with his characteristic imagination and sympathy and wide knowledge of affairs at once realized that, unless grave agrarian trouble was to be risked in the near future, it was imperative to take immediate remedial measures to restore economic health to the debt-depressed and all but insolvent Khedut. So with both a view to afford him relief in regard to past usurious transactions and protection against victimization in the future, a Khedut Protection Act has been passed, which is attached hereto as Appendix VI.

The usurious dealings of the Sowcar doing business with the Khedut and the tortuous and tricky methods of account, which the Sowcar's ingenuity sharpened by greed is so fertile in inventing, were the subject of oral discussion with the leading merchants and money-lenders of Gadhada, Botad, Umrata, Lilia, etc., when the Chairman and other members of the Committee, after finishing the regular inquiry, specially toured the Kasba towns to meet them and have an exchange of views with them. There was none, who was prepared to deny or defend the gravity of the evil revealed; and even constructive suggestions were put forth by some merchants to control and regularize the methods of account. Some of these suggestions will be found embodied in the minute, which the Chairman, Dewan Bahadur Tribhuvandas Kalidas Trivedi, as Member of the Council, prepared, reviewing the work of the Committee and recommending to the Council, the necessary legislative and other measures for relief and protection of the Khedut. This minute is attached hereto as Appendix VII.

The minute is also important, in that it enumerates in a summary form the irregular and fraudulent methods of account too often resorted to by the Sowcar and against which the ignorant and indebted Khedut is simply helpless. Many concrete instances of these methods have been given and treated in great detail in the Evidence and Statistics Volume separately published and so it has been thought unnecessary to burden this report by reproducing them here.

The Khedut Protection Act has been largely modelled on the lines of the Deccan Agriculturists' Relief Act, with such modifications as were deemed necessary to meet local conditions. Further an attempt has been made to more carefully define the word Agriculturist so as to prevent undue advantage being taken of the provisions of the Act by a class of persons who are not bona fide cultivators. In British India, it has been observed that persons, who had incurred heavy liabilities in pursuits other than Agriculture, got nominally registered as cultivators just only to avoid these liabilities and obtain relief under the Deccan Agriculturists' Relief Act, which was originally

intended to benefit the genuine Khedut only. It is hoped that the more carefully prepared definition of the term Agriculturist adopted in the Local Act leaves no such loophole and will effectively prevent traders and merchants masquerading as Kheduts and profiting by the provisions of an Act never intended for their benefit.

But, as is well-known, the Deccan Agriculturists' Relief Act has not succeeded in relieving the Khedut class, to the extent it was expected to do, though it has certainly achieved a great deal more than those, whose interests were adversely affected by the Act, are willing to admit. All the same, there is an obvious limit to the good, that can be achieved by a mere legislative measure, howsoever well-intended and carefully elaborated such measure may be. It can at best render only negative help, which, the Council very naturally thought, was not adequate to meet the requirements of the case.

So along with the Khedut Protection Act, the Council has sanctioned a Debt Redemption Scheme, which would help wipe off at one stroke all the outstanding debts of the Khedut and enable him to write on a clean slate once again.

The highly indebted Khedut is practically bankrupt, and if he was made legally insolvent as he really is, it is practically certain that the money-lender will get little or no dividend from the insolvent Kheduts' assets available for distribution. It is to be hoped, therefore, that the money-lenders, in their own interest, would avail of the liberal terms for compounding their debts, which are offered by the Redemption Scheme and help themselves and the Darbar in economically rehabilitating the Khedut class. The scheme is published herewith as Appendix VIII. The scheme will be applied in any big compact area, such as a Mahal or a Tappa, where a majority of both the cultivators and Sowcars are prepared to settle up their accounts according to the terms and conditions laid down in the Scheme. The scope of the Scheme covers all the customers of the same creditor and all the creditors of the same debtor. Further, as the redemption loan is advanced by the Darbar on behalf of the indebted Khedut and has to be recovered from him, though of course by easy instalments, the amount of such loan has necessarily to be limited according to the capacity and solvency of the Khedut concerned. But there is little doubt that the creditor under the scheme will be able to recover, if not the whole of his outstanding arrears, at least a reasonable portion of the original principal together with a moderate rate of interest. At any rate he is certain to recover in cash and at one stroke far more, under the Scheme than he can, if left to his own devices, hope to collect in a number of years from his Khedut customers suffering from chronic indebtedness.

It is obvious the State cannot replace all the Sowcars nor has the Darbar any intention of doing so. No one acquainted with rural life, will grudge to acknowledge the important and useful part the Sowcar once played in the economic life of the village. At the same time, it cannot be denied that of late years both the Sowcar and his Khedut customers, have been greatly estranged; and the breach is daily widening. Certainly there is nothing left of the old personal touch and sympathy which made their mutual

relations so happy and useful to both sides. And it is because the Darbar earnestly wish that these old happy relations may be early restored to the mutual benefit of both the Khedut and the Sowcar that this big experiment has been undertaken of wholesale and simultaneous redemption of all the Kheduts of the State and surely it is not too much to hope that with the Kheduts freed from the old debts, the Sowcars would resume their old connection with them charging only moderate rates of interest, and at the same time, the old nexus of personal touch and sympathy will be restored.

The heavy indebtedness of the Agriculturist classes is a phenomenon not confined to Bhavnagar alone and the same has been attracting universal attention all over India for years past. Various palliative and tentative measures have been applied to lighten the burden of the heavily indebted agriculturist and improve his financial condition. But the present attempt to effect a total and complete redemption of the whole of the agriculturist class and thus enable it to make a fresh start is unique and uncommon. No doubt this will necessitate the advance of a very large sum and some risk is also inevitable under the circumstances. But considering the lofty and benevolent aim, which has motivated this attempt, the risk involved is not excessive and certainly worth taking.

But, by far, the most constructive measure, is that relating to the grant of Gramya Panchayat, to these villages, which are prepared and apply for the same. It was felt and rightly felt that the problem of agricultural indebtedness is not one that can be rightly and separately tackled, without dealing at the same time with the whole economic life of the village. Indebtedness, is, after all, a symptom whose treatment alone cannot achieve the desired object, which is nothing less than the rehabilitation of the whole village life itself, and so the Panchayat is deliberately intended to cover more or less the whole field of village life.

It is well known that the old village communities having disappeared, with it, has also passed away the sense of corporate life. While personal hygienic of a kind exists, general sanitation worth the name is non-existent. Again the absence of corporate consciousness renders the villager helpless not only against thieves and dacoits coming from outside; but they are equally unable to keep under control the bad characters in their own midst from whom hardly any village is free. These are a terror to the whole village and they make a hell of the life of the honest agriculturist by clandestine grazing by cattle-lifting, by levying '*mosul*' and by threat of arson, which is too often actually carried out to serve as an example and a warning.

But it is hoped that the grant of Panchayat will enable the village to effectively deal with all these evils. The grant of Panchayat will mean the practical transfer of the whole village administration to the villages themselves with the minimum of outside interference. For it vests the Panchayat with the power to select and nominate persons of its own choice for the village offices of Talati, Mukhi, Patel, Chokidars etc.; and the latter, therefore, will be real servants and not masters of the village, rendering better, more loyal and efficient service. This will also better enable the Panchayat to control and keep, on their proper behaviour, the bad and more intractable characters

in the village. In an extreme case the village can also ask for the removal from their midst of a particularly desperate and dangerous character, who cannot be tackled by the ordinary process of law, because perhaps so great is the fear he inspires that no one will come forward to bear witness against him.

Where the ground is prepared and a demand is made, freedom will be given, within limits, to the village to determine its own method and procedure of revenue collection. It can also punish contumacy to the extent of forfeiture of land and auction a vacant holding. It can also build up a reserve, from the savings remaining after payment of the Darbar dues and the reserve will be available for any common use, which may be decided upon by the Panchayat. Where the reserve is large enough, it can be even utilised for financing the agricultural needs of the Kheduts.

The Panchayat will also exercise municipal powers. It will look after its own sanitation and attend to road repairs, maintenance of the village well, Chowra, Aweda, etc. The Panchayat will be in charge of the village cattle pound, and it can, if it so chooses, acquire power to try and decide small civil suits and criminal complaints relating to cattle trespass, etc.

In brief the Panchayat is at once an educative and ameliorative measure, and it combines in itself both self-determination and self-Government. And the Panchayat, if properly understood and administered, will greatly improve the economic and other condition of the village and bring to it, in an increasing measure, a sense of corporate life, security, peace, happiness and prosperity.

The Panchayat rules will be found embodied in appendix IX. to this report. They are more or less tentative, and will no doubt be amended and modified from time to time, as more experience is gained. Further it is not intended to impose one uniform stereotyped model on all the villages and latitude has been reserved to alter the rules and terms of the Panchayat grant, to suit the wishes, the stage of growth, and other circumstances of the village concerned.

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## Appendix I.

*Questionnaire prepared by the Committee appointed to inquire into the indebtedness of the Cultivators of the Bhavnagar State.*

1. What is the name of your village ?
2. Is there any Darbari Khata land lying padtar (fallow) in this village ? If yes, how much and for what reason ?
3. Have any Kheduts migrated from your village since St. 1956 ? If so, about how many, and where have they gone to, and what are the reasons of their so doing ?
4. Is there sufficient well-irrigation in the village, *i. e.*, has every cultivator one Kos Wadi land per each 100 Vighas of land ? If not, state reasons.
5. Has every Khedut a pair of bullocks per Santi ? If not, how many are without them ? Give reasons.
6. How many members does an average Khedut family consist of ? Give the annual average expenses of food and clothing per each member.
7. Give the maximum and minimum expenditure incurred by the cultivators of the following different castes on ceremonial occasions :—

Nature of Ceremonial occasion	Kaubi or Kharak		Koli Khedut		Other castes	
	Maximum	Min.	Maximum	Min.	Maximum	Min.
	Rs. a	Rs. a	Rs. a	Rs. a	Rs. a	Rs. a
Marriage ... ..						
Re-marriage ... ..						
Funeral ceremony etc., of elderly persons.						

8. What would be the probable cost of digging one and two Kos wells respectively ?
9. Is there a sufficient supply of the means of husbandry — such as carts ploughs, Bungans, harrows, Rafter, Belle, etc. ? If not, why ?
10. State the position re manure. Is Jarayat land manured besides garden land ? If not, why ? Is cattle-dung used for fuel ? Can you suggest any remedy to improve the situation ?
11. Have the Kheduts any subsidiary occupation such as selling milk, ghee, or plying carts for hire ?
12. Does every cultivator own milch-cattle over and above bullocks ? If not, state the percentage of those, who do not own such cattle giving reasons.

13. Give the quantity of seed required for the following crops :—

	Per Vigha.	Seers.		Per Vigha.	Seers.
Jowar.	„	„	Bajro.	„	„
Cotton Seed	„	„	Wheat	„	„
Til (Sesamum)	„	„	Sugar-cane.	„	Rs.

14. Do you stock the seed required or obtain the same by purchase ? If the latter be the case, how is it bought and on what terms ?

16. Give approximately the yield per Vigha for the following crops in an ordinary normal year :—

	Garden land.	Jarayat.		
		Best.	Middling.	Inferior.
Jowar	... ..			
Cotton	... ..			
Bajro	... ..			
Wheat	... ..			
Til	... ..			
Molasses	... ..			

16. What are the weeding charges per Vigha ?

Garden land.	Jarayat.
Cotton.	Cotton.
Bajro.	Bajro.
Sugar-cane.	Til.

17. What are the charges of cotton picking per Vigha ?

1st Picking per maund.	2nd Picking per maund.

18. Give approximately the cost of cultivation as compared with the assessment exclusive of the labour of the members of the Khedut's family.

19. How many Ubhad families are there in the village ? Are they sufficient for the agricultural needs of the village ? If not, where do you find the necessary labour from ?

No. of families.	Males.	Females.	Children.

20. Do village-Ubhads live in the village throughout the year or do they migrate after the season is over ? If yes, where do they go to ?

21. What are the daily wages of these Ubhads—males, females, and children for weeding, cutting, and picking ? Is any food required to be given over and above the money-payment ? If yes, how much ?

22. State the ratio of wages prior to St. 1956.

23. State the prices present and pre-Chhapania of the following means of husbandry :—

Means of Husbandry.	Pre Chhapania cost.	Present cost.
Kos and its accessories.		
Plough ... ..	**	
Harrow ... ..		
Rapta... ..		
Belle ... ..		
Cart ... ..		
A pair of bullocks ...		
Beams and wooden frames for well.		

How long will a new Kos last ?

24. State the customary measure of grain annually granted to Carpenters, Blacksmiths, and other artisans before St. 1956 and at present.

	Pre-Chhapania.			Present,		
	Baretru.	Wheat.	Sugar-Cane.	Baretru.	Wheat.	Sugar-Cane.
Carpenter ...						
Blacksmith ...						
Shoe-maker ...						
Potter ... ..						
Tailor ... ..						
Barber ... ..						

25. State the area of aneconomic holding sufficient to maintain a Khedut family of five members owning a pair of bullocks, after deducting cost of cultivation.

26. Is Mul Giras or any Barkhali land leased for Cultivation? If yes, state the proportional shares of each crops of the lessor and lessee. If the lease is for cash, state the rate per Vigha.

27. Are iron ploughs in use in your village? If not, state reasons. If yes, how many?

28. Is there sufficiency of cultivable soil in proportion to the agricultural population of your village?

29. Do the Kheduts cultivate the whole Khata land, or is any such land left padtar for want of means of cultivation; and if yes, give the number of Kheduts who leave it padtar.

30. How many and what crops do you grow in the garden land in year?



31. Are there any local Sowerars dealing with cultivators and if there are any, what caste do they belong to ?

32. If there are any outside money-lenders doing business in your village, what villages do they belong to ?

33. Do cultivators and their relatives lend and borrow money among themselves ?

34. State the proportion of Kheduts who can obtain money on payment of interest only.

35. What are the maximum and minimum rates of interest in your village ?

36. State the proportion of Kheduts who are unable to obtain money on interest, but have to pass Savaya bond (Principal plus 25 per cent premium) for the loan.

37. What is the proportion of Kheduts, who have to bind themselves to pay Savaya amount during the next Magsar Khala for a loan received in the month of Jeth ?

38. Are there any Kheduts, who have to bind themselves to deliver a fixed quantity of Kapas in the next Khala in return for the loan received ? If there are any such Kheduts, state the difference between the price calculated in the bond and the Khala price.

39. There is a practice in some villages to enter a penal clause in the bond stipulating for delivery of a fixed quantity of Kapas in default of repayment of the loan at the time prescribed in the bond. If there is such a practice in your village, what is the difference between the bond-price and the Khala price of the Kapas ?

40. State approximately the quantity of Kapas agreed to be delivered under conditions described in questions 38 and 39 in one year in your villages.

41. In case of default of delivery, is there a practice to pass a Savaya bond for a money-equivalent of the stipulated Kapas at the Khala rate, and payable either in the next wheat-khala or in the next year ? Or is it the practice to merely pass a bond for the money equivalent of the Kapas at a fixed rate of interest ?

42. When do the Kheduts sell the balance of the Kapas not stipulated to be delivered, and do they realise the market price or less ? If less, why ?

43. If the practice prevails in your village, of obtaining seeds for Jowar, Bajri, Wheat and Cotton crops under the Kudhara system (under which 25 to 100 per cent more than the quantity of the seed received is agreed to be returned), state the conditions for the same—whether 25, 50 or 100 per cent increase is agreed to, or is it the custom merely to charge 25 per cent more than the price prevailing at the time of the seed-loan, the amount being returnable at the next Khala ?

44. State whether any and if yes, what quantity of molasses or number of sugar-canes are agreed to be given over and above interest and premia charged for a loan obtained for sugar-cane plantation.

45. Are the Kheduts' debts ancestral or newly incurred, and if the latter be the case, when were they incurred and why ?

46. Over and above charging 25 per cent premium or stipulating for a fixed quantity of Kapas as stated above, does the local Sowcar demand solvent securities from the poorer Kheduts for the loan advanced ?

47. Against how many Kheduts have civil decrees been obtained in your village ?

48. Is it a fact that the Sowcar gets two bonds passed for one and the same loan, one of Savaya in his books, and another on a stamped paper stipulating for a fixed quantity of Kapas ?

49. Does the local Sowcar keep a daily cash book or simply a Betha Khata book ?

50. Does the Creditor pass a receipt for money paid towards repayment ?

51. Are there any weavers in the village ? And if so, how many ? Do they use hand-spun or Mill-spun yarn ?

52. Do they purchase yarn on their own account or weave yarn given by others ? And what wages do they receive for their work ?

53. Is there a Co-operative Credit Society in your village, and if so, what advantages have you derived therefrom ?

54. Does this Society meet all the requirements of the Kheduts ? If not, have they to borrow money from the Sowcars as well ?

55. Can you suggest any remedies for the final adjustment of the Kheduts' debts ?

56. Are the Kheduts subjected to any undue harrassment, or have they to bear any unnecessary burden of cost in the execution of civil decrees ? If such is the case, can you suggest any remedy ?

#### GENERAL.

57. Is there a sufficient supply of drinkable water ?

58. Is your village exposed to the danger of any water-born or any other epidemic ?

59. Are the village crops exposed to damage from stray cattle, and if so, name the villages wherefrom such danger is apprehended. Can you suggest any remedy ?

60. Is the village-Gauchar (grazing ground) sufficient for the needs of the village cattle ?

61. Is there a cattle-pound in the village ? If so, is it properly managed ?

62. Do you apprehend any danger from mischief by fire, etc., to fodder, and if so, state the nature and remedy thereof.

63. Is any damage caused to standing crops by theft or clandestine grazing ? If so, state the source and the remedy thereof.

64. Are the cultivators subjected to unnecessary annoyance and if so, state the quarter from which it proceeds, as well as the remedy you suggest for its abatement.



Comparative Statement showing the extent of Indebtedness and assessment liability of the Kheduts of the Bhavnagar State.

Number.	Name of Mahal.	Number of individual Kheduts.	Free from debt.			Indebted.						Indebted in a sum not exceeding one year's assessment.			Indebted in a sum exceeding one year's assessment but not exceeding 2 years' assessment.			Indebted in a sum exceeding 2 years' assessment but not exceeding 3 years' assessment.			Indebted in a sum exceeding 3 years' assessment but not exceeding 10 years' assessment.			Indebted in a sum exceeding 10 years' assessment.		
			No. of Kheduts.	Percentage of Kheduts.	Annual Assessment.	No. of Kheduts.	Percentage of Kheduts.	Annual Assessment.	Amount of Indebtedness.	Average Debt per each Indebted Khedut.	Indebtedness per rupee of assessment payable by Indebted Kheduts.	No. of Kheduts.	Assessment.	Amount of Indebtedness.	No. of Kheduts.	Assessment.	Amount of Indebtedness.	No. of Kheduts.	Assessment.	Amount of Indebtedness.	No. of Kheduts.	Assessment.	Amount of Indebtedness.	No. of Kheduts.	Assessment.	Amount of Indebtedness.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
				Rs			Rs	Rs				Rs	Rs		Rs	Rs		Rs	Rs		Rs	Rs		Rs	Rs	
1	Daseroi ...	2,165	1,069	49.4	62,208	1,096	50.6	70,313	6,14,197	560	8.7	65	8,332	5,379	104	11,036	17,272	104	7,937	19,676	391	26,359	1,46,032	432	16,649	4,25,838
2	Sihor ...	1,422	758	53.3	51,799	664	46.7	59,302	3,42,048	514	3.8	50	7,179	4,245	93	11,282	16,501	82	8,311	20,673	281	23,938	1,27,519	158	8,592	1,73,107
3	Umralla ...	2,049	884	43.1	1,24,088	1,165	56.9	1,90,326	5,64,005	484	3.	265	54,043	30,894	273	45,640	66,533	193	30,471	74,334	349	50,311	2,58,960	85	9,961	1,33,281
4	Gadhada ...	968	388	40.1	58,803	580	59.9	93,596	3,57,029	616	3.8	101	21,022	12,167	143	26,564	38,672	76	11,434	28,030	190	27,668	1,50,654	70	6,908	1,27,506
5	Botad ...	1,697	876	51.6	1,20,906	821	48.4	1,16,727	4,39,228	535	3.8	126	25,577	14,097	143	26,951	39,564	121	17,893	43,853	324	37,547	2,00,953	107	3,759	1,40,761
6	Lilia ...	2,009	1,084	53.9	1,59,568	925	46.1	1,75,223	6,23,165	674	3.6	217	51,980	26,365	154	33,763	49,563	126	25,848	62,740	313	51,373	2,72,906	115	12,259	2,11,591
7	Kundla ...	4,181	2,563	61.1	3,51,097	1,618	38.9	2,66,246	7,71,197	477	2.9	428	81,750	47,054	350	61,296	99,648	234	33,402	92,033	185	72,600	3,51,137	121	12,198	1,90,325
8	Victor ...	1,364	992	72.7	1,14,206	372	27.3	50,166	95,904	258	1.9	142	24,135	12,937	97	11,837	17,342	42	5,880	14,147	79	7,440	37,830	12	874	13,648
9	Mahuva ...	4,139	2,528	61.1	2,01,640	1,611	38.9	1,07,719	6,31,191	392	3.9	291	36,394	22,082	304	35,867	52,497	212	21,982	55,638	575	53,595	2,72,647	229	13,041	2,28,327
10	Talaja ...	2,419	1,183	48.9	69,161	1,236	51.1	93,008	7,03,454	569	7.6	65	7,703	5,312	137	14,173	22,814	113	10,153	25,646	515	39,314	2,28,086	406	21,665	4,21,596
	Total ...	2,413	12,325	55.	13,13,478	10,088	45.	12,75,823	51,41,418	510	4.	1,750	3,18,115	1,80,532	1,798	2,73,349	4,11,412	1,303	1,78,311	4,36,770	3,502	3,99,045	20,46,724	1,735	1,19,896	20,65,980

Appendix V.

Statement showing the Number of individual Kheduts of the Bhavnagar State, their assessment and debt liabilities, Numerical strength of families, cattle wealth, averages of holding and indebtedness etc.

Number.	Name of Mahal.	Total population exclusive of that of alienated villages.	Area in Bichas of assessed land held by Kheduts.	Assessment.	Number of individual holders or Kheduts.	Classification of Kheduts (i. e., individual holders) according to caste.											Agricultural population.				Cattle.				Amount of indebtedness.	Average indebtedness per individual holder or Khedut.	Area of average holding in Bichas.	Individual holders or Kheduts.		Indebtedness per rupee of assessment.	Indebtedness per Bichas of assessed land.		
						Kanbi.	Koli.	Rajput.	Alor.	Kumbhar.	Kharak.	Paleval.	Pancholi.	Katchia.	Other castes.	Total.	Males.	Females.	Children.	Total.	Bullocks.	Buffaloes.	Cows.	Total.				Free from debt.	Indebted.				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34
				Rs																				Rs	Rs					Rs	Rs		
1	Daseroi ...	83,511	1,44,868	1,32,521	2,165	607	949	104	37	32	76	8	...	12	340	2,165	4,037	3,491	5,032	12,610	4,568	3,194	2,130	9,892	6,14,197	284	67	1,069	49.4	1,096	50.8	4.6	4.2
2	Sihor ...	24,963	1,09,942	1,11,101	1,422	553	175	241	79	8	1	88	...	...	275	1,422	2,352	1,957	3,225	7,534	3,059	1,381	915	5,355	3,42,048	240	77	758	53.3	664	46.7	3.1	3.1
3	Umralla ...	2,684	1,93,523	3,14,414	2,049	1,442	148	197	86	7	...	...	...	...	169	2,049	3,931	2,969	4,603	11,503	4,838	1,158	1,305	7,601	5,61,005	273	24	884	43.1	1,165	56.9	1.8	2.9
4	Gadhada ...	15,597	1,08,469	1,52,401	968	614	182	30	70	5	...	...	...	...	66	968	1,566	1,387	2,250	5,203	2,207	601	861	3,672	3,57,029	369	112	388	40.1	580	59.9	2.3	3.3
5	Botad ...	26,872	1,76,078	2,37,632	1,697	818	227	99	...	90	...	...	...	...	463	1,697	2,852	2,549	4,071	9,466	4,088	1,411	1,495	6,904	4,39,228	258	103	876	51.6	821	48.4	1.8	2.5
6	Lilia ...	22,237	1,64,727	3,34,791	2,009	1,602	41	4	54	17	...	...	...	...	291	2,009	4,399	3,169	2,763	10,331	3,971	1,212	1,527	6,710	6,23,165	310	80	1,084	53.9	925	46.1	1.9	3.8
7	Kundla ...	58,306	3,88,626	6,17,343	4,181	2,799	140	17	65	276	...	...	...	...	651	4,181	7,339	6,362	9,791	23,492	8,913	3,932	3,866	16,763	7,71,197	184	93	2,563	61.1	1,618	38.9	1.1	1.
8	Victor ...	19,722	1,16,982	1,64,372	1,364	172	267	2	149	113	...	...	...	...	330	1,364	2,708	2,227	2,571	7,506	2,946	1,535	1,258	5,742	95,904	70	85	992	72.7	372	27.3	6.6	6.8
9	Mahuva ...	60,797	3,39,168	3,62,359	4,139	431	1,055	20	191	390	114	19	642	...	1,147	4,139	7,204	6,517	9,046	22,767	8,813	5,684	3,290	17,737	6,31,191	153	82	2,528	61.1	1,611	38.9	1.8	1.9
10	Talaja ...	36,887	1,86,775	1,62,169	2,419	495	619	201	95	56	311	309	111	...	312	2,419	4,381	3,939	6,175	14,195	6,009	6,158	2,281	14,448	7,03,454	299	77	1,183	48.9	1,236	51.1	4.3	3.7
	Total ...	3,77,576	19,28,258	15,89,104	22,413	9,495	3,801	915	826	994	582	424	1,317	12	4,049	22,413	40,769	34,558	49,530	1,24,997	49,412	26,619	18,791	94,822	51,41,418	229	86	12,325	55.	10,088	45.	2.	2.7

## Appendix VI.

### The Bhavnagar State Kheduts' Protection Act.

Whereas it is expedient to prevent the money-lenders from taking undue advantage of the illiterate and indebted condition of the agricultural classes, it is hereby enacted as follows :—

#### Chapter I.

##### Preliminary.

1. This Act may be called 'The Bhavnagar State Kheduts' Protection Act,' and it shall extend to the whole of the Bhavnagar State from the date of its publication in the Darbari Gazette.

Short title, commencement and extent.

*Note*:—Section 10 of this Act shall also apply to civil suits pending in Courts on the date on which this Act comes into force.

2. If there is anything in other Acts now in force, repugnant or contrary to the provisions of this Act, then those Acts shall not apply to that extent to the provisions of this Act.

Repugnant Act's ineffective.

3. Unless there is something repugnant in the subject or context,—

Construction.

(a) "Agriculturist, or Khedut" shall mean a person, who, residing within the limits of the Bhavnagar State, by himself or by his servants, earns his livelihood wholly or principally by agriculture carried on as Khatedar (registered holder) or Sub-sharer in the Darbari Khata land (registered holding). Such a person shall be deemed to be an agriculturist even if he carries on agriculture in other Mulgiras or Barakhli land alongwith the Darbari land, and the word "Agriculturist" shall also include his sub-sharers living as members of a joint family alongwith him.

Agriculturist.

*Note*:—An agriculturist, who having first obtained the necessary sanction, has leased his Darbari land to others for agriculture, shall not thereby cease to be an agriculturist within this definition.

(b) "Money" shall be deemed to include agricultural produce, implements and stock.

Money.

(c) "Standing Crops" shall include crops of all sorts attached to the soil, and leaves, flowers and fruits upon and juice in trees and shrubs.

Standing Crops.

#### Chapter II.

##### Of Kinds of suits and place of suing according to this Act.

Application of this Act. 4. The provisions of this Act shall apply to:—

(1) Suits for an account instituted by an indebted agriculturist according to the provisions of section 5, and

(2) Suits for the recovery of money alleged to be due to the plaintiff creditor—

On account of money lent or advanced to or paid for, the agriculturist defendant, or as the price of goods sold, or on an account stated between the plaintiff and the defendant, or

On a written or unwritten engagement for the payment of money not herein before provided for.

5. Any agriculturist who owes any debt to his creditors as shown in sub-sec. 2 of sec. 4, may sue for an account of such debt and of money paid by him to the creditor, and for a declaration of the amount, if any, still payable by him to the creditor.

Agriculturist debtors may sue for accounts.

6. Subject to the pecuniary jurisdiction of Courts as provided for in other Acts, suits to which the provisions of this Act apply, shall be instituted in a Court within the local limits of whose jurisdiction the agriculturist, whether he be plaintiff or defendant, resides.

Place of suing.

*Note*:—Every such suit, in which there are more than one agriculturist as plaintiffs or defendants, who reside within the local jurisdictions of different Courts, may be instituted, with the leave of the Court, in any of such Courts.

### Chapter III.

#### Of hearing of suits according to this Act.

7. In every case in which it seems to the court possible to dispose of a suit at the first hearing, the Summons shall be for the final disposal of the suit.

Summons to be for final disposal of suit.

8. In suits, to which the provisions of this Act apply, the Court shall, notwithstanding anything contained in the Evidence Act or in any other law for the time being in force, have power, in order to inquire into and determine the real nature of any transaction between the agriculturist and his creditor, to admit evidence of any oral agreement or statement pertaining to such transaction, even though the transaction has been the subject of a written agreement.

Oral evidence admissible notwithstanding written agreement.

9. In any suit to which this Act applies, the Court, whether the amount of the creditor's claim is disputed or not, shall examine both the plaintiff and the defendant as witnesses and shall enquire into the history and merits of the case, from the commencement of the transactions between the parties, out of which the suit has arisen, first with a view to ascertaining whether any fraud, mistake, undue influence or any such thing has been practised upon the agriculturist-party, and, secondly, with a view to taking an account between the parties in manner hereinafter provided.

Parties to be examined and history of transactions with Agriculturist debtors to be investigated.

*Note* :—It is not to be understood that it is compulsory to examine the plaintiff and the defendant as witnesses according to the provisions

of this section, even when the Court, for obvious reasons, deems it unnecessary so to do. But the Court shall in that case record its reasons in writing.

10, When the Court inquires into the history and merits of a case from the commencement of the transactions between the parties, in accordance with the provisions of Section 9, it shall

Mode of taking  
accounts.

notwithstanding any agreement between the parties as to allowing compound interest and,

notwithstanding any statement or settlement of account or any contract purporting to close previous dealings and create a new obligation,

take the account according to the following rules:—

(1) The account shall be inquired into and ascertained from the commencement of the transactions to the date of the suit ;

(2) Separate accounts of principal and interest shall be taken ;

(3) In the account of principal, there shall be debited to the debtor such money as may from time to time have been actually received by him or on his account from the creditor, and the price of goods, if any, actually sold to him or on his account by the creditor ;

NOTE.—(1) Care should be specially taken that Vataw or such other item, if any, added to the money actually advanced, or to the price of the goods actually sold, shall not enter into the account of principal.

(2) When the price of grain or any other goods is to be debited or credited, it should be debited or credited, as for grain, having regard to the rates of price published in the Darbari Gazette of the time, and as for other goods, having regard to the market rates prevailing at the time.

(4) Interest accrued due should be kept separate and special attention should be paid to the fact that interest does not get included in the principal ;

(5) Simple interest only shall be allowed at the contract rate, but more than 12 per cent. shall not be allowed;

(6) Interest to be debited monthly : that is interest only on the balance of principal outstanding at the end of a month, shall be computed from the beginning of the next month ;

(7) All money paid or goods delivered by or on account of the debtor to the creditor or on his account and all profits in the form of Vataw or Kothli-chhodaman, (be it in cash or goods) and other advantages of every description, received by the creditor from the debtor in the course of the transactions, shall be credited, first, in the account of interest ; and when any payment is more than sufficient to discharge the balance of interest due at the time it is made, the residue of such payment shall be credited to the debtor in the account of principal.

(8) The accounts of principal and interest shall be made upto the date of instituting the suit, and the aggregate of the balances

(if any) appearing due on both such accounts against the debtor on that date shall be deemed to be the amount due at that date.

*Damdupat*:—But if the balance appearing due on the interest account, exceeds that appearing due on the principal account, double the latter balance shall be deemed to be the amount then due and, that amount only, the Court shall decree.

11. Decrees standing against the agriculturist when this Act comes into force, and decrees included in other debts, when coming before the Court in execution or in a suit account should also be taken of such decretal debts in accordance with the provisions of sec. 10. In taking such account, if it appears to the Court that the transactions which have led to the passing of the decrees, are a part and parcel of other transactions entered into between the parties, then the whole of the transactions should be inquired into, as if the agriculturist has instituted a suit for taking accounts in accordance with the provisions of sec. 5; and the amount remaining due by the agriculturist should then be ascertained. But the ascertainment of such amount, shall not, except under circumstances mentioned in sec. 12, entitle the creditor to realize from the agriculturist debtor any sum in excess of the balance due under the decree, which, on coming before the Court had led it to order the taking of accounts in accordance with the provisions of this section.

12. (1) In suits for account according to sec. 5 and at the time of taking accounts according to section 11, besides ascertaining the amount remaining due by the agriculturist, the Court has power to direct that such amount shall be paid by instalments with or without interest. But if in the account upto the date of the institution of the suit the interest accrued due is equal to the amount of the principal, the Court shall not direct instalments with interest.

In suits according to section 5 and section 11, instalments may be granted in the decree.

(2) When the Court has directed payment of the amount by instalments according to sub-section (1), the agriculturist-debtor may pay, into Court, the amount of each instalment, as it falls due, in default whereof, execution of the decree may be enforced by the creditor in the same manner as if he had obtained a decree in a suit to recover the debt.

13. Where the Court awards interest, if at all, from the date of the suit to the date of the decree and from the date of the decree to the realization of the amount due, it shall not award more than 6 per cent interest.

Interest after the date of decree.

14. The Court may at any time direct that the amount of any decree passed under this Act, or the amount ascertained due after proper enquiry according to section 11 into the decrees passed before this Act, shall be paid by instalments with or without interest.

Power to fix instalments in execution.

15. The interest to be awarded under this Act shall be simple.

Simple interest to be awarded



## Chapter IV.

### Miscellaneous.

16. Where the creditor files a suit, such suit shall include all arrears  
 Suit to include arrears. of debts due to him by the agriculturist defendant.

17. A suit by an agriculturist debtor shall be exempt from the pay-  
 ment of Court-fees. When the suit is by a creditor,  
 Re: court fees he will at first be liable to pay the Court-fees, according  
 to law, but the amount of Court-fees upon the sum  
 decreed will be remitted to him.

18. The agriculturist debtor shall be at liberty to prove any payments  
 made by him towards the decree, even though such  
 Re. Proof of payment and adjustment. payments have not been certified in Court according to  
 law ; and he shall also be at liberty to prove even such  
 payments as are made after this Act comes into force.

19. If the Court is satisfied that the creditor intentionally abstains  
 from producing books of accounts of previous transac-  
 Production of books of former accounts. tions, it shall dismiss the suit to that extent. If the  
 Court has reason to suspect that the creditor does not  
 intentionally produce books of accounts, one half of the balance due on the  
 earliest account produced, shall be counted as principal ; but if the Court is  
 satisfied that the debtor has received full consideration and that the accounts  
 produced by the creditor are trustworthy, then the full amount may be  
 awarded even in the absence of previous accounts.

20. With a view to carry out the object of this Act, the Darbar may,  
 from time to time, make, in conformity with the pro-  
 Power to make rules. visions of this Act, such rules, as are deemed to be  
 necessary, in regard to the manner of taking accounts  
 and other matters.

## Appendix VII.

### *Dewan Bahadur T. K. Trivedi, Member of Council's preliminary minute, reviewing the Committee's work and recommending necessary legislative and other measures.*

The Darbar have been pleased to appoint a committee to inquire into the extent of indebtedness of the Darbari Kheduts to the Sowcar creditors, and also into the nature of the dealings, between the two classes. I am the Chairman of the Committee, the other two members being the Chief Judge Azam Bhaskarrao Vithaldas Mehta, M. A., LL. B., and the Revenue Commissioner Azam Bapubha Naranji, while Mr. Natvarlal Maneklal Surati, B. A., LL. B., Nyayadhish, is the Secretary of the Committee.

2. Before the Committee commenced their work, a form was devised with the object of collecting data of each individual Khedut, and this form was in the first instance got filled up by the Thandars of the Revenue Department.

3. After the forms had been filled in, the Chairman, Members and Secretary of the Committee toured round the whole State. They themselves, visited each and every village and verified the contents of the statements prepared by the Thandars in tabular form. They were also assisted in this work by the local officers of the Revenue Department. I take this opportunity of recording here the valuable help, rendered by the Members and the Secretary of the Committee and by officers of the Revenue Department, especially the Thandars.

4. Besides verifying the Statements, the Committee examined some of the accounts maintained by merchants and endeavoured to know the nature of their transactions with the Kheduts. In order that the Committee might be enabled to submit their report, a questionnaire was prepared to gather details with a view to know the economic condition of Kheduts. The answers to the above questionnaire were obtained, in respect of the principal villages, of the State, by examining in a body, the Patels and other leading cultivators of the village concerned. Also budgets of receipts and expenditure of several poor, middle-class and rich Kheduts for this purpose were prepared.

5. The figures of debt were, in the first instance, recorded per each individual Khedut, and from them the extent of indebtedness by villages, by Tappas, by Mahals and of the whole State was worked out and abstracted. These have been printed in the form of tabular statements together with notes of evidence with running comments, disclosing the nature of transactions between the merchants and the Kheduts, in the order of Mahals and Tappas. The Statements and notes are hereto attached. The entire burden of preparing them has almost fallen on the Secretary Azam Natvarlal Maneklal Surati, and I might say here without exaggeration that the zeal and enthusiasm displayed and the pains taken by him in carrying out this arduous work cannot be adequately described in words.

6. I regret very much that the Committee have not yet been able to submit their formal report upon the data embodied in the statements and notes, the reason being that the Committee had to carry on their work in addition to their other ordinary office duties. Had they been specially detached for this

work alone, as is generally done elsewhere, the report would have been ready ere long. Even now if the Secretary and myself were relieved for this work, we might be able to see the report published within 3 or 4 months; but I know that that is not practicable. At the same time I know, how anxious and concerned the President of the Council, after he had perused the printed statements and notes regarding indebtedness of the Kheduts, is to look into the question and to take such steps as are necessary to give immediate relief, and he has very properly, without waiting for the report, taken up this matter earnestly in hand. He went to Gadhadu, accompanied by the Members of the Committee Azam Bhaskarrao and Bapubha and examined the state of things prevailing there. When he again happened to go there very recently, accompanied by the Members, I also was able to join him, and there was a good deal of discussion on the subject, as a result of which he has come to certain conclusions, to which the Members of the Committee have agreed. Before coming to the decisions arrived at, it would not be out of place, if I, in the absence of a formal report, briefly review here the extent of indebtedness of the Bhavnagar Khedut as disclosed by the Committee's enquiry.

7. Though statements of Kheduts' indebtedness abstracted from figures of debts of individual Kheduts, have been printed for each Village, Tappa and Mahal, it would save the Council a great deal of trouble, if I cite below a few figures giving an idea of the general condition of the Kheduts of the whole State.

Kheduts who are free from debt.			Kheduts who are indebted.			
Number	Percentage	Annual assessment	Number	Percentage	Annual assessment	Extent of indebtedness
12,325	55	13,13,478	10,088	45	12,75,626	51,41,418

From the above it will appear that more than half the number of Kheduts are free from debt in the whole State, and I beg leave to submit here that just as the Kheduts free from debt are not always rich, so it is difficult to believe that those who are indebted, are also always poor. Every profession needs capital and, so I do not think a little indebtedness always argues an alarmingly poor economic condition; but where a Khedut's condition on examination discloses a debt, of which the amount is always piling up and hence will be finally incapable of repayment, and, further, the transactions show intolerably usurious rates of interest charged, and frequent additions of premium, such as Pagdi, etc., the legitimate inference is that a chronic disease has crept in and if the same is not carefully diagnosed and promptly treated, it will doubtless become the cause of the economic ruin of the indebted Khedut. It is, therefore, necessary for us to examine whether there are any such symptoms in the condition of our Kheduts.

8. The figures of average indebtedness per individual Khedut and per rupee of assessment have been given by Mahals as under :—

Name of Mahals.	Average debt per each indebted Khedut.	Average indebtedness per rupee of assessment.
Victor...	258	1.9
Kundla	477	2.9

Name of Mahal.	Average debt per each indebted Khedut.	Average indebtedness per rupee of assessment.
Umralla .. ...	481	3.0
Lilia ... ..	674	3.6
Gadhada ... ..	616	3.8
Botad ... ..	535	3.8
Mahuva ... ..	392	3.9
Sihor ... ..	514	5.8
Talaja... ..	569	7.6
Dascroi ... ..	560	8.7

These figures indicate that there is no such correlation between debt and assessment as to justify the inference that the more highly assessed Mahals have a greater amount of indebtedness, while those comparatively lightly assessed are indebted to a lesser extent. Looking to the average figures of debt of each indebted Khedut, Victor, Mahuva, Kundla, Umralla, Sihor, Botad, Dascroi, Talaja, Gadhada and Lilia each in turn shows an increasing intensity of indebtedness. For the present it can only be inferred that this incomprehensible phenomenon has been brought about by the usurious and extortionate rates of interest and commission charged by local money-lenders in their dealings with the illiterate peasantry. Examining the figures of individual indebtedness by Tappas, it appears that the amount is the same or rather more in places, where the assessment is low, and there is little or no debt owing to the Darbar on account of arrears of Revenue. This can only be explained by attributing the private indebtedness of the Khedut to the usurious and unscrupulous methods of the Sowcar, with whom the former has his dealings. To understand this phenomenon of indebtedness it is necessary to probe the matter a little deeper and study it carefully, but unfortunately, there is no scope here for such an extensive enquiry and study.

9. In order to give a correct idea of the state of things, I shall give below, the figures of Kheduts, who are free from debt, as also of those who are indebted together with their debt amounts and the proportion of the latter as compared with the assessments :—

	Extent of indebtedness.	Number of Kheduts.	Assessment.	Amount of indebtedness.	Ratio of debt to assessment payable by the indebted Kheduts.
1	Free from debt. ... ..	12,325	13,13,478	...	...
	<b>Indebted.</b>				
	<b>A.—Ordinarily indebted.</b>				
2	Indebted in a sum not exceeding one year's assessment.	1,750	3,18,115	1,80,532	0.56
3	Indebted in a sum exceeding one year's assessment but not exceeding two years' assessment.	1,798	2,78,319	4,11,412	1.45
	Total of Nos. 2 & 3 ... ..	3,548	5,96,464	5,91,944	0.99

	Extent of Indebtedness.	Number of Kheduts.	Assessment.	Amount of indebtedness.	Ratio of debt to assessment payable by the indebted Kheduts.
	<b>B.—Heavily indebted</b>				
4	Indebted in a sum exceeding 2 years' assessment but not exceeding 3 years' assessment.	1,303	1,78,311	4,30,770	2.44
5	Indebted in a sum exceeding 3 years' assessment but not exceeding 10 years' assessment.	3,502	3,90,045	20,46,724	5.24
6	Indebted in a sum exceeding 10 years' assessment.	1,735	1,10,806	20,65,980	18.6
	Total of 4 to 6 ...	6,540	6,79,162	45,49,474	6.7
	Grand Total ...	22,413	25,89,104	51,41,418	1.99

These figures will show that in the whole State there are 55 per cent of the Kheduts who are free from debt, 15 per cent who owe sums equal to only one year's assessment and 30 per cent who are hopelessly involved in debts. In this way the condition of about 70 per cent of the Kheduts of the State appears to be not unsatisfactory, but only that of the remaining 30 per cent is such as to give cause for anxiety. But if the kind of dealings which the Sowcar carries on with his Khedut customers of all classes, rich, middle-class and poor alike, and which were brought to the Committee's notice in the course of its enquiry, are allowed to flourish unchecked, I greatly fear that the debt-free Khedut would be soon getting into debts and, those who are only slightly indebted today will in course of time find themselves involved in ever-increasing indebtedness, and further that a very grave situation may arise in the future. And naturally we should be most reluctant to leave such a legacy for our successors.

10. The characteristic features of the dealings between the money-lending classes and their Khedut customers as obtaining in the different Tappas, have been described by the Secretary Mr. Natvarlal in the Evidence Volume referred to above and a perusal of the same will give the Council a correct insight into the prevailing state of things. However, I deem it proper here to narrate in a bare form the broad facts of the situation, as brought out in the course of the Committee's enquiry. They are as follows:—

(a) The former practice to lend money to good Kheduts on interest at the rate of 8 to 12 annas (per cent per mensem) and to poorer Kheduts at 12 annas to Re. 1, has almost entirely disappeared.

(b) It was only after St. 1956 (1900 A. D.) that the above rates were increased slightly in lean years but the increase was a natural consequence of lean years.

(c) Since St. 1974 (1918 A. D.) or thereabout the above practice underwent a change and that of Savaya dealings was substituted. Savaya practice means adding 25 per cent premium to the sum actually lent and debiting the borrowing Khedut with the augmented amount. This

practice has been found to have crept in all the Mahals other than the coastal Mahals and where the practice prevails, borrowings on less than the Savaya basis are very rare.

(d) Savaya bonds also stipulate for repayment by delivery of seed-cotton at very low rates of price, which naturally puts the Khedut to heavy loss, and it has been noticed that though the market-price of Kapas in the cotton season may be as high as Rs. 8 per maund, the money-lender allows for the Kapas delivered only a rate of Rs. 2 per maund, the price stipulated in the bond ; and further, where there is default in delivery, fresh bonds for an amount equal to the price of the stipulated Kapas at the prevailing rate have been obtained ; and again suits based on such bonds have been decreed in Courts of law. Some of these decrees have been executed and satisfied, while others unexecuted still remain in force. Where suits have not been filed, it may be presumed that all accounts of unpaid balances have been drawn up in this fashion.

(e) The Committee has come across instances of bonds obtained for the price of undelivered Kapas again stipulating for delivery of Cotton in lieu of repayment in cash.

(f) The agricultural season may be computed from Jeth to Diwali (i. e. June to October) and all borrowings during this period take place on the Savaya-basis, rendering the Khedut liable to pay the augmented amount at the Khala (harvesting) time. The result is that the full Savaya premium is charged, even where the sum is repayable in a month or two only.

(g) Failing repayment in the Diwali Khala, there are instances, in which a further premium of 25 per cent has been added to the Savaya amount entered in the bond, with a fresh condition making the money repayable at the time of the Wheat-Khala. In brief, accounts of heavy arrears outstanding have been piled up from small sums originally lent.

(h) There are cases, where bonds stipulate for repayment by a fixed date, and, in case of default, for delivery of Kapas at an agreed price, which is usually far less than the market-rate. If cash repayment is delayed even by a couple of days, the Sowcar insists on and in many cases has obtained delivery of the stipulated cotton in full. In such transactions merchants have shown no other sentiments except that of exploiting to the full the Khedut's indebted condition.

(i) Even at the time of settling up accounts and striking a balance for the sum outstanding, premium commission is charged in addition to interest. In spite of interest having been charged at the rate of 18 per cent, a penal charge in the shape of a premium addition of 25 per cent or more has been levied for non-repayment of the amount on due date.

(j) Even where a premium charge on the basis of Savaya and more has been levied, the entry in the account-books purports to be for cash advance only, and where a journal with a daily balance carried over is maintained, the Sowcar's ingenuity so manipulates the accounts that it has been found most difficult to disentangle the actual cash advanced from the additions of premium, &c.

(k) Dealings with several poor Kheduts have been found to be on the basis of 50 per cent and even more of premium added from the outset instead of the usual Savaya basis.

(l) Separate bonds for amounts twice or thrice as large as the principal sum have been obtained to act as a threat for enforcing repayment in time. If the repayment is made in time, the Savaya amount is recovered, failing which, the penal bonds for the larger amounts are enforced.

(m) Advances of seed for sowing, or of food grains, or of cash for weeding, clearing or cutting the harvest are increased by 50 to 100 per cent and the borrowing Khedut debited with the augmented amount; and further such amount is made repayable by a fixed quantity of Kapas or grain, calculated at a very low rate of price.

(n) Interest on such augmented sums has been charged at rates varying from 18 to 75 per cent.

(o) Interest has been found to have been charged at a higher rate than that agreed to in the bond.

(p) Though the amount is debited on the Savaya basis, 25 per cent interest has been charged from the date of the bond.

(q) For commodities supplied such as cloth or grain, prices with an addition of 25 to 50 per cent interest have been charged and sums remaining due are carried over to new bonds at the time of each Khala-season with the additions of interest and premium. These and other various kinds of usurious practices have been carried on, which have told heavily upon the Kheduts; and if the same be continued, the position would be very precarious in the not distant future.

11. The Committee in the course of its investigations also came to learn of the system or rather no system of accounts followed by the Sowcar and I would take this opportunity of acquainting the Council with the facts observed by the Committee in this behalf. Below are given some of the irregularities in account-keeping noticed by the Committee:—

(a) The amount of the previous Khata, though carried to a subsequent Khata, has been allowed to stand over and the former account not squared up.

(b) In several cases, goods delivered in repayment of Khata-debts outstanding, have not been given credit for.

(c) In several instances, sums not advanced have been debited in the accounts.

(d) The terms of written and oral agreements in respect of the same transaction widely differ; at the time of settling accounts interest and prices are charged as per oral agreements, while written agreements are relied upon, in case the necessity arises for filing a suit.

(e) The amount paid towards a decreed debt is not credited to the decree but is appropriated to other Khata debts.

(f) Though the accounts have been settled, the bonds stipulating for delivery of cotton have not been squared up.

(g) The amount accruing due on account of interest is seen to be recovered direct, without being shown in the account, which leaves a chance of the interest being collected twice over.

(h) Though there be one or more current Khatas in the name of the same Khedut, every fresh advance is made the occasion for drawing up a new Khata, instead of such advance being debited in one of the current Khatas. This practice has multiplied the number of Khatas outstanding.

(i) Though a new Khata may simply carry over a balance due from an anterior Khata settled up, the former will yet purport to be in lieu of a fresh cash advance.

(j) There has been found to be no definite period for settlement of accounts and there are cases where accounts have been made up and the balance carried over to a new account once, twice, thrice, four or even five times in a year, the only object of such frequent renewals and adjustments being to secure compound interest at short intervals.

(k) There are cases, where two separate Khatas of even date have been drawn up for the same sum advanced, one of them being alleged to be by way of threat to ensure timely repayment of the loan. Advances of grains under the Kadhara system have been found to have been doubled from the outset.

(l) Amounts repaid towards the Khata amount due, instead of being properly credited, are just jotted down on the cover of the book or in some such place.

(m) A new Khata on account of arrears of interest is made to appear as being for a fresh cash loan.

(n) One current Khata has been split up into different Khatas, the ostensible object being to make it easier to file different suits for smaller sums at less cost.

(o) There are two books of accounts of the same type for the same year; and though the dealings relate to only one and the same items, they are found entered in both the books.

(p) Appropriation of sums paid is made according to the sweet will of the money-lender, and a sum paid towards a particular debt outstanding, is not credited to it. In the result, the Khedut is put to heavy losses, when the prices of commodities stipulated for in the bond are ruling high.

(q) In spite of the Khedut having handed over all his produce to the Sowcar direct from the Khala, he is charged interest for any sum he may draw on account of the price of the produce delivered.

(r) Rebate of interest is generally not given on amounts repaid and credited, but interest is as a rule charged on the total of the advances made, for the full period, for which the accounts are to be adjusted.

(s) Even when a journal is maintained showing the daily opening balance, items charged and deducted as commission on the amounts lent and debited to the Khedut, are not shown on the credit side on account of commission. But to avoid discrepancy in the journal's cash balance, the sums deducted as commission are set apart and carried to a private



purse from which domestic expenses are disbursed, and of which no account is kept anywhere. The object of all this is, of course, to effectively conceal the clandestine recoveries by way of commission, and in case of dispute in a Court of law, to maintain that the entries purporting to be of cash advances, represent only the amounts actually paid out.

(f) Only a few merchants maintain *Rojmel*, *i. e.*, a daily journal. Most transactions are recorded direct in what are called *Betha Khata* books, *i. e.*, ledger-books, which contain separate accounts for each *Khedut* debtor or more often for each fresh advance made and which have no correspondence with any other account book, by reference to which the entries in the former could be checked and verified. Naturally the *Betha-khata* System of accounts renders it difficult to find out, what the principal amount lent was and what amount was added or deducted by way of commission or premium.

The above are the chief irregularities in the system or more correctly speaking no system of account-keeping, which were noticed by the Committee, and they are, it need not be pointed out, mainly devised to squeeze illiterate *Khedut* as much as possible.

12. After finishing the regular enquiries, the Committee visited the *Mahal* towns of *Botad*, *Gadhada*, *Lilia*, *Mahuva*, *Kundla* and *Umrals*, and there met the leading merchants and discussed with them the nature of the *Sowcar's* dealings with his *Khedut* customers and his irregular and tricky methods of account-keeping. Minutes of these discussions will be found embodied in the accompanying file, and from a perusal of the same it will appear that hardly any merchant would publicly defend these kinds of dealings or the methods of accounts disclosed. Indeed all seemed to agree as to the desirability of something being done to put a stop to these irregular and highly suspicious methods of keeping accounts. The following is the brief purport of the discussions and consultations that took place with the merchants:—

(a) Some merchants were of the opinion that *Sowcars* doing business with *Kheduts* should be compelled to maintain a *Rojmel*. Others objected to it on the ground that the proposal was not practical, because there are several *Sowcars*, whose dealings are on a very small scale and further *Kanbis*, *Kolis* and members of other illiterate classes are among those doing such business.

(b) One of the suggestions made was to require all dealings with a particular *Khedut* recorded in the same *Khata* or account. But this was objected to by some merchants on the ground that the practice would work great hardship on the *Sowcar*, who will be obliged to sue for the whole of the amount due under the account and thus be penalized in greater costs of court-fees, etc.

(c) Against the suggestion of giving references of all other *Khatas* in one *Khata*, it was pointed out that this would subject the *Sowcar* to the payment of penalty in respect of unpaid stamp-duty for all *Khatas*, though the suit may relate only to one *Khata*. To avoid this difficulty, it was suggested that the amount of such penalty might be either remitted or reduced.

(d) To meet the evil of omitting to give credit for goods or cash received on account, the following amongst other suggestions were made :—

(i) All payments in cash or goods should be made in the presence of respectable Panch, to be appointed for each village, and further, receipts attested by such Panch, passed.

(ii) Failure to give credit for recoveries made should be penalized by the Sowcar being required to give credit for a larger amount several times the value of what is actually received.

(iii) All recoveries should be acknowledged by printed and numbered Kapia, *i. e.*, counterfoil receipts, so that both parties will be in possession of evidence of payments made and received.

(e) Some suggested that the Sowcar should supply each of his Khedut debtor with a pass-book similar to the savings' Bank pass-book supplied by the Post Office. All advances and receipts should be entered in this pass-book, which would always remain in the possession of the Khedut. But the objection urged against this pass-book system was that it would lend itself to abuse by the unscrupulous Sowcar, who taking advantage of the ignorance and need of the illiterate Khedut, would use the pass-book for creating false evidence against the Khedut himself, which he would not be able to refute.

(f) As regards the inclusion of commission in the amount shown as advanced in cash, the merchants explained that the practice has been followed because of the fear that the courts would disallow interest. In other words what they meant to say was that false entries had their partial justification in the Court's refusal to allow interest.

(g) Several merchants suggested that the heirs of a Khedut should be made liable to pay the debt of their father.

*Note :—*This is hardly necessary, since even now the Sowcar as a rule takes the precaution to make the sons and heirs of the Khedut liable for the bond debt by requiring them to sign the bond along with the Khedut himself.

(h) As Kheduts frequently transfer their interest in standing crops, an interim attachment should be allowed to prevent such transfer.

(i) Some merchants said that they had no objection to the practice being put a stop to, of settling accounts and carrying over the balance to a fresh account more than once in the year.

(j) Undue delay is caused in the execution of decrees, when the same is held up by the Co-operative Department and it is suspected that many Kheduts become members of the Co-operative Societies in order simply to avoid execution of decrees.

(k) The civil courts do not allow more than 9 to 12 per cent interest, and hence money-lenders recoup themselves for loss of interest by charging commission, which is concealed either by being shown as a

cash advance or by other fictitious entry. With a view, therefore, to induce money-lenders to be more honest, courts should be invested with discretionary powers to allow 15 to 20 per cent interest and the law amended accordingly. This will also prevent money-lenders from endeavouring to obtain higher rates of interest by oral agreement.

*Note :—*This relates to a suit based on the last account stated, bringing over the sum remaining due from the previous accounts, but what about the practice of the court of not going behind the last balance struck and not opening up the previous transactions ?

13. Also the Committee held discussions with several neutral parties such as Nyayadhishas of Mahals, Vakils and others. The suggestions offered by them seem to pay due regard to the interests of both parties, and they are as under :—

(a) When a money-lender sues a Khedut, he should be required to add a special paragraph to the plaint giving details of all dues outstanding other than the one, to which the suit relates at the date of the institution of the suit, so that the Khedut defendant may be apprized of the aggregate amount of debt owing by him, thereby effectively preventing chances of subsequent clandestine increase of the debt amount by additions of commission, interest, &c. Further, such declaration would be binding on the plaintiff, while it should not be considered as binding on the Khedut defendant, who should not be required to admit or deny the statement of other debts since it does not form part of the subject-matter of the suit.

(b) The money-lender maintaining a Betha-khata book should be compelled to number the pages so that he may be prevented from subsequently adding to or removing the pages and also that he may have no chance left for antedating Khatas relating to transactions of posterior date.

(c) Exparte decrees are often obtained in suits against Kheduts. Even where the defendant Khedut is present, the ingenious Sowcar either through persuasion or the mediation of a Panch manages to secure an agreement or an award and the same is decreed by the court. In such cases no inquiries are made as to what the actual amount lent was and what additions were made by way of commission and interest. To put a stop to this practice and to prevent the ignorant Khedut being victimized, a paid Khedut Vakil should be attached to each court for the protection of Kheduts.

(d) Sums paid, out of court, on account of a decretal debt are either not given credit for at all or appropriated to some other Khata debt. To prevent this, either the use of counter-foil receipts should be compulsorily prescribed, or the plaintiff should be required to obtain two copies of the Courts' decree, one of which he should hand over to the defendant Khedut and, further, all payments made on account should be receipted by the plaintiff on the copy of the decree in the defendant's possession. The plaintiff shall in the first instance pay the cost, of both copies, but shall be entitled to recover the same in execution like any other legal costs. It was pointed out by some merchants that the necessity of notifying every payment made out of court entails undue expenses and also the trouble of frequently going to the court.

(c) Where there is failure to give credit for payment received, the plaintiff besides being proceeded against criminally, should be penalized by being made to credit towards the decretal debt an amount five times the sum actually received.

(f) As long as the decretal debt remains unsatisfied, all payments received should be first appropriated to that debt and not to any other debt. This was suggested by a pleader, but others thought it was unpractical.

(g) Drastic rules should be enacted enjoining on the money-lenders to truly describe a balance-account as such, with clear mention of the arrears brought over and not to make it appear as a new account of fresh cash advances made. The rules should also severely penalize failure to square up, through carelessness or deliberately the old accounts settled and carried over to a new account opened.

(h) As regards the practice of calculating interest on the total of the debt entries only without giving rebate of interest for the amounts credited, it should be enjoined upon them to calculate Kāpia Vyaj. In other words, interest should be calculated on the balance found outstanding from time to time after deducting the payments made on account.

(i) A receipt for the money paid in should be passed compulsorily.

(j) There is no objection in giving, in the plaint, details of dues other than the one to which the suit relates, if there be any.

(k) The merchants are agreeable to the practice being put a stop to of settling accounts and striking a balance more than once in a year.

(l) Legislation should be introduced making it compulsory for the Courts in all suits against a Khedut to open the accounts from the commencement of the transactions, out of which the suit has arisen, with a view to ascertain the sum that is really due and outstanding. There is no equality of knowledge, position, capacity, &c., between the Sowcar and the Khedut; and so even from the point of view of strict justice and equity, it should be considered most improper and unfair to apply a highly evolved and technical procedure, intended for parties of equal status and position, to parties who manifestly are on such an unequal footing as the Sowcar and the Khedut are.

(m) The fear was expressed by some that applying the rules of liquidation of debts of the Mulgirassias to indebted Kheduts would lower the credit of the latter. It was also pointed that there are decisions of the Appellate Courts as well as of the Hazur Court forbidding the opening of past transactions, where the suit was based on an account stated and so these decisions must be adhered to and followed. The omission to give credit for a sum paid towards a decretal debt falls under the offence of cheating (vide 24, Bombay, High Court); and so there was no need to introduce special legislation to penalize such omissions.

(n) In case the rules of liquidation of the debts of the Mulgirassias were applied to the indebted Kheduts, the money-lenders would, from the outset, add interest and commission to the principal lent, and taking

advantage of the Kheduts' need and ignorance prevail upon him to file in the Court a compromise deed or a make-believe award of so-called Panch and get the same decreed. This should be stopped, otherwise the object of applying to Kheduts the liquidation scheme relating to Mulgirassias would be frustrated.

(o) It is not enough to improve the economic condition of the poorer Kheduts and afford them facilities to obtain necessary finance with greater ease in the future ; but these measures should, in the first place, be preceded by the liquidation of their past debts. For this purpose special powers of arbitration should be given to the courts or special officers to be appointed in this behalf; and in cases, where the total amount of the debts due by the Khedut is within a certain multiple of the annual assessment payable by him, the court or such officers should be given discretion to award a sum equal to twice or thrice the amount of the principal, having regard to the period over which the transactions are spread and after going into details of the sums actually advanced and the interest and commission charged, and also to order payment of the sum awarded by instalments. And the Darbar should assist in the recovery of these instalments by ordering an additional levy of a certain anna proportion of the assessment Nam, that may be fixed for each year.

(p) If the right is granted to the Kheduts of transferring land in their possession by sale or mortgage, it might, perhaps, improve their credit and thus enable them to obtain necessary finances with greater ease. But it is feared that such right might also set up and accelerate the tendency of the holdings passing from cultivators to non-cultivating mercantile classes, who would only be interested in rack-renting the land. Whether such a development would be desirable in the interests of the bona-fide agriculturist classes themselves, is very doubtful. But freedom of transfer among Kheduts *inter se* would not be open to any such objection. On the contrary, such a right of transfer would help to pass the land, in course of time, into the hands of the richer and better class Kheduts, a welcome change, which would react beneficially, leading to better and more improved cultivation of the soil.

(q) A few pleaders pointed out that criminal prosecution for omission to appropriate payments made towards a decretal debt might frighten away even honest dealers, who would stop doing the business of money-lending altogether. But others supported the proposal of fixing a penalty for such omission whether it was intentional or the result of carelessness.

(r) Payments made out of court have to be notified by the Defendant Kheduts to the court within a period of 90 days from the date of such payment. Some proposed that this time-limit should either be extended or abolished. But such extension or abolition of the time-limit would, it was pointed out by others, give rise to false disputes regarding alleged payments or adjustments long after the date of such payments or adjustments.

(s) A suggestion was also made with a view to inquire and ascertain whether payments made privately during the pendency of attach-

ments in the execution of decrees have, as a rule, to be reported to the Revenue Department and whether such payment is liable to be remitted to the Revenue Department and credited to the Darbar arrears outstanding.

*Note* :—Such payments are never reported to the Revenue Department. In fact where there are dues owing to the Revenue Department. the judgment—creditor levies attachment only to harass the judgment-debtor and get him to pay up privately as much as possible ; and when this is done, the plaintiff immediately raises the attachment and thus injures the prospects of Darbar recoveries.

(1) Merchants take delivery of cotton produce stipulated to be purchased by them if the prices have since risen, but they refuse to take delivery when there is a fall in prices. The Khedut cannot owing to illiteracy and poverty seek redress through courts of law. Necessary steps must be taken to set right this unsatisfactory position.

(u) When a Sowcar has more accounts than one standing in the name of the same Khedut debtor, it would be possible to, at once, obtain information about the Kheduts' aggregate indebtedness if references of other accounts outstanding be given in each new Khata opened. This will also remove the possibilities of fabricating false Khatas subsequently.

(v) Considering that the Khedut has separate accounts with the dealer in cloth, or grain or again with the Sowcar lending money, it would, it is feared, cause no end of inconvenience, if each dealer was required to furnish a separate Pass-book to the Khedut and the system of showing all transactions in one Pass-book does not sound very practical.

(w) Means of husbandry such as bullocks, &c., are exempted from attachment, and yet the creditors manage to privately obtain them from the Khedut in adjustment of debts. This must be put a stop to, though, where the Khedut has means of husbandry in excess of his needs, he should be left free to transfer them to his creditor in lieu of cash-payment:

(x) Sandhis dealing in bullocks render useful service to the Kheduts. They recover only the sale price without charging interest or commission even when payment is delayed for two or three years.

(y) A merchant of Umrala stated that formerly the Bhavnagar merchants used to finance them, which in turn enabled them to finance the village Kheduts with ease. Now all the money being concentrated in the Durbari Bank, there is great scarcity of fluid capital and the merchants are now unable to accommodate the Kheduts, as they formerly did. If Darbar guarantees recoveries, merchants would even now be prepared to advance to Kheduts, loans in proportion to the assessment payable by them and on terms to be prescribed by the Darbar. Rise in the wages of labour is also a contributory cause in the impoverished condition of the Khedut.

(z) If it be decided to have all dealings with Kheduts attested by independent respectable Panch, such dealings, where they are for an

amount exceeding a limit to be prescribed, should be required to be attested before the Thandar or before the members of the co-operative society of the village where it exists.

14. I have attempted to give above an idea of (1) the extent of indebtedness of the Kheduts, (2) the nature of the Sowcar's dealings with them and (3) his methods of account-keeping, and I have also indicated in brief the suggestions made by merchants and neutral parties in this behalf. The only class, which suffers all this in mute silence is that of the Kheduts, who have not come forward before the Committee to put forth their view point. Neither could they do so. Therefore I feel it a greater pleasure to record here that the impression I formed in the course of our discussions with the more respectable merchants was that they had realized the unfortunate condition and circumstances of the Khedut class as fully as the members of the Committee themselves and, what is more, these merchants had the fairness to admit the facts of the situation and even put forth constructive suggestions to improve things.

15. As I have stated above, the President has patiently and sympathetically gone through all the data gathered by the Committee; and further he has been twice to Gadhadra accompanied by the members of the Committee and there discussed matters with the local merchants. He has also personally examined the nature of the Sowcar's dealings with Kheduts and his books of account and the manner in which accounts are kept and the seriousness of the problem has been thoroughly brought home to him.

16. There is no reason to believe that the state of things above described is peculiar to our State only. It has developed wherever there are Kheduts and attempts have been made to remedy the situation by passing special laws or taking similar measures. Reference to the past history of the Deccan Agricultural Relief Act shows that the Kheduts' riots in Poona, Satara, Sholapur and Ahmednagar had their original mainly in the harsh and tyrannous methods resorted to by the Sowcars in making recoveries of their debts from the Kheduts. Several murders were committed and houses of creditors plundered with the sole object of removing and burning the books of account. The printed report of the Deccan Riots Committee is attached herewith, a perusal of which will convince the Council that symptoms presaging a situation similar to the one that existed in the Deccan at the time of the agriculturists' riots there, have begun to be visible here.

Fortunately our Kheduts are meek and gentle. Had they anything of the martial spirit in them, they would have become mutinous long before. However it would be no matter for surprise if things tended in that direction sooner or later, should there be failure to take timely remedial measures. As a result of the Kheduts' riots there, the Deccan Agriculturists' Relief Act came to be passed to give relief to the agriculturist class. The chief object of this legislature was to invest the courts with powers to open up the accounts of transactions from the commencement and to ascertain and award the sum really due on account of principal and interest; for the merchants charged heavy rates of interest and commission and effectively concealed these recoveries by manipulating their accounts. Though the measure was at first enacted only for Poona, Satara, Sholapur and Ahmednagar, those portions of the Act, which authorize the opening of transactions and accounts from the

commencement and the awarding of the sum found really due have been applied to the whole of the Bombay Presidency since 1905 A. D. and I wonder, why it should not be applied to this side, considering the irregularities in dealings and system of accounts that have been noticed here. Indeed I am of opinion that it is the State's duty to do so. There is no other course left where the more advanced classes are found to exploit the poor and the illiterate. Similar steps have been taken in other parts of British India besides Bombay. But I see no need to dwell upon their details here. Where a disease has set in, means must be devised for its correct diagnosis and proper treatment. Even in advanced countries like England, Acts have been passed with a view to regulate the rates of interest not only for Kheduts but for all classes of the people.

17. I know it full well that the President of the Council believes that this evil will not disappear by merely enacting a new law and that belief is true to a great extent. The whole question is very complicated. The financial relations of the lender and borrower—a very delicate matter always—are involved therein. Kheduts do need the help of money-lenders every now and then. The merchant is a vital and indispensable factor in the village-economy and the Durbar cannot replace him. In this dilemma, I believe the best course would be to take such steps as are indicated by the needs of the situation, ultimately with a view to restore both parties to their former position of mutual trust and service without exploitation on the one side and victimization on the other. Moreover we cannot connive at and condone the practices brought to light during the Committee's inquiry. If that be allowed, the conditions of the Kheduts would soon worsen and economic ruin overtake the whole class, which would again react on the merchants themselves and involve them in heavy losses.

18. This is fully realized by the merchants or at least by the better and more farseeing section of them, and that is why they have come to see and acknowledge the necessity of some restrictive legislation, which would stop the present unchecked exploitation of the Khedut classes. Of course I do not mean that we should remain content with merely enacting a law. Considering all the circumstances, the merchants, the Kheduts, and all are agreed as to the urgency of some action being taken.

19. In this connection the President of the Council had a good deal of discussion with the Members of the Committee as a result of which certain conclusions have been formed. They are as follows:—

(i) Where it is possible, endeavours should be made to liquidate the past debts of the Kheduts and for this the co-operation of the merchants should be enlisted.

(ii) Where in future suits are filed against Kheduts, the law should be so amended as to enable the courts to examine the whole history of the transactions—out of which the suit has arisen, in order to find out the additions by way of interest and premium and the manipulations in accounts, and finally to make an equitable award fair to both sides.

20. Of the measures, the first, though feasible, can only be adopted in practice if the merchants are agreeable. In such wholesale liquidation it is



not possible to award the full amounts shown as due according to the accounts of the merchants. Simple interest at 12 per cent per annum should be calculated on the amount actually lent, and payments on account should first be appropriated to the interest accrued due; and then the balance remaining together with interest not exceeding the amount of the unpaid principal could with propriety be awarded to the Sowcar. In order to examine the history of all transactions from the commencement a Committee should be formed of two Darbari officers, two Panch of the Mahal and two Panch of the village. The lines on which the Committee should carry on their work are laid down in Exhibit 1, and the Kheduts' redemption from indebtedness can only be achieved if the merchants co-operate and assist in adjustment at the rate of four annas in the rupee of the total nominal arrears according to their books of account. This would restore the Kheduts' old relations with the merchants. The amount required for the liquidation of the Kheduts' debts may be advanced as a loan by the Darbar at the rate of 4 per cent interest, and the recovery of the same may be effected by enforcing the scheme shown in Exhibit 1, and this will not cause any hardship to the Khedut, especially as the rate of interest charged will be so moderate.

21. The scheme of recovery of the redemption loan advanced by the Darbar has been explained in Exhibit 1. But any village, which, in order to obtain greater relief and a wider scope of action and development wishes to introduce the Village Panchayat system shall have the same extended to it, according to the terms and conditions laid down in Exhibit 2. The Darbar trust that the attention of the rural population will be specially drawn to this subject. By introducing the Panchayat system, there is every likelihood of the village being able to improve the economic and other conditions of the people and this fact should specially be borne in mind, in considering this subject of Gramya Panchayat.

22. For the future, a law should be enacted laying down the procedure for the hearing and disposal of suits brought against indebted Kheduts. A draft Bill for such a law is attached hereto as Exhibit 3. Suitable provisions of the Deccan Agriculturists' Relief Act have been adopted therein.

23. Redemption of the Kheduts' past indebtedness and recovery of the loan advanced by the Darbar in that behalf, may be carried out as shown above. Further the executions of civil decrees, against Kheduts, which was formerly entrusted to the Revenue Department, and which has since been transferred to the Judicial Department, should be retransferred to the Revenue Department to save needless harassment at present caused to the Kheduts in execution proceedings. The draft order relating to this subject is Exh. 4. In British India, execution proceedings against Kheduts are entrusted to the Revenue authorities.

24. If the Council agree to the course of action suggested above, the same may kindly be sanctioned. Several suggestions have been made by the merchants as regards the manner of keeping accounts and other matters. But further consideration has to be given to them to find out which of these are practical and which are not. When this is done, such action as is thought necessary will be proposed.

22-7-29.

T. K. TRIVEDI,  
*Member of Council.*

## Appendix VIII.

### The Khedut Debt Redemption Scheme.

Council Resolution No. 219.

A Committee was appointed to enquire into the indebtedness of the Darbari Kheduts of this State. As a result of the enquiries made by this Committee, it has been found that the terms of dealings between the merchant creditor and the Khedut debtor were as a rule fixed by taking undue advantage of the ignorance and need of the Kheduts. Similarly the account books of creditors have been found to be containing many irregular and suspicious entries. So with a view to improve this state of thing, and to place the relations between the creditor and the debtor classes on a purer and better footing, and also to enable the latter to recover the monies advanced by them at reasonable rates of interest, the Darbar have considered it expedient to draft a bill called the Agriculturist Protection Bill and to publish it in the Darbar Gazette by Outward No. 1179, dated 4-10-29, for the information of the public and for giving them an opportunity of offering their views; and after taking into account what they have to say in the matter, such action as is thought necessary and proper would be taken. But in the meantime the Darbar desire to liquidate the past debts of the Kheduts by advancing loans to each individual Khedut at easy rates of interest, if such liquidation is possible and if the Sowcars are prepared to accept the actual principal originally lent plus interest at a moderate and equitable rate. Now, therefore, it is considered expedient to order as under :—

1. If a majority of the Kheduts and Sowcars of any Mahal of this State jointly apply, expressing a desire to avail of this liquidation scheme, the Darbar will be pleased to favourably consider such application.

2. Upon such an application being made by both the creditors and debtors the Darbar will appoint a Debt Liquidation Committee as under :—

(a) This Committee will consist of two Darbari Officers, of whom one will be drawn from the Revenue Department and one from the Judicial Department.

(b) The creditors of the Mahal whose outstanding accounts with the Kheduts are to be liquidated, will nominate two respectable Panch, who will be appointed to the Committee as members representing the creditors.

(c) The Darbari Officers mentioned in sub-clause (a) and the Panch on behalf of the creditors mentioned in sub-clause (b) will jointly coopt one or two respectable persons of the village in regard to which the work of liquidation is taken in hand.

3. When this Committee will take, in hand, the work of liquidation in respect of any village, all the creditors and all the debtors of that village shall give an undertaking to the Committee to the effect that the

awards of this Committee shall be binding on both the parties. Those who refuse to do so, will be debarred from the benefit of the liquidation scheme.

4. All debts whether decretal or attested by a bond or otherwise due by all the debtors of every creditor and to all the creditors of every Khedut debtor upto the date of the commencement of the work by the Committee shall be included in the liquidation scheme and unless this is done, the work of liquidation shall not proceed any further.

5. This Committee shall, having regard to the statement of objects and reasons accompanying the Draft Agriculturist Relief Bill published in the Darbar Gazette, examine accounts in accordance with section 10 of that bill and fix the the amount of the debt outstanding.

6. If the total amount, that may be awarded in satisfaction of all the debts of any Khedut exceeds a sum three times the amount of the annual assessment payable by him, then the latter sum only shall be ratably distributed among the creditors, and the debtor Khedut shall be discharged in respect of the balance remaining.

7. Where the total amount adjudged, under clause 6, to be given to the creditors on behalf of the indebted Kheduts is within the limit of a certain anna proportion to be fixed by the Darbar of the nominal arrears outstanding in the books of accounts of the creditors, the Darbar shall undertake to disburse such amount; and always bearing this limitation in mind, the creditors and the debtors, will, the Darbar hope, cooperate in carrying out the work of liquidation.

8. The Committee shall prepare a statement showing the names of each individual Khedut debtor together with those of his creditors and the amount proposed to be awarded in liquidation within the limits prescribed in clauses 6 and 7 and shall then request Darbar's sanction to the statement thus prepared.

9. If this statement is considered as fit to be sanctioned the Darbar will order advances, to be made on behalf of the Kheduts concerned, of the sums shown in the statement at a rate of 4 per cent per annum simple interest, and the Committee shall then disburse the respective amounts to the creditors, after first obtaining a discharge from them.

10. After liquidation has been effected in pursuance of this Resolution, all debts of a date prior to the date of liquidation shall be considered to have been fully paid up and discharged and no suit shall be entertaining in any court of this State in respect of any such debt.

11. For the recovery with interest of the sum which the Darbar may have advanced on behalf of any Khedut under clause 9 for the liquidation of his past debts, the produce of such Khedut shall be brought over to the Darbari Kbalawad, and, after setting apart the State's share that would be due under the Bhagbatai system, shall first deduct from the sale proceeds of such share, the amounts due on account of the current year's assessment according to the Nam fixed as also the Tagavi loans falling due and then apply the remaining balance towards payment of the inter-

est and principal of the Redemption loan advanced on behalf of the Kheduts and this shall be done from year to year until the whole of the amount due on account of such loan is recovered in full. The Khedut's share of the produce will be left to the Khedut and this will enable the Khedut to maintain himself with ease. Any Khedut who has a bumper crop and who desires to reimburse in full the loan advanced for liquidation of his past debts, will be free to do so.

12. Any new point arising during the proceedings of the Committee appointed for the work of liquidation, which cannot be elucidated by reference to the provisions of this resolution, shall be referred by the Committee to the Darbar for necessary orders.

This resolution shall be published in the Darbar Gazette for the information of all concerned.

St. 1985, Ashwin Sud 2, Friday.

Dated 4-10-29.

By order of the Council of Administration,  
**Hargovind Manishanker,**  
Secretary.

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## Appendix IX.

### *Regarding the Establishment of Village Panchayats.*

#### **Council Resolution No. 226.**

In order to interest the people in matters of common well-being such as Village-protection &c., and also to help them to jointly work for and solve without outside aid, questions touching their own common interest, and also to enable them to manage their own affairs, the Darbar desire to establish Gramya Panchayats in the villages; and for this purpose the following tentative rules are propounded:—

1. Where a demand is made by the people of a village for the establishment of Gramya Panchayat in their village, the Darbar will take necessary steps to do so.

2. The Village Panchayat, which may thus come to be established, shall not consist of less than 5 Members, from among the leading Members of the Khedut and other sections of the village community who are nominated by the village people as a whole.

3. In addition to the Members nominated as above, the Darbari Revenue Patel and the Mukhi shall be ex-officio Members of the Panchayat. But any such Mukhi or Patel is liable to be changed or replaced at the instance of the village-people, provided there are valid reasons for so doing.

4. On the expiry of the term of office of the Members so appointed, which is fixed at 3 years, fresh nominations will be made and at the end of each successive 3 years, a new Panchayat will be appointed, from among the leading men chosen by the village.

5. In the event of a vacancy occurring within the period of 3 years, the person, whose name is proposed by the village-people, will be appointed to such vacancy. But pending such appointment, the remaining members shall carry on the work of the Panchayat.

6. The Panchayat shall have power to employ any person as Talati, who is fit to assist them in the work of the Panchayat. But the Darbar shall defray the costs of his pay, which shall be fixed with due regard to the assessment of the village. Necessary arrangements will also be made, if the Panchayat so desire, to loan, for the office of Talati, the services of any man of the Revenue Department who is competent for the work.

7. The Panchayat shall also have power to appoint the Revenue and Police Chowkidars of the village, subject only to their confirmation by the heads of the Departments concerned, and the State shall reimburse to the Panchayat, the costs of their pay, according to the present scale or the scale that may, from time to time, be prescribed for such posts. The Panchayat shall also have power to continue or dispense with the services of these village servants. Only their appointment is subject to the approval as to fitness of competent authority, as stated above.

8. Pasayatas and others, who hold alienated land on service tenure and who are at present under an obligation to render service of some kind or other, shall continue to give such service under the control and direction of the Panchayat. If any such person makes any default in service or is seen to be in complicity with any bad character, and if the Panchayat will make a complaint in this behalf, the holding of such person will be declared forfeit to the Darbar, who will make arrangements to transfer the holding to another suitable person and ensure continuity of service to the village, where it is the practice so to do.

9. Village tanks, wells, roads and such other works of public utility, will be under the care and supervision of the Panchayat; and for the maintenance and repairs of these works, the Darbari contribution for *Abadi* shall continue to be added as at present, to any sums which may be collected by the village people in this behalf.

10. The proceedings of the meetings of the Panchayat shall be recorded in a book to be maintained for the purpose; and all members present at the meeting shall sign the same. Half the number of the members constituting the Panchayat will form a quorum.

11. The management of all matters except that of the alienated, Bhat, Mulgaras, Sudhara-varad and Rajhak lands shall be vested in the Panchayat, if they so desire.

12. The administration of all Darbari Khata land as also of alienated lands bearing full or half assessment, at present, in the possession of Kheduts, will vest in the Panchayat, who will administer them, as Thandars do, in accordance with the rules and regulations in force at present. The Panchayat shall be liable to pay to the Darbar, according to instalments prescribed and on due dates, the amount of assessment payable under the current settlement or as may be fixed hereafter at a revision settlement. But the amount so payable shall be increased or decreased, when and according as any new land is leased out for cultivation or land paying full assessment is transferred to waste-land or any Sudhara-Varad or Rajhak land reverts to the State and is given over as Darbari assessed land.

13. When any Darbari Khata holding falls vacant, the Panchayat shall have power to auction the same and appropriate the Sukhadi amount that may be realized at such auction; but they shall instead be liable to pay to the Darbar the average annual Sukhadi amount realized during the past 20 years. The Sukhadi of Padttar land rented for cultivation shall also be fixed on the same principle; but the renting of such Padttar land shall be subject to the previous sanction of the Darbar.

14. The Sudharavard and other levies payable by the holders of Bhat, Mulgaras, Sudharavarad, Rajhak or other alienated land shall continue to be recovered direct by the Darbar as at present.

15. The land revenue dues shall be payable to the Darbar according to the Pralbandi system at present in force. However, if the Panchayat, for their internal convenience, desire any change in the system, they will be allowed to make such a change subject to the previous sanction of the Darbar.

16. When in a good or bad year, an anna levy is fixed for other

villages of the Mahal, the Panchayat will also be entitled to pay assessment according to the Nam fixed for the village.

17. A statement showing the amounts outstanding in the village before the grant of Panchayat shall be prepared and handed over to the Panchayat, which shall recover the same as also the arrears accumulated in subsequent years, from the excess levy that may be ordered to be collected in a good year over and above the assessment. The amount so recovered shall be paid to the Darbar.

18. Tagavi advances under the existing rules shall continue to be given to the Panchayat Village if there is a demand for them.

19. If necessity arises to acquire any village land, for Darbar purposes, the same shall be acquired under the rules in force at present,

20. The Panchayat shall continue the practice in force at present, with regard to the houses or huts attached to the holding. Mutual transfers of houses may also be effected subject to Darbar sanction. The Panchayat shall report to the Vahivatdar the disposal by auction of such houses or lands or vacant sites for houses and the latter shall then send the usual Lekhs for the same.

21. The Panchayat shall have all the powers conferred under the Revenue Code for demanding security from any Darbari Khedut for assessment dues, for prohibiting removal of standing crops for making recoveries by attachment of properties, and for forfeiture of Khata land &c. Further all possible help which may be required in this behalf, shall be rendered by the Revenue Department.

22. The administration of all miscellaneous levies except the Revenue Assessment and the Sukhadi for the Darbari Khata land, shall be entrusted to the Gramya-Panchayat, subject to its paying to the Darbar the annual average amount realized in this behalf during the last 20 years, and the Panchayat shall administer these matters in accordance with the Revenue Code and the rules and circulars made from time to time. The average amount so fixed is payable in good and bad years alike. But a statement showing the arrears on this account relating to the period before the grant of the Panchayat shall be prepared and handed over to the Panchayat, which shall recover such arrears and remit them to the Darbar.

23. The Darbar shall continue to enjoy, as at present, their prior right of recovery, in respect of land revenue dues, and the Panchayat shall act in accordance with the existing procedure, in regard to the execution of decrees against Kheduts and others.

24. The Panchayat shall maintain a book of Betha-khata for the management of the village: and at the end of the year, a copy thereof shall be made and the original submitted to the Thandar's Office. The entries in the book shall be written up under appropriate heads and sub-heads, as is the practice in regard to the Betha-khata-book at present. The Mahal Office shall supply, on the Panchayat's request and at their expense, all the necessary books and registers, such as the Betha Khata book, Rojmel, Ledger, Pahani-patrak, Receipt books, etc., and the books, which are stamped at present, shall continue to be so stamped.

25. The Darbar shall cause the emoluments of Patel, Mukhi, as well as the Haks of Mulgirasias and others to be paid, through the Panchayat, to the parties concerned.

26. The Panchayat shall have power, after obtaining the previous sanction of the Darbar in that behalf, to remove any person from the village, if they think it proper so to do, in the interest of the peace and general security of the village.

27. If the Darbar are properly satisfied with the Panchayat administration of any village, the Darbar will take necessary steps to delegate, to the extent they think proper, to the Panchayat, powers under the Civil Procedure Code to hear money suits upto a prescribed limit, as also powers under the Cattle Trespass Act and the Indian Penal Code, to try petty cases of theft and mischief.

28. In a village where the rights of ownership and sale have been conferred, the Chauth cess payable at the time of transfer of ownership and the ground cess payable for acquiring the right of sale, shall continue to be recovered direct by the Darbar as at present.

29. The Darbar shall directly recover, as at present, the Customs Duty leviable according to the British Tariff Act, upon goods which having been imported at a foreign port, are brought by land within the limits of any village of this State.

30. Matters relating to opium, salt, excise, arms and ammunition, shall continue to be administered by the Darbar, as at present.

31. The registers and returns of the cattle-pound-fees, births, deaths, and crops, shall continue to be submitted, as at present by the Village Patel and Mukhi, who will be held responsible for the same.

32. Fines and penalties being Darbar revenue, the Panchayat shall remit to the Darbar any amount collected by way of fine or penalty.

33. If any Panchayat applies to be relieved of the Panchayat administration, the same shall be terminated at the close of the year.

34. The Darbar may suspend any Panchayat if they think that it is not administered according to the existing rules and regulations, or if they find the Panchayats unable to carry on.

35. Every request for any additional convenience and concession besides the above, made by the people at the time of applying for the Village-Panchayat, shall be duly considered, and the needful done in the matter. In brief, the Darbar's earnest wish is that each and every village should be enabled to manage its own internal affairs.

The above resolution to be published in the State Gazette for the information of the public.

D/ 4-10-1929.

By order of the Council of Administration,

HARGOVIND MANISHANKER,

Secretary,