The

Servant of India

Editor : S. G. VAZE

Reg. No. — B 1330

Office : SEBVANTS OF INDIA SOCIETY, POONA 4

VOL. XXII, NO. 31	POONA - THURSDAY, AUGUST 10, 1939	INDIAN FOREIGN SUBSN. Rs. 6 158.
tord manager ator the		FOREIGN 158.

CONTENTS

				Page
TOPICS OF THE WEEK		***	••••	389
ARTICLES :				
Agriculturists' Relief in (Coobin		***	392
Agricultural Debt Relief	Bill, —	Select	•	
Committee's Report	By D.	R. Gadgil		394
Those XB Engines III			***	397
REVIEW :				
The Life of Lala Harkishe	n Lala			
By M. V. Subrahman	7am	***		398
SHORT NOTICE	•••	•••		399
MISCELLANEOUS :				
Land Revenue Reform in	Bomb	ау. —		
Mr. Parulekar's Diss			b ==	399

Topics of the Week

Bengal Politicals

IT is a matter of great relief that the political prisoners in Bengal who were on hungerstrike for several weeks have at last been persuaded to give it up. Rather, they have suspended it for two months. If within that period they are not released, they propose to resume their hunger-strike. Mr. Subhash Chandara Bose has promised the prisoners that he would do his best to secure their release within that time, and would for that purpose employ constitutional methods in the first instance, and, failing them, saiyagraha on a large scale and thereby force the hands of the Government. The Bengal Ministry had from the beginning refused to be influenced by the hunger-strike. It suspended the work of the Committee which was reviewing the cases of the political prisoners and would permit it to resume its work only when the hunger-strike was given up. The impression was created that if the hunger-strike was given up, the Bengal Ministry would expedite the work of the Committee, and the prisoners would be released within two months. The Ministry officially contradicted it, and asserted that they had given no understanding either to the prisoners or to Mr. Bose that the release would take place within two months. The hope is widely entertained however that, notwithstanding all these disclaimers, the Bengal Government would so accelerate the work of the Committee as to enable them to release all the prisoners within that time. We trust that the hope will not be disap-• pointed. . .

Gagging the Press

APPLICATIONS of Section 144 of the Criminal Procedure Code are now galore under the Congress Governments. No one is now overmuch pained or surprised at these strange exhibitions of the work-ing of popular government. Under the former regime we were taught to regard all such applications as unjustifiable invasions of individual freedom. Now we are expected to regard them as necessary curbs on the people's tendency to violence. Perhaps we shall succeed in adjusting our point of view, but it may take a little time. The Con-gress moves on too fast for many of us.

PREVENTION of meetings, marches, demon-strations etc. is a thing with which the people have now become all too familiar, but the Bombay Government's action in gagging five papers in Bombay City, though for a short time, left many gaping in wonder. These journals were prohibited from publishing news and making criticisms on certain events and measures without previous censorship. It would be profitless in these days when the Congress Ministries have become hardened administrators to point to the good old saying of Lord Mansfield that " the liberty of the Press consists in printing without any previous license, subject to the consequences of the law." This would appear much too academic to our Ministers who are burdened with the responsibility of administration and with the duty, as they conceive it, of proving their capacity to be strong administrators.

BUT perhaps the Congress Governments would listen with some amount of attention to the mild censure uttered by the Anglo-Indian press which may now be credited with more uniform support to the Congress than any other section of the non-Congress press. One such paper recalls how the old Congress leaders used to denounce the Press Act, Ordinances, Criminal Law Amendment Act, Section 144 as repression, and remarks:

Yet their successors in the Congress do not hesitate to use these laws against those with whom they disagree as readily as ever did one of the irresponsible bureaucratic Governments. And the latter had greater justification for their resort to these laws ; they represented an alien' authority; the Congress Goverament of Bombay claims to enjoy the support of the vast majority of the people of that Province and to act in their name. For a popular Government, responsible to an elected Legislature, and claiming to be demotratic in every respect thus to attack one of the bulwarks of democracy, a free Press, is not marely deplorable, is is wholly indefensible.

٠

1 4 4

Rents in Bombay

A RENT Inquiry Committee was appointed in April 1938 to inquire whether the rentals of premises occupied by the working and the middle classes in the cities of Bombay, Ahmedabad and Sholapur required intervention. The conclusion has been reached that the situation regarding housing and rent is so appalling that it cannot be allowed to drift as it has drifted hitherto, and warrants the adoption of definite measures by the State.

FACTS and figures presented by the Committee regarding overcrowding in Bombay would come as a surprise even to those who are babitual students of its slum life. "Three out of every four persons in Bombay City live in single rooms in which, along with each of them, there are at least three other persons." "The total number of persons living in rooms, each occupied by 6 to 9 persons, 10 to 19 persons and 20 persons and over, is 2,56,379, 80,133 and 15,490 respectively." The unimaginably insanitary character of the dwellings added to this shortage of space is, as the report rather too mildly puts it, "neither conducive to good health, nor decent standards of morality".

A LASTING solution of this perennial problem is attainable only through a well-conceived housing plan, which is, as the Committee rightly urges, a necessary "public service." The Committee has asked for a conference of representative bodies and interests (the Railways, Port Trust, Municipalities, and employers of labour, etc., etc.) expected to take up housing activity for the purpose of formulating a definite plan for solving this urgent problem. The necessary stipulation has been also pressed in that such a plan should be immediately taken up and completed within a period of ten years.

FURTHER recommendations of the Committee for immediate action are entirely practicable, and would afford much-needed relief to a majority of Bombay slum dwellers. They are: that 'Building Regulations' should be amended compulsorily to provide for a minimum standard of housing amenities, such as amount of flooring space per individual, number of bath-rooms, latrines, dustbins, direct water connection and storage water tanks as laid down in detail by the Committee; that transport services should be effectively controlled and their fares reduced with a view to encourage people to spread out in the suburbs; and that educative propaganda should be carried on to quicken the sanitary conscience of the people. These are exactly the methods to start with for slum clearance in right earnest. The success of all these measures would be facilitated if the Municipality, as recommended by the Committee, is asked to maintain statistics regarding variations in population, in housing accommodation and in rents and to publish them periodically.

THE most important recommendation of the Committee is standardisation of rents for tenements owned by private agencies of Rs. 80 and below at the 1937 level of rent, and reduction of 10 p. c. in the 1937 level of rents below Rs. 30. It has also recommended the appointment of a Rent Regulation Board. This, if carried out, is bound to have a wholesome effect. Suggestions regarding the dividing of the City into zones, an

essential characteristic of a well-planned town, need careful attention; and many trades and professions would have to be 'zoned' out besides dhobi ghats and milch cattle stables for the city to have clean and decent residential localities. Suggestions and recommendations of a similar type are made for Ahmedabad and Sholapur. It is hoped that a serious attempt would be made by all concerned to give effect to the excellent findings of this Committee.

Abolition of Orissa States

THE first volume of the Report of the Orissa States Enquiry Committee has been published. The Committee was composed of very competent persons with an unbiased mind, who carried on a laborious survey over the whole field of political, economic and social conditions of the people for two years and have made available, besides their own findings, a mass of most valuable collected from information – official and other documents not readily accessible, accessible at all, to the public at large. accessible, if t large. For this reason the Report would be of the utmost use not only to the student of the States question, either in Orissa and elsewhere, but also to the student of problems like those relating to the kisans, for in this Report he would not only find useful information on specific subjects treated in its pages but would know how to conduct inquiries of a similar nature. We earnestly hope that the first volume of the Report, now published and priced Rs. 5 a copy, would have a large sale in every province and State and that the facts recorded in it would receive wide publicity.

THE Report deals with matters of such varied interest that it is only possible for us on this occasion to refer to its principal recommendation, the recommendation for the abolition of Orissa States. The Committee itself does not use such a harsh term as "abolition"; it speaks instead of the cancellation of the sanads of the States, but it does not leave anyone in doubt as to To use what is involved in such cancellation. the Committee's own words, the rulers of the States of which the sanads are to be cancelled are to be "treated as landlords of permanently settled estates." We are glad that the Committee has removed the confusion which had been caused by some of those who were asking before for the cancellation of the Orissa States' sanads. Mr. Hare Krishna Mahtab, writing in our columns (vide the issue of 9th February), pointed to the stringent restrictions imposed upon the powers of the rulers by the sanads granted to them, and said: "In view of the above terms in the sanads, I have been agitating for cancellation of sanads and pressing the Political Department to come out for responsible government in the Orissa States." Mr. Mahtab did not appear to understand at the time that when the sanad of a State is cancelled, it ceases to be a State and the Political Department ceases to have jurisdiction over it. Thereafter it becomes part of a British province, and as all provinces have now obtained responsible government, the State also by its new status automatically will become self-governing through the province into which it will be merged. No longer is intervention of the Political Department required to confer self-government on it, when the more drastic intervention in the cancellation of

LUGUST 10, 1939]

which Mr. Mahtab himself was a member, has put the point clearly: "The acceptance of this recommendation (for the cancellation of sanads) will bring these estates under the jurisdiction of the autonomous provinces, and the people concerned will be enabled to join hands with their brethren in the province of Orissa in their attempts to solve the problems common to them all." In other words, the Committee's demand is for the abolition of the State as States.

THE recommendation, drastic as it may appear, is based, not on the consideration that this would be the easiest way of securing self-government for a much barassed people, but on the inescapable fact that the States cannot subsist under any polity worth the name as independent units. It is based, in the Committee's own words, on "the inherent inability of the Orissa States to support popular enlightened administrations," But seeing that cancellation of sanads may not come about immediately, the Committee suggests that the irreducible minimum of reforms prescribed by Mahatma Gandhi be immediately introduced. Even these reforms involve no little encroachment on the national sovereignty of the rulers. One such reform is an independent judiciary. "In order to ensure uniformity of practice and strict impartiality," writes Mahatma Gandhi strict impartiality," writes Mahatma Gandhi "there should be appeal to the High Court of the Province within which the State in question is situated." The rulers would perhaps sooner introduce constitutional reforms, which the Mahatma does not include in the minimum demands, than accept such legal sub-ordination, and the Mahatma's minima are meant not only for petty States, but even for the biggest of them.

AND yet without such a safeguard the independence of the judiciary cannot in many States be depended upon. Where there is no in-dependent judiciary civil liberty loses all its meaning. Even with an independent judiciary, freedom of the press and other forms of civil liberty require for their preservation restrictions on the power of the executive and the legislature. Where the people enjoy no constitutional power, how can such restrictions be thought of? It is, therefore, a complete fallacy to think that individual liberty will be possible under an autocracy, and we think it is idle to hope that the autocratic powers may not be touched and yet oivil liberty secured. Proclamations of the grant of civil liberty, which are issued in some States and hailed with delight by the public, are worth nothing. A memorial submitted by such eminent persons as Sir Sivaswamy Aiyer and Sir C. Y. Chintamani to the Viceroy asked for a declaration of rights by the Nizam, but they asked for a de-olaration "guaranteed by the Paramount Power." If in a big State like Hyderabad where an efficient civil service and impartial judiciary may be expected to grow civil liberty becomes valueless unless it is buttressed by the Paramount Power, of what avail will such civil liberty be in the petty States of Orissa even if it be proclaimed by the rulers? It is no use living in a fool's paradise. Limitation of the Privy Purse is another of the minimum demands made; this cannot be effective

that evils of autocracy can be minimisd by such paper safeguards.

Ceylon and India.

ON the 1st of August the Ceylon Government brought into effect its scheme for the repatriation of Indians from Ceylon. On the same day the Government of India, with the full approval of the Government of Madras, and presumably with the concurrance and co-operation of the Governments of Travancore and Cochin, have ordered the stoppage of all unskilled Indian emigration to Ceylon. On the same day again the Governor of Ceylon came out with his "twelve points" expounding the policy of the Ceylon Government with a view to removing what he thought were misconceptions and misunderstandings of the Ceylon policy.

THE very first point that the Ceylon Governor made was that estate labour was not affected. He hastened to do so obviously with a view to assure the powerful British planters, most interested in estate labour, that their interests would not be affected. He then proceeded to say that he had not yet received any proposal from his Ministers to restrict immigration or the rights of immigrants and that any such proposal had to receive the sanction of the British Government and that the Government of India had been promised to be consulted. Further, there was no proposal to repatriate Indians compulsorily; no Indian was obliged to leave Caylon. All that happened was that the Government of Caylon, in the exercise of the ordinary rights of an employ yer, dismissed from service a certain class of its Indian employees, namely, those who were employed since 1934 when the Ceylon Govern-ment had adopted the policy of preferring Ceylon lonese to non-Ceylonese in its employment but which was, however, not strictly enforced. The Government also offered monetary facilities to its other Indian employees who voluntarily preferred to retire from service and return to India. In short, the policy was: compulsory dismissal of some Indian employees; voluntary retirement of others; facilities to those who preferred to return to India, but no compulsory repatriation.

HE admitted, however, that compulsory as well as voluntary retirements had nothing to do with retrenchment. For the present the policy was one of replacement of Indians by Ceylonese. Retrenchment would be adopted later on, and then the first to be retrenched would be Indians of ten years' service or less. They would not, however, receive the financial assistance which was offered, to those who would return to India now.

claration "guaranteed by the Paramount Power." If in a big State like Hyderabad where an efficient civil service and impartial judiciary may be expected to grow civil liberty becomes valueless unless it is buttressed by the Paramount Power, of what avail will such civil liberty be in the petty States of Orissa even if it be proclaimed by the rulers? It is no use living in a fool's paradise. Limitation of the Privy Purse is another of the minimum demands made; this cannot be effective without independent audit. And how is the independence of the auditing officers to be preserved in small autocratic States? It is futile to think ment is the object. A Government of a country is expected to act better. Furthermore, the Ceylon Government's action is not an unrelated and solitary incident. The anti-Indian agitation in Ceylon lends an ugly background to the Government's action. And the Government's policy will influence the conduct of semi-official and even private employers, though, happily, the Ceylon Municipal Council has so far declined to follow suit.

IN view of the threat of impending retrenchment in the near future and the determination to retrench Indians first, if they do not voluntarily retire now, the limitation of the offer of passage and bonus to those who would voluntarily retire now is most cynical. The Indian employees have to choose between voluntary retirement now with some compensation, or compulsory dismissal later with no compensation.

¥

÷

Ŧ

THE Governor said that no proposals had come to him yet to restrict emigration into Ceylon and that before they were referred to the British Government for sanction, the Government of India would be permitted to make representations. The Government of India have saved him the trouble [AUGUST 10, 1939

by themselves prohibiting unskilled emigration to Ceylon. It is far more honourable for India to restrict the emigration of her nationals than that they should be subjected to immigration restrictions in other countries. India can no longer permit other countries to pick and choose their Indian immigrants and recruit only those who can be easily exploited and keep out others. If the present action of the Government of India has a retaliatory effect, it is only incidental and not purposive, even as certain tariff duties levied for revenue purposes incidentally serve as protective duties.

• •

WHETHER the Government of India's action is retaliatory or not, it is clear that it was not desired by the Ceylon Government, which, if anything, rather dislikes it. Thus, the policies of the Government of India and the Government of Ceylon are at variance; why, diametrically opposed. The problem is not without constitutional interest. Both the Governments are subordinate to the British Government, and they are at loggerheads! Does it mean that the British Government is a party to the internecine warfare, or that the two fighting Governments have acted without the knowledge of the British Government?

AGRICULTURISTS' RELIEF IN COCHIN

T AST week the Legislative Council of Cochin Lapassed a Bill for the relief of agriculturists which, though of itself it does not go a long way, may truly be said to represent a triumph of mutual understanding between the Government and the people. The State has already passed a Debt Conciliation Act embodying the principle of voluntary conciliation of debts. It has also set up a Land Mortgage Bank, of which it has guaranteed debentures in full. But these measures of a permanent nature have not done much to relieve the distress of agriculturists resulting from the abnormal fall in the prices of agricultural produce. The Antony Committee placed the commencement of the economic depression at a certain date in the year 1932, and the Government itself recognised the need of lowering the burden of agriculturists' debt in proportion to the slump in prices. In 1934 the admission was made by the Government that, "owing to the precipitous fall of agricultural prices, debts incurred by the agriculturists five or more years ago on the security of their land have now been increased by anything up to 300 per cent." As a temporary declared, and measure, a moratorium was the Chief Court issued circulars which also had the effect of a quasi-moratorium. But no measures other than those already permanent adopted were taken for the relief of agriculturists, and public opinion became restless. Several Bills were brought forward by non-official members to this end, but the Government, while expressing sympathy for the condition of agriculturists, took up a non-possumus attitude to all non-official

Bills. The general attitude of the Government was summed up in a remark by an official on one of these Bills: "On account of the cumulative effect of the various measures that were taken by the Government from time to time and are being taken now (referring to the limitation of interest in future to 12 per cent. and such other measures), the situation (which led to a moratorium) had been considerably eased and all bonafide debtors have been saved by whatever methods possible."

But the pressure of non-official opinion increased, and the Government was at last compelled, while rejecting the bills sponsored by nonofficial members, to bring forward bills of its own. The conversion of the Government was to a large extent helped by Dr. A. R. Menon, the Minister for Rural Development under the new dyarchic constitution, openly siding with the nonofficial members in the Council. In the debate on one of these non-official bills which the Government opposed, the Minister rose in his place and said:

Sir, I have been considering during the discussion of this measure whether I should simply sit quiet or intervene in this debate. After considering the pros and cons, I think that I am in duty bound to intervene in this debate and place my views on this Bill before the House. As you are very well aware, I owe a double loyalty. There is a loyalty to the Government, but there is a much greater loyalty to the people by whose franchise I occupy the place that I am in now. Therefore, when I am convinced that a certain course of action adopted by the Government is not consistent with the public interest, does not meet public requirements, I shall be false to myself

392

if I simply sit here without opening my mouth..... (To do so) will be a kind of moral dishonesty, an intellectual dishonesty.

Thus prefacing his remarks, he asked the Government in effect: "What is the use of the Government always pleading for the banker? What is the use of the Government always raising one objection or another to whatever measure nonofficials may propose? The non-officials have to bring forward measures only because the Government itself is inactive. Assuming that all these measures are open to objection, why does not the Government introduce a bill of its own?" The appeal went home, and within less than four months the Government produced an Agriculturists Relief Bill and an Insolvency (Amendment) Bill, which were based on the proposals made by nonofficials but which were shorn of some of their extravagances.

The Agriculturists' Relief Bill now passed gives relief to agricultural debtors only in the interest portion of the debt, leaving the principal alone. It wipes out all arrears of interest up to that date in the year 1932 which has been officially recognised as the date of the onset of depression and reduces the rate of interest subsequent to that date to 6 per cent. simple, only allowing 9 per cent. in the case of loans made by public companies. These will be the maximum rates of interest even on new loans. No provision is made for the principle of damdupat. In an unofficial bill introduced before, the damdupat rule on the lines of the Madras Act was embodied; that is to say, it was made applicable to the amount of interest already paid as well as to arrears of interest. But the (lovernment opposed this provision on the ground that, as the Dewan Peishkar said, "Already there are indications that the credit in Madras has been affected, and we see investors are fighting shy of even landed property investments and are investing in guilt-edged securities mostly." The Secretary to Government went so far as to say that. as a result of this provision, rural credit had been "annihilated." In the matter of the payment of the scaled down debt the Select Committee, consisting of a majority of non-official members, introduced an amendment allowing the debt to be cleared in 12 half-yearly fustalments. The Government opposed this amendment, but as a matter of compromise inserted a provision permitting payment of the debt in two half-yearly instalments. The Dewan, Sir Shanmukham Chetty, admitted that it was a fundamental defect of the legislation that "while we are giving some relief to the agriculturist, we are not devising any method which will enable the agriculturist to take advantage even of this limited relief." "In fact, the only radical remedy for the situation would be," he said, "for the Government to undertake to finance debtors so 'that they might clear their debts," and he at the suggestion of the Minister, to af his property not exceeding sppoint a mixed committee to axamine the whole in any case."

question. The Land Mortgage Bank lends money on a 50 per cent. security. The question is whether a proper margin of safety can be secured by lowering the standard of security, say, from 50 to 30 per cent. Sir Shanmukham assured the Council that, provided safety was insured, the Government could place the Land Mortgage Bank in possession of whatever money was required for the redemption of agricultural debt. He was also prepared, assuming that the mechanism of the Bank was not found suitable for the purpose, to consider the question of the Government creating State bonds payable to the debtors. A committee will be set up to consider the question of suitable modifications in the Land Mortgage Bank and, alternatively, of the State taking over the agriculturists' debts.

Co-operative credit societies are excluded from the purview of the Bill on the ground that "the credit system of co-operative societies is not less important than the functions of Government in regard to agriculture, and it would be impossible to treat co-operative societies as outside bodies and to place them in the same category as ordinary creditors." This means that co-operative societies can charge more than the maximum rate of interest prescribed for public companies, viz. 9 per cent. To the exclusion of co-operative societies objection was raised by several nonofficial members. It was said that 75 per cent. of the debtors were indebted to co-operative societies. which collected 18 per cent. interest and also imposed penalty. The Minister, Dr. A. R. Menon. promised to consider the matter and to fix a reasonable rate of interest for co-operative societies. The definition of "agriculturist" includes both landlord or tenant but excludes persons who. though having an interest in land, follow other occupations and look to them for profit and support. All payers of income-tax and payers of land revenue above Rs. 500 and payers of house tax on property of the rental value of more than Rs. 300 are thus excluded from the benefit of the Act. A most important demand made by non-official members in their bills was for "a humane form of insolvency proceedings." Under the existing law, an insolvent debtor is entirely sold up, no property being left to him for his own support. One of the non-official bills proposed that one-fourth of the debtor's property should be retained for his use, while the rest should be handed over to the oreditors for the discharge of the debt. This principle has been accepted by the Government and embodied in an official bill. The clause proposed to be added to the existing Insolvency Act reads thus: "In cases where a sum of eight annas in the rupee has been paid as dividend to the creditors, the court may, where the court is satisfied that the conduct of the insolvent has been bona fide and that he has placed all his assets at the disposal of the court, grant him an amount equal to one-fourth of the value a stute of Rs. 2.

394

The Agriculturists Relief Bill also grants relief tenants in the matter of rent payable by them. Non-official bills on the subject had also made provisions in this behalf. For instance, a bill introduced by Mr. M. K. Devassy, Secretary of the Cochin State Congress, proposed that all the arrears of pattam with interest thereon should be deemed to be discharged if the pattam for the last two years was paid within one year from the commencement of the Act and one-half of the arrears of michavaram with interest thereon for the last two years should similarly be deemed to be discharged. In the case of michavram the proposal was less drastic than in the case of pattam because the proportion of *michavaram* to the yield of the land is much lower than that of pattam. This provision is in all essence accepted by the Government in its present Bill, which has now become law. It provides that the payment of two years' pattam or four years' michavaram would wipe out the entire arrears with interest thereon. This provision is also based on the principle that michavaram is generally a low proportion of the verumpattam. The maximum rate of future interest on pattam and michavaram is fixed at 6 per cent. simple. When Mr. Devassy's Bill was being debated, the official spokesman, Secretary to Government, opposed the whole clause on the ground that it would constitute "a discriminating piece of legislation." He said: "So far as the *jennies* who have been vigilant enough in the matter of realising

their rent or michavaram are concerned, they scot-free. In the case of the benevolent jenmiss who have not been torturing their tenants and taking action against them in a court of law, they have to suffer." But the Government itself has now adopted what it had formerly regarded as a vicious principle. In this connection, it must be added that Sir Shanmkham Chetty made a momentous announcement of the Government's intention to give permanent occupancy rights to verumpattam tenants. A draft bill has already been prepared, and it is hoped that it will be introduced soon. In anticipation of such a measure it appears that some landlords are evicting verumpattam tenants without proper cause and changing the character of the tenancy. To such landlords, Sir Shanmukham gave a warning that the bill, when it will be introduced, will contain a clause to the effect that " verumpattam tenancy, which would be proved during the last two years, will be considered verumpattam tenancy, notwithstanding anything that may have happened in the interval." The relief that agriculturists will obtain by this measure in the way of scaling down their debts or wiping off arrears of rent will perhaps be small, but, as Sir Shanmukham admitted, "the significance of this measure lies not so much in its ameliorative character, but in the manner in which it has been placed on the statute book," i.e. in the spirit of co-operation subsisting between the Government and the people.

AGRICULTURAL DEBTORS RELIEF BILL SELECT COMMITTEE'S REPORT

HE report of the Select Committee on the Bombay Agricultural Debtors Relief Bill has so considerably modified the original structure of the measure that it becomes necessary to consider in detail the consequences of some of these modifications.

SCOPE

The scope of the legislation has been modified by the Select Committee in three important ways. In the first instance, the definition of "holder" has been narrowed so as to exclude all those whose income, from sources other than agriculture, exceeds 20 per cent. of their total income. There may be ground for some difference of opinion regarding the percentage but the principle at the back of this exclusion will be agreed to generally. Secondly, the qualification regarding the maximum debt has been widened so as to place both secured and unsecured debts on the same level. This is a welcome step. The most important modification, however, is that in respect of tenants. The original Bill had excluded tenants, other than permanent tenants, from the definition of a "holder". The Select Committee now proposes the deletion of this saving sub-clause. This means that the provisions

of the law would become applicable to tenants equally with owners of land. We had in a former article advocated the extension of the application of the law to tenants and, therefore, heartily endorse the recommendation of the Select Committee. The Select Committee does not, however, seem to have considered fully the implications of such an extension of the scope of the measure. In no later section is a reference made to tenant-debtors, and it has evidently been thought that they could be treated exactly in the same manner as those owning land. The main difficulty in doing this will, however, arise in connection with determining the paying capacity of the tenant-debtor. Paying capacity for purposes of this measure has been defined in terms of the value of the property of the debtor. The Select Committee has further narrowed this definition by making it refer to immoveable property only. It is obvious that a purely tenant-cultivator will possess very little immoveable property and that generally his capital assets will be very small. The application of this measure of paying capacity to tenant-debtors will, therefore, amount virtually to an extinction of their debts. A capable

AUGUST 10, 1939]

tenant-farmer may have considerable annual paying capacity, but almost none in terms of the value of property. It will consequently be necessary either to adopt a separate measure of paying capacity in the case of tenants or to change the present basis of the measure in the Bill

PAYING CAPACITY

This leads to a consideration of the very important innovation made by the Select Committee in introducing in the Bill the concept of annual paying capacity. In a former article we had pointed out how scaling down would be effected under this measure in two stages. Firstly, by way of taking accounts and secondly by direct scaling down to 80 per cent. of the value of property. We had pointed out that if the intention was to enable the debtor to repay his debts by annual instalments while retaining the ownership of his land, the value of property was an irrelevant consideration in determining paying capacity. We had, on the basis of some statistical data, also indicated that the 80 per cent. measure would afford no relief in the vast majority of cases and that it would lead to fixing the annual instalment at too high 'a level. The Select Committee defines paying capacity in terms of immoveable property alone. This will somewhat lower the evaluation, but the basis still remains inappropriate. The evil results of this provision will, however, be largely avoided by the introduction of the new additional measure to be called "annual paying capacity". This measure will come in at the time of fixing the annual instalment. The Select Committee provides that the annual instalment shall not exceed the annual paying capacity, which shall mean the portion of the annual income of the debtor "after deducting such sum as may be considered necessary for the maintenance of the debtor and his dependants, and the sum due by the debtor to pay the debts due to Government, to local authorities, to resource societies and to persons authorized to loans under advance section 79."

The annual paying capacity thus provides for the maintenance of the debtor and his family, for the payment of annual dues and for the charges for future finance. The recommendation of the Select Committee makes sure that the payment of the annual instalment in respect of present debts will not entrench on at least the minimum subsistence of the peasant. This is an absolutely vital provision, and it removes in a great measure the main ground of criticism against the original framework. It changes at the same time, in a radical manner, the way in which repayment will work out. In the case of the marginal cultivators, and at least in tracts like the Bombay Deccan, the marginal cultivator of the debtor, of the maintenance expenditure of class is extremely numerous, the introduction of his family and of the charges for future finance

annual paying capacity will lower very considerably the sum available for the annual instalment. Further, in a number of cases a proper calculation of the deductions will reduce the annual paying capacity to nothing or to a negative quantity. The Select Committee does not, however, provide at all for this contingency. The Committee has evidently assumed that the annual paying capacity will always be a positive quantity, and it provides for the adjustment of the two measures of paying capacity by removing the restriction on the number of annual instalments. Thus, the property value measure of paying capacity will determine the total burden; the annual paying capacity measure will determine the yearly instalment; and the ratio between these two will determine the number of years for which the instalments will run. This means that the number of years for which the debtor and his heirs will have to pay the instalments may be indefinitely large; the payment may continue for generations. This is an undesirable situation; and it is not likely to be tolerated for any length of time by the debtor class. The way out of this impasse is clear. The introduction of the idea of annual paying capacity makes the property-value measure of paying capacity superfluous. Paying capacity can only properly be measured as so many times the annual paying capacity, and such a change will no longer affect the working of the Act. The former maximum number of twenty-five may appropriately be retained. After the taking of accounts, the annual paying capacity of each debtor should be determined and the debt should be scaled down to twenty or twenty-five times this sum. Provision should also be made for cases where the debtor's annual paying capacity is very low or negative. The only way to deal with these cases is to treat as insolvents all debtors, twenty-five times whose annual paying capacity falls below a certain proportion of their outstanding debt as calculated by the Board after the taking of accounts. The large majority of such debtors will be what may be called sub-marginal cultivators, and it is best that their cases be summarily dealt with at the initial stage.

It may be noted that the Select Committee has deleted the provision regarding the determination of the value of the property of the debtor at the market value. It recommends instead that Government should frame rules in this behalf. We presume that the Select Committee has made this change because it felt that the term "market value" was vague and that it was liable to be variously interpreted by the different Boards. We feel that it is necessary to give Government similar rule-making powers for the determination of the annual paying capacity. This determination involves a number of complicated calculations. The estimation of the income

are all far from simple. The possibility of the adoption of varying bases and scales is enormous. It will, therefore, be necessary for Government to lay down in a series of detailed rales how, for different regions, each of these estimates should be framed.

INSOLVENCY

The changes recommended by the Select Committee in the chapter relating to Insolvency Proceedings are also, in some directions, revolutionary. The Select Committee is to be congratulated on the deletion of the old provision for automatically declaring a debtor insolvent on failure to pay a certain number of instalments. It has instead provided that the Court may declare a debtor insolvent and may order the sale of his immoveable property if it is satisfied that the debtor has made default in the payment of any instalment, intentionally and without any reasonable cause. This is a reasonable and necessary provision and it avoids the defects of the old sub-clause. The Select Committee has, however, failed to modify the first sub-clause of this section which, as we have formerly pointed out, fails to make any sense. This sub-clause could be modified suitably to provide for cases where the annual paying capacity falls far short of a certain proportion of the total debts. The Select Committee bas put in a further sub-clause under which a debtor may be declared an insolvent if "the Court to which an award is transmitted for execution finds that two consecutive or any three instalments could not be recovered by the sale of the moveable property of the debtor". (Italics ours.) It is difficult to understand why this provision has been put in. In the first instance, it may be noted that the alternative between two consecutive and any three instalments which found place in the earlier sub-clause in connection with the due payment of annual instalments is retained in the amended form. But such an alternative is wholly inappropriate in this instance. Under the amended version the Court has to judge whether the sale of the moveable property of the debtor will fetch an amount equal to a certain number of instalments. It is entirely immaterial in this instance as to whether the instalments are consecutive or not. In either case their value will be the same. As a corollary of this the alternative between two and three is also inappropriate. It should be either of the two We have, however, to offer an even more fundamental objection to this new provision. We do not see any justification for linking solvency with the value of the moveable property of a debtor. We take it that the vital requirements of the agriculturist such as his cattle will be exempt from sale. If this is so the saleable moveables of even a substantial agriculturist may sometimes be of little value. If an agriculturist has an adequate annual paying capacity and is reasonably punctual in the payment of his instalments we fail to understand how a paucity of

moveable goods should suffice to render him insolvent. The value of moveable goods owned is surely an irrelevant consideration in determining the solvency of a peasant. The Select Committee has by a new clause in this chapter introduced an important principle in the measure. It recommends that when land taken over from the insolvent under provisions of this chapter is restored to him he shall be deemed to hold such restored land in future as an unalienated land under sec. 73 A of the Land Revenue Code. We welcome this policy of extending the sphere of inalienable holdings.

There are a number of other minor changes made by the Select Committee which we have not the to deal with here, and there are two or space three important recommendations which we shall treat of on a later occasion in connection with the future of our rural credit machinery. We desire, however, in closing to comment on the new clauses introduced by the Select Committee at the very end of the Bill. These new clauses provide for the repeal of the Bombay Small Holders Relief Act and the Deccan Agriculturists' Relief Act as soon as the Agriculturist Debt Relief Bill becomes law. In our opinion the repeal especially of the Deccan Agriculturists' \mathbf{Relief} Act should be consequent not on the passing of this Act, but on the passing of a comprehensive Moneylenders Act. The measure under contemplation provides mainly for the adjustment of past debts. It does not provide at all for the regulation of the working of the credit machinery in the future. The operative part of the Deccan Agriculturists' Relief Act is in the main a Rural Moneylenders Act. The regulation of accounts, the passing of receipts, the registration of documents, the power of courts to open transactions, all such provisions form part of a Moneylenders Act. Such protection as they afford will vanish the moment the D. A. R. Act is repealed: for the Agricultural Debtors Relief Act makes no provision in these respects. The transitory provisions do not obviate this difficulty as they refer only to transactions entered into before the coming into force of the Debtors Relief Act. From the date of the repeal of the D. A. R. Act to the coming into force, whenever that may happen, of a Moneylenders Act the rural credit machinery will be left entirely without legislative regulation. We would. therefore, strongly oppose these new clauses. A Select Committee has under consideration already for a long time past a Moneylenders bill. It is high time that the report of this Select Committee was expedited. The enactment of this measure will be the suitable time for the repeal of the historic and once useful D. A. R. Act.

D. R. GADGIL

THOSE XB ENGINES

.III

A S will have been noticed in our discussion, the XB engines belong to the Pacific type. The general reader will be interested to know why this class of engine is called the Pacific type. although in the Indian mind it is associated since the Bihta accident with what is diametrically opposed to it, i. e. "war-like." Different kinds of locomotives are classed according to the way in which their wheels are arranged. In the Pacific type the engine has 6 wheels which are coupled together, with 4 small bogie wheels in front and 2 trailing wheels at the back, and the method of denoting the wheel arrangement is 4-6-2. This type of locomotive was christened PACIFIC because the first locomotive of the type, which was built about 1901 in America was for the Dominion (then Crown Colony) of New Zealand in the PACIFIC Ocean.

In our last two articles on the subject we examined the pleas put forward in support of the precipitate large orders for as many as 218 X class Pacific locomotives in less than three years between 1925-1928. The pleas were advanced by the Pacific Locomotive Committee or possibly made by the Railway Board and only endorsed by the Committee with all the influence of their authority as technical experts. Whatever their real source may be, the pleas, as our examination showed, lack in a singular degree even a show of plausibility. In fact, viewed against the background of the ill-concealed commitments made before the Imperial Economic Conference of 1923, the pleas did not ring true. We now turn our attention to the question of individual responsibility for the 'mistakes' made.

In paragraph 14 of their report the Committee say : "At the outset, however, we think it well to state that, as our Inquiry is primarily of a technical nature, we have not felt called upon to pursue the attribution of individual responsibility over so many years. It would, indeed, be impossible to do so, for the design and manufacture of these engines was the outcome of much committee work, and prolonged correspondence between the Railway Board, the Consulting Engineers, and the Builders." The obstinate oblivion of the past extending over thousands of years has by human research and ingenuity been successfully broken and forced to disgorge its well-kept secrets, enabling man from dead, inanimate materials to reconstruct the past in all its vividness. Yet this technical Committee coolly informs the superstitious reader that it would be impossible to pursue the attribution of individual responsibility for technical mistakes extending over not more than a decade and a half | There are references in the report to show that important

would have thrown light even on the problems they have dealt with in spite of the bandicap. These records had gone beyond recall. But what has happened to the records existing flesh and blood? Have they all joined in the majority? No, the ipse dixit cannot be allowed go unchallenged. The plea appears to us to to be too crude for acceptance. The Committee dared not assert that they were specifically precluded by their Terms of Reference from taking up this important, though from the official point of view perhaps highly delicate, question. In support of this deliberate omission they advance an excuse which on the face of it is flimsy and realising this flimsy character they buttress, the excuse by saying : "But, apart from this, we think that consideration of what is to be done now is of more importance in the public interest, in order that mistakes may be avoided in the future." It is always a very weak case in which the 'better' makes the 'good' its enemy and kills it. In this case 'the more important' is made to become the enemy of 'the important' and to kill it. The important question of indiresponsibility cannot be allowed to vidual be brushed aside in this cavalier fashion.

How to avoid future 'mistakes' of the kind which led to the tragedy of July 17, 1937, is undoubtedly an important question; but it is no less important that the perpetrators of these 'mistakes' should also be discovered with a view to finding out whether there was anything wrong or abnormally deficient in the human factor placed behind the system or procedure which produced the dire consequences of the loss of 107 persons and injuries to a number of others and which the Committee set out to improve or correct. The decision to omit from the scope of the enquiry the possibly inconvenient question of individual responsibility could not, we think, have been taken without the acquiescence, tacit or otherwise, of the Railway Department of the Government of India. There are various cir. cumstances which may make a searching enquiry a delicate affair, e.g., the man concerned may be a persona grata with high officials; he may have been allowed to leave the country in advance of the inquiry as happened with Mr. D. M. S. Robertson in connection with Bihta enquiry; he may have been removed from the sphere of original trouble by transfer on promotion (we seem to remember having heard that such a case occurred some time during the closing years of the last century and was perhaps known as the Pennell case); he may have been allowed to stay on after his time on the plea that the man who was connected with the shortcomings of the original design was the person best fitted to implement the recommendations of the Pacific Locomotive Committee. The delicacy may also arise out of any factor records were found missing or destroyed which outside those given above as mere examples. If THE SERVANT OF INDIA

immediately on their arrival in India the Committee had first gone to Simla to discuss preliminaries with responsible officials, then one could deduce that the decision was taken there. They, however, do not appear to have done so; as it happens, the very next day after their arrival in India they proceeded on their tour straight to Perambur (Madras) in the far South. The only inference then is that the decision was taken before they started on their tour of investigation in India.

We are not sure whether the decision of the Committee was taken when the Chief Commissioner for Indian Railways was in England, or whether it was taken as an after-thought as a result of their visit to Simla towards the end of the Committee's tour. Not taking a verbatim record of "the proceedings of the 36 meetings and of the many other discussions which we held " in India and making instead "agreed" notes of all important statements and not publishing even these "agreed" notes support both the alternatives equally well, and no clear deduction could be drawn as to when the decision was taken to omit from the scope of their investigation the question of individual responsibility. No doubt in paragraph 3 of their report the Committee say : "The limited time available and the circumstances of the investigation made it impossible to record verbatim the proceedings of the 36 meetings and of the many other discussions which we held; but so far as was practicable, agreed notes were made of all important statements. No evidence was heard in public." Who fixed this limit? Certainly not the Terms of Reference. The presumption then is that the limit was fixed by the Committee themselves, and that they worked to a schedule fixed before they were due to start from England. We are thus inevitably led to the conclusion that the decision to burke the issue authoritatively taken long prior to the was Committee leaving the shores of England. We find in the report innumerable traces of the Committee's anxiety to avoid coming within any measurable distance of the question of individual The most suspicious part of it responsibility. all is the fact that throughout the report and its appendices all mention of proper names (except of course the names of the members of the Committee and their own staff!) has been studiously omitted. The omission refers not only to the names of the persons who were responsible for the preliminary design, but extends also

(i) to the name of the individual partner of the firm of Consulting Engineers who paid a special visit to India from November 1924 to February 1925 in connection with the design (we find that the Indian Railway Administration report for 1924-25 gives the name of this partner as Sir Seymour Tritton);

t.

- (ii) to the name of the individual representative of the Railway Board specially sent to England;
- (iii) to the name of the individual member of the Railway Board who, though writing on behalf of the Board, writes in his communications with England in tha first personal pronoun I;
- (iv) to the name of the corporate firm of Consulting Engineers to the Government of India (here also we notice that, in an Associated Press message of January 30, 1929, relating to the Government of India's Rupee Purchase policy, the name of the firm was given as Rendel, Palmer and Tritton);
- (v) to the name of the corporate firm of Consulting Engineers to the Railway Cos.;
- (vi) to the name of the corporate firm of Builders.

arrived in When \mathbf{the} Committee Bombay, it boosted to the Press and through it to the world the international character of its personnel. The Committee evidently did not desire to make these names internationally known. We feel sure if there was anything good to be said about these names, they would not have missed the golden opportunity of blazoning them forth to all the ends of the world. Sufficient, however, has been warrant said to the presumption that the whole procedure is, to say the least, highly suspicious. This is how we recommendation of Sir find implemented the John Thom that the inquiry should be "thorough, searching and independent." Тье inevitable conclusion is that so far as the aspect of individual responsibility is concerned, the inquiry lacks completely any trace of the virtues of its being 'thorough' and 'searching;' while, as regards the third virtue stipulated by Sir John Thom, a deliberate concealment of the identity of the persons concerned is certainly not calculated to inspire confidence in the Committee's independence.

Aeview

THE LIFE OF LALA HARKISHEN LAL

THE REBEL MINISTER. THE STORY OF THE. RISE & FALL OF LALA HARKISHEN LAL. By K, L. GAUBA. (Premier Publishing House, Lahore.) 1938. 18cm, 241p, Rs. 3.

THERE are few stranger episodes in contemporary history than the fate of Lala Harkishen Lal, the first Hindu Minister of the Punjab under the Montford Constitution. Lalaji was a remarkable person and he rose from the proverbial 'log cabin to White House.' He was not born with a silver cigar in his mouth. Having lost his father at an early age he had to throw himself under the-

[AUGUST 10, 1939

AUGUST 10, 1939]

protection of his uncle who put him to school. The brilliance and diligence which he displayed in school and college easily enabled him to obtain an English University scholarship. After completing his education in England, he returned to the Punjab to take a leading part in the public life of the Province. He started his political life as a Congressman, but when the Montford Constitution was set in motion, Laleji was at the wheel as the Hindu Minister in the Mian Fazal Hussain Ministry. It was known that Lalaji took a leading part in the policy and programme of the Fazal Hussain Ministry and to his wisdom the Governor of the Province attributed what little success Dyarchy had achieved in that Province.

Lalaji's interest in politics was only secondary. Business was his first and foremost love. Though a Mathematics graduate, he had displayed while at college a great interest in economics and had read, marked and inwardly digested many a book on economics. After his return to the Punjab he started several financial ventures which were at one time so prosperous that he came to be known as the "Napoleon of Finance." But unfortunately like Napoleon, many of the ventures collapsed and the one-time multi-millionaire be-came a penniless bankrupt! He was even sent to prison for showing contempt to the court.

Such, in brief, is the career of the 'Financial Lion of the Punjab.' Few will deny that Lala Harkishen Lal was ambitious, passionate, arbitrary and intolerant. Few will also deny that Lalaji's record in running business firms was not clean. Many will agree that Lalaji was guilty of contempt of court, though the Judges' sentence of imprisonment till he apologised was felt to be severe. For those who knew Lalaji's temperament knew full well that he was not going to apologise, and that meant a life sentence.

Public opinion has regarded Lalaji as a man of parts as well as a man of faults. His son, Gauba, famous as the author of Uncle Sam, has made a courageous attempt in this book to vin-dicate the reputation of his father, but after going through the book carefully we are inclined to the view that he has not succeeded in reversing the verdict of public opinion. His treatment is a great deal too much like white washing his father's faults. On the whole, though we find much lively reading and some good things in this volume, it is not sufficiently serious or candid. It is too full of gibes and mockery where Lalaji's opponents are concerned and it does not impress the reader with the fairness of its narrative.

M. V. SUBRAHMANYAM.

SHORT NOTICE

MANGALORE, A FASCINATING VISION OF WEST COAST LOVELINESS. (Basel Mission Press.) 22cm. 131p.

THIS little book makes it possible for readers to learn much of interest about Mangalore. The book is a miniature geography, history and 'who's who' of this too little known district. The combined effect of the pictures and vivid desoriptions fulfils the object of the book, which is to attract the attention of travellers to this land of scenic beauty and modern comfort.

interests and many faiths. The city is developing along modern lines. This book is one evidence that its public-spirited citizens are proud of their city. All this seems to point to a bright future for Mangalore, for it has the advantages of many gifts which only nature can bestow, and when these are used to the best advantage by its leaders and people, the results are sure to be gratifying.

The Foreword by Hon. Dr. P. Subbarayan, and the poetic appreciation by Kamala Devi add much to the book. The Basel Mission Press is to be commended for presenting so attractive and interesting a volume.

 $\mathbf{M}. \ \mathbf{C}. \ \mathbf{R} \mathbf{A} \mathbf{O}$

Miscellaneous.

LAND REVENUE REFORM IN BOMBAY

MR. PARULEKAR'S DISSENTING MINUTE.

The following is the minute of dissent appended by Mr. S. V. Parulekar, M. L. A., to the Report of the Select Committee of the Bombay' Legislative Assembly on the Bombay Land Revenue Code (Amendment) Bill,

HIS Bill seeks to do nothing beyond putting the principles which have governed the Land

Revenue system in this province during the last three quarters of a century on a statutory basis. The only important redeeming feature of the Bill is that it fixes the maximum pitch of assessment at 35 per cent. of the rental value. The application of this principle will result in reduction of the burden of land revenue in a few parts of the province where it is unduly high. But the Bill is incapable of eradicating the evils which are inherent in the system since the principles underlying it are in no way affected. That the system was the subject-matter of universal condemnation during the last fifty years is an irrefutable proof of the fact that the system has inherent defects and that they are of a serious character. By putting the principles on a statutory basis the Bill perpetuates them.

That the rental value of land should form the basis for assessing land revenue is the fundamental principle of the Bill. This principle will inevitably result in disastrous consequences to the poor strata of the peasantry. In the absence of industrial development of the country, the pressure of population on land is incessantly and rapidly increasing. Rents increase with the pressure of population. Land revenue will increase with the increase in rents. The prosperity of the State increases with the increase in land revenue. To make the rental value of land the basis of the revenue system is, therefore, to base the prosperity of the State on the accentuation of the miserable state of the peasantry,

The most enthusiastic champion of these princi-Mangalore is described as a cosmopolitan ples will find it difficult to deny that these city which is the meeting place of people of many principles have been responsible for inequitable 400

distribution of the burden of Land Revenue. It would be wrong on the part of any responsible Government lightly to ignore the defects or not to take the opportunity to remove them when framing legislation for assessing land revenue. It was the inequitable distribution of this burden which made the system liable, more than any other evil, to severe denunciation. The total burden on land in itself is not crushing. It has become unbearable because it is inequitably distributed. The average gross value of the crops grown in the Bombay Presidency, excluding Sind, is not less than Rs. 120 crores. Land revenue works out at 3 per cent. of the gross produce. If it is calculated on the basis of cropped area, the incidence of land revenue is Rs. 1-0-6 per acre. In comparison to other burdens on the peasantry one cannot escape the conclusion that the total burden of land revenue in the province is comparatively light. The peasants pay annually Rs. 20 crores to the money-lenders as interest on their debts. The tenants, who occupy a more unfortunate place in the economic ladder, pay roughly Rs. 20 crores annually to the landlords as rent. Any piece of new legislation dealing with land revenue must devise ways of distributing the burden of land revenue in an equitable way. Unless it succeeds in doing that, the woes of the poor peasantry will never come to an end. The Bill does not even attempt to do this.

It is the contention of Government that it is not possible to overhaul the land revenue system by adopting new principles since Government cannot afford to lose any considerable part of land revenue. Let us concede for the sake of argument that the demand of the Government for three crores of rupees from the peasants of the province cannot be further reduced. The real problem, therefore, is whether it is possible so to distribute the burden of three crores of rupees as to give relief to the vast strata of peasantry which are today groaning under its crushing burden. I submit that this problem can be satisfactorily solved. It is possible to secure equitable distribution of the burden if the land revenue system is based on the following three principles:

(1) The State should levy only a nominal tax on all uneconomic holdings of 5 acres and less;

(2) the land revenue should be steeply graded; and (3) the basis for graduation should be the extent of area and the quality of land and the crops grown.

The ownership of land should vest in the community. The State which is supposed to represent the community must have the right to levy nominal tax on all holdings as an indication of its proprietory rights over all land as such. All taxes must be graded. A tax which

is not graded is unjust since it distributes its burden inequitably. The capacity of a peasant to bear the burden of land revenue increases with the increase in the extent of his holding. A tax which bears no relation to the capacity of the tax-payer to pay is not just. Assuming that the value of the gross produce from an acre of land is Rs. 35, the value of the produce from two acres of land would be Rs. 70. A peasant with two acres of land to cultivate, therefore, ought to pay land revenue at a higher rate than one with only an acre at his disposal. The proposition that the holders of irrigated land and land in which profitable money-crops are grown ought to pay a special tax needs no argument in its support.

The principal objection to the introduction of radical alterations in the existing land revenue system of Bombay is that such a course will result in a loss of revenue to the State which it can ill afford to bear. The scheme of assessing land revenue on sound principles suggested by me below will show that the above objection can be adequately met. My scheme has the advantage of exempting, for all practical purposes, the uneconomic holdings from the burden of revenue and distributing the burden in an equitable manner without reducing the income of the State.

I give below in a tabular form a rough outline of the scheme only to indicate that there is a sound basis on which land revenue can be assessed in conformity with the fundamental principles of taxation.

Holdings	No. of scres (Khalsa)	Rate of Land Revenue	Total Land Revenue	í
7	1 20 200 11		Rs. d.	4
Up to 5 acres	11,28,732 (No. of Holders)	Annas 4 per holding.	2,82,183 0	-
Over 5 and up to 15 acres	52,15,722 acres	Annas 8 per acre	26,07,861 0	_
25 acres	41,44,209 aores	Annas 12 per acre	31,08,156 12	•
IOU BOYER 20 BUT UP TO	80,02,769 acres	Re. 1 per acre	80,02,769 0	-
Over 100 and up to 500 acres Over 500 acres	27,45,127 acres 6,27,037 acres	Rs. 2 per acre Rs. 4 per acre	54,90,254 0 25,08,148 0	
			2,19,99,371 12	~
	No. of acres	Rate of additional Land Revenue	Additional Land Revenue	10
Irrigated Land Sugar-cane Tobacco	11,06,000 84,000 34,5,000 37,14,000	Rs. 3 per acre Ks. 3 rer acre Rs. 3 per acre Rs. 2 per acre	Rs. 33,18,000 2,52,000 4,35,000 74,28,000	
			1,14,33,000	ļ

Printed and Published by Mr. Vithal Hari Barve at the Aryabhushan Press, 915/1 Bhamburda Peth, Poona City, and Edited by Mr. S. G. Vaze, at the "Servant of India "Office, Servants of India Society's Home, Poona 4.